

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Budget Work Session
April 11, 2023
Meeting – 7:00 p.m.
Whitted Meeting Room
300 West Tryon Street
Hillsborough, NC 27278

- (7:00 – 10:00) 1. Discussion of Manager’s Recommended FY 2023-33 Capital Investment Plan (CIP)

Orange County Board of Commissioners’ meetings and work sessions are available via live streaming video at orangecountync.gov/967/Meeting-Videos and Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: April 11, 2023

**Action Agenda
Item No. 1**

SUBJECT: Discussion of Manager's Recommended FY 2023-33 Capital Investment Plan (CIP)

DEPARTMENT: County Manager

ATTACHMENT(S):

Attachment A: Overall CIP Summary, County CIP Projects Summary, and Proprietary CIP Projects Summary

INFORMATION CONTACT:

Bonnie Hammersley, (919) 245-2300
Travis Myren, (919) 245-2308
Kirk Vaughn, (919) 245-2153

Previously Provided Under Separate Cover – Also Available Online:

*Manager Recommended FY2023-33
County Capital Investment Plan*

<https://www.orangecountync.gov/budget>

PURPOSE: To discuss the Manager's Recommended FY 2023-33 Capital Investment Plan.

BACKGROUND: Each year, the County produces a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County and Schools. The 10-Year CIP is evaluated annually to include year-to-year changes in priorities, needs, and available resources. Approval of the CIP commits the County to the first year funding only of the capital projects; all other years are used as a planning tool and serves as a financial plan

Capital Investment Plan – Overview

The FY 2023-33 CIP includes County Projects, School Projects, and Proprietary Projects. The School Projects include Chapel Hill-Carrboro City Schools, Orange County Schools, and Durham Technical Community College – Orange County Campus projects. The Proprietary Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects.

The CIP has been prepared anticipating moderate economic growth of approximately 2% in property tax growth and 4% in sales tax growth annually over the next ten years. The CIP will rely substantially on debt financing to fund the projects and these required debt amounts are fully integrated in the County's Long-Term Debt Model (page 25 provides a bar chart of the ten year funding plan).

The meeting discussion will focus on County and Proprietary CIP projects. Note: Page numbers are referenced below as they appear in the CIP document. See Attachment A for the Overall

CIP Summary (page 21), County CIP Projects Summary (page 33), and the Proprietary CIP Summaries (page 26). Discussion of the Schools CIP projects is scheduled for the May 12, 2022 Budget Work Session. The Orange County Campus - Durham Technical Community College new academic building project will also be discussed at the May 11, 2023 meeting.

Discussion at this meeting will also be directed to the Debt Service and Debt Capacity – General Fund (page 161), the Water and Sewer Debt Service requirements paid with Article 46 Quarter Cent Sales Tax proceeds (page 162), and Debt Service requirements for Solid Waste (page 163) and Sportsplex (page 164).

FINANCIAL IMPACT: There is no immediate financial impact associated with discussion of the FY 2023-33 Capital Investment Plan. It is a long-range financial planning tool with a financial impact in FY 2023-24, if the first year of the CIP is approved by the Board of County Commissioners with the adoption of the Annual Budget.

SOCIAL JUSTICE IMPACT: There is no Orange County Social Justice Goal impact associated with discussion of this item.

ENVIRONMENTAL IMPACT: There are no Orange County Environmental Responsibility Goal impacts associated with discussion of this item.

RECOMMENDATION(S): The Manager recommends the Board review and discuss the Manager's Recommended FY 2023-33 Capital Investment Plan and provide direction to staff.

Orange County Capital Investment Plan - Plan Summary - RECOMMEND
Fiscal Years 2023-33

Appropriations	Current Fiscal Year 2022-23	Year 1 Fiscal Year 2023-24	Year 2 Fiscal Year 2024-25	Year 3 Fiscal Year 2025-26	Year 4 Fiscal Year 2026-27	Year 5 Fiscal Year 2027-28	Year 6 Fiscal Year 2028-29	Year 7 Fiscal Year 2029-30	Year 8 Fiscal Year 2030-31	Year 9 Fiscal Year 2031-32	Year 10 Fiscal Year 2032-33	Ten Year Total
County	10,859,993	23,888,432	41,291,487	19,325,710	22,042,204	28,356,285	28,007,134	28,514,342	18,726,197	17,141,508	6,481,344	233,774,643
Proprietary												
Solid Waste	722,363	2,556,025	3,222,677	2,595,347	2,668,894	979,772	527,227	2,328,480	763,954	2,169,854	3,171,492	20,983,722
Sportsplex	520,000	1,000,000	1,125,000	890,000	380,000	230,000	155,000	230,000	105,000	300,000	156,000	4,571,000
Water & Sewer Utilities			432,500									432,500
Proprietary Total	1,242,363	3,556,025	4,780,177	3,485,347	3,048,894	1,209,772	682,227	2,558,480	868,954	2,469,854	3,327,492	25,987,222
School												
Bond Referendum				5,000,000	40,000,000		45,000,000		40,000,000			130,000,000
Chapel Hill-Carrboro City Schools	18,088,811	10,755,141	15,973,652	16,720,236	7,220,942	7,385,202	8,193,383	8,678,089	7,907,026	8,357,508	8,280,712	99,471,891
Orange County Schools	9,925,349	4,737,102	15,972,330	4,951,781	5,063,749	5,178,937	5,297,449	5,419,390	5,544,873	5,674,010	5,806,922	63,646,543
Durham Tech Community College	500,000	10,500,000										10,500,000
School Total	28,514,160	25,992,243	31,945,982	26,672,017	52,284,691	12,564,139	58,490,832	14,097,479	53,451,899	14,031,518	14,087,634	303,618,434
Appropriations Total	40,616,516	53,436,700	78,017,646	49,483,074	77,375,789	42,130,196	87,180,193	45,170,301	73,047,050	33,642,880	23,896,470	563,380,299
Revenues/Funding Sources												
Article 46 Sales Tax Proceeds	2,343,100	2,766,048	3,289,410	2,971,187	3,142,555	4,025,729	3,609,234	3,532,714	3,682,276	3,978,557	4,153,202	35,150,912
Contributions from Other Infrastructure Partners	62,500					237,550	3,845,600	15,000	98,000			4,196,150
Debt Financing	8,226,977	19,031,260	38,698,602	14,332,507	15,351,686	22,147,282	18,870,933	22,842,433	15,021,827	12,717,449	2,458,954	181,472,933
Debt Financing - Bond Proceeds				5,000,000	40,000,000		45,000,000		40,000,000			130,000,000
Debt Financing - Durham Tech	500,000	10,500,000										10,500,000
Debt Financing - School Improvements	22,252,666	8,642,860	24,626,718	13,998,476	4,192,302	4,048,148	4,545,295	4,719,254	3,634,639	3,769,662	3,375,398	75,552,752
Debt Financing - Solid Waste		1,495,002	2,373,596	1,371,119	1,761,745			1,055,490		1,092,486	2,374,906	11,524,344
Debt Financing - Sportsplex	520,000	900,000	1,070,000	765,000	375,000	180,000	25,000	230,000	50,000	175,000		3,770,000
Grant Funding	833,382	100,000	494,094	781,117	1,207,732	750,000	348,899	750,000	250,000	750,000	250,000	5,681,842
Lottery Proceeds	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	1,402,354	14,023,540
NCDEQ Reimbursement Fund		3,000,000										3,000,000
Partner Funding - County Capital	9,000	9,000	9,000	1,913,086	2,954,086	1,754,086	1,754,086	1,754,086	9,000	9,000	9,000	10,174,430
Register of Deeds Fees	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	800,000
Solid Waste Funds	722,363	1,061,023	849,081	1,224,228	907,149	979,772	527,227	1,272,990	763,954	1,077,368	796,586	9,459,378
Sportsplex Funds		100,000	55,000	125,000	5,000	50,000	130,000		55,000	125,000	156,000	801,000
Transfer from General Fund	3,664,174	4,349,153	5,069,791	5,519,000	5,996,180	6,475,275	7,041,565	7,515,980	8,000,000	8,466,004	8,840,070	67,273,018
Revenues/Funding Sources Total	40,616,516	53,436,700	78,017,646	49,483,074	77,375,789	42,130,196	87,180,193	45,170,301	73,047,050	33,642,880	23,896,470	563,380,299

Sustainability Projects	56,000	312,000	275,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,587,000
Upper Eno Nature Preserve					438,000							438,000
Vehicle Replacements	1,096,671	1,790,130	1,519,600	1,395,701	1,534,136	673,901	1,051,279	612,873	517,140	604,777	356,286	10,055,823
Vehicle Replacements - OCPT Grant Funded Bus Replacements			305,118	38,896	572,165		123,624					1,039,803
Veterans Memorial	5,984	25,000										25,000
VIPER Radio Tower Construction				5,816,953	5,816,953	5,816,953	5,816,953	5,816,953				29,084,765
Whitted Building Campus	345,000											
Appropriations Total	10,859,993	23,888,432	41,291,487	19,325,710	22,042,204	28,356,285	28,007,134	28,514,342	18,726,197	17,141,508	6,481,344	233,774,643
Revenues/Funding Sources												
Article 46 Sales Tax Proceeds	242,000	19,019			52,520	812,092	267,051	56,843	67,370	219,055	243,320	1,737,270
Contributions from Other Infrastructure Partners	62,500					237,550	3,845,600	15,000	98,000			4,196,150
Debt Financing	8,226,977	19,031,260	38,698,602	14,332,507	15,351,686	22,147,282	18,870,933	22,842,433	15,021,827	12,717,449	2,458,954	181,472,933
Grant Funding	833,382	100,000	494,094	781,117	1,207,732	750,000	348,899	750,000	250,000	750,000	250,000	5,681,842
NCDEQ Reimbursement Fund		3,000,000										3,000,000
Partner Funding - County Capital	9,000	9,000	9,000	1,913,086	2,954,086	1,754,086	1,754,086	1,754,086	9,000	9,000	9,000	10,174,430
Register of Deeds Fees	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	800,000
Transfer from General Fund	1,406,134	1,649,153	2,009,791	2,219,000	2,396,180	2,575,275	2,840,565	3,015,980	3,200,000	3,366,004	3,440,070	26,712,018
Revenues/Funding Sources Total	10,859,993	23,888,432	41,291,487	19,325,710	22,042,204	28,356,285	28,007,134	28,514,342	18,726,197	17,141,508	6,481,344	233,774,643

Proprietary Projects Summary - RECOMMEND
Fiscal Years 2023-33

Appropriations	Current Fiscal Year 2022-23	Year 1 Fiscal Year 2023-24	Year 2 Fiscal Year 2024-25	Year 3 Fiscal Year 2025-26	Year 4 Fiscal Year 2026-27	Year 5 Fiscal Year 2027-28	Year 6 Fiscal Year 2028-29	Year 7 Fiscal Year 2029-30	Year 8 Fiscal Year 2030-31	Year 9 Fiscal Year 2031-32	Year 10 Fiscal Year 2032-33	Ten Year Total
Solid Waste												
Consolidated Neighborhood Waste & Recycling Center		435,781	1,520,427									1,956,208
Solid Waste Vehicle & Equipment Replacements	722,363	2,120,244	1,702,250	2,595,347	2,668,894	979,772	527,227	2,328,480	763,954	2,169,854	3,171,492	19,027,514
Solid Waste Total	722,363	2,556,025	3,222,677	2,595,347	2,668,894	979,772	527,227	2,328,480	763,954	2,169,854	3,171,492	20,983,722
Sportsplex												
Sportsplex - Facilities Maintenance/Replacement	135,000	100,000	45,000	130,000	300,000	180,000		140,000	50,000	150,000		1,095,000
Sportsplex - Fitness		100,000		125,000			125,000			125,000		475,000
Sportsplex - Ice Rink		800,000		35,000				40,000				875,000
Sportsplex - Kidsplex			55,000		5,000	50,000	5,000		55,000		6,000	176,000
Sportsplex - New Facilities			1,000,000									1,000,000
Sportsplex - Pool	385,000		25,000	600,000	75,000		25,000	50,000		25,000	150,000	950,000
Sportsplex Total	520,000	1,000,000	1,125,000	890,000	380,000	230,000	155,000	230,000	105,000	300,000	156,000	4,571,000
Water & Sewer Utilities												
City of Mebane, 12-inch Public Water Line Extension Along West Ten Road and Bowman Road			432,500									432,500
Water & Sewer Utilities Total			432,500									432,500
Appropriations Total	1,242,363	3,556,025	4,780,177	3,485,347	3,048,894	1,209,772	682,227	2,558,480	868,954	2,469,854	3,327,492	25,987,222
Revenues/Funding Sources												
Article 46 Sales Tax Proceeds			432,500									432,500
Debt Financing - Solid Waste		1,495,002	2,373,596	1,371,119	1,761,745			1,055,490		1,092,486	2,374,906	11,524,344
Debt Financing - Sportsplex	520,000	900,000	1,070,000	765,000	375,000	180,000	25,000	230,000	50,000	175,000		3,770,000
Solid Waste Funds	722,363	1,061,023	849,081	1,224,228	907,149	979,772	527,227	1,272,990	763,954	1,077,368	796,586	9,459,378
Sportsplex Funds		100,000	55,000	125,000	5,000	50,000	130,000		55,000	125,000	156,000	801,000
Revenues/Funding Sources Total	1,242,363	3,556,025	4,780,177	3,485,347	3,048,894	1,209,772	682,227	2,558,480	868,954	2,469,854	3,327,492	25,987,222