

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Budget Work Session

April 12, 2022

Meeting – 7:00 p.m.

Whitted Meeting Room

300 West Tryon Street

Hillsborough, NC 27278

The Board of Commissioners is conducting an In-Person Budget Work Session on April 12, 2022. Members of the Board of Commissioners will be in-person in the Whitted Meeting Room, and the public is invited to attend the meeting. There will not be an opportunity for members of the public to speak as the Board does not receive public comments during work sessions. Members of the public may provide written comments by submitting them to the ocboce@orangecountync.gov email address. As in prior meetings, members of the public will be able to view and listen to the meeting via live streaming video at orangecountync.gov/967/Meeting-Videos and on Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

- (7:00 – 10:00) 1. Discussion of Manager’s Recommended FY 2022-32 Capital Investment Plan (CIP)

Orange County Board of Commissioners’ regular 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 12, 2022

**Action Agenda
Item No. 1**

SUBJECT: Discussion of Manager's Recommended FY 2022-32 Capital Investment Plan (CIP)

DEPARTMENT: County Manager and
Finance and Administrative Services

ATTACHMENT(S):

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

INFORMATION CONTACT:

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***Previously Provided Under Separate
Cover – Also Available Online:***

*Manager Recommended FY2022-32
County Capital Investment Plan*

[http://www.co.orange.nc.us/Archive.aspx?
AMID=60](http://www.co.orange.nc.us/Archive.aspx?AMID=60)

PURPOSE: To discuss the Manager's Recommended FY 2022-32 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 CIP has been enhanced to provide specific enumeration of project funding in years 6-10 as well. 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 2022-32 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 24 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 20), County CIP Projects Summary (page 32), and the Proprietary CIP Summaries (page 25). 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 26, 2022 meeting.

Discussion at this meeting will also be directed to the Debt Service and Debt Capacity – General Fund (page 133), the Water and Sewer Debt Service requirements paid with Article 46 Quarter Cent Sales Tax proceeds (page 134), and Debt Service requirements for Solid Waste (page 135) and Sportsplex (page 136).

FINANCIAL IMPACT: There is no immediate financial impact associated with discussion of the FY 2022-32 Capital Investment Plan. It is a long-range financial planning tool with a financial impact in FY 2022-23, 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 2022-32 Capital Investment Plan and provide direction to staff.

Orange County Capital Investment Plan - Plan Summary - RECOMMEND
Fiscal Years 2022-32

Appropriations	Current Fiscal Year 2021-22	Year 1 Fiscal Year 2022-23	Year 2 Fiscal Year 2023-24	Year 3 Fiscal Year 2024-25	Year 4 Fiscal Year 2025-26	Year 5 Fiscal Year 2026-27	Year 6 Fiscal Year 2027-28	Year 7 Fiscal Year 2028-29	Year 8 Fiscal Year 2029-30	Year 9 Fiscal Year 2030-31	Year 10 Fiscal Year 2031-32	Ten Year Total
County	19,867,450	10,872,009	16,620,121	8,860,610	10,905,521	17,758,433	7,777,446	16,779,310	16,815,653	8,305,104	14,915,720	129,609,927
Proprietary												
Solid Waste	3,136,311	722,363	2,216,757	3,095,077	2,057,822	2,120,692	776,001	440,423	1,434,803	528,976	2,022,097	15,415,011
Sportsplex	405,000	520,000	1,000,000	1,105,000	775,000	380,000	200,000	155,000	150,000	105,000	250,000	4,640,000
Water & Sewer Utilities	1,350,000			945,000								945,000
Proprietary Total	4,891,311	1,242,363	3,216,757	5,145,077	2,832,822	2,500,692	976,001	595,423	1,584,803	633,976	2,272,097	21,000,011
School												
Bond Referendum						45,000,000		45,000,000		40,000,000		130,000,000
Chapel Hill-Carrboro City Schools	8,318,268	18,306,236	29,091,764	6,702,749	6,811,093	6,922,701	7,037,683	7,156,151	7,278,223	7,404,020	7,533,668	104,244,288
Orange County Schools	19,186,596	9,707,923	15,035,593	4,401,872	4,473,024	4,546,320	4,621,832	4,699,633	4,779,801	4,862,415	4,947,558	62,075,971
Durham Tech Community College		500,000	10,500,000									11,000,000
School Total	27,504,864	28,514,159	54,627,357	11,104,621	11,284,117	56,469,021	11,659,515	56,855,784	12,058,024	52,266,435	12,481,226	307,320,259
Appropriations Total	52,263,625	40,628,531	74,464,235	25,110,308	25,022,460	76,728,146	20,412,962	74,230,517	30,458,480	61,205,515	29,669,043	457,930,197
Revenues/Funding Sources												
Article 46 Sales Tax Proceeds	2,160,288	2,343,099	2,185,143	2,272,549	2,363,450	2,457,989	2,556,309	2,658,561	2,764,903	2,875,499	2,990,519	25,468,021
Contributions from Other Infrastructure Partners	50,000	62,500					237,550	3,830,600	15,000	98,000		4,243,650
Debt Financing	17,425,027	8,199,977	11,531,968	6,044,234	8,197,171	14,224,948	5,006,411	9,629,597	14,267,168	5,173,619	12,282,235	94,557,328
Debt Financing - Article 46 Sales Tax	1,350,000			945,000								945,000
Debt Financing - Bond Proceeds	13,308,000					45,000,000		45,000,000		40,000,000		130,000,000
Debt Financing - Durham Tech		500,000	10,500,000									11,000,000
Debt Financing - School Improvements	10,774,222	23,310,706	39,039,860	5,629,718	5,418,313	5,508,678	5,600,852	5,694,869	5,790,767	5,888,582	5,988,353	107,870,698
Debt Financing - Solid Waste	2,540,307		971,106	2,321,279	1,246,472	1,336,426			615,258		1,092,486	7,583,027
Debt Financing - Sportsplex	405,000	520,000	900,000	1,050,000	650,000	375,000	150,000	25,000	150,000	50,000	125,000	3,995,000
Grant Funding	733,500	833,382	350,000	750,000	532,800	1,250,000	250,000	1,035,628	250,000	750,000	250,000	6,251,810
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		54,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	109,000	235,000
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
Sale of Fixed Asset	240,000											
Solid Waste Funds	356,004	722,363	1,245,651	773,798	811,350	784,266	776,001	440,423	819,545	528,976	929,611	7,831,984
Sportsplex Funds			100,000	55,000	125,000	5,000	50,000	130,000		55,000	125,000	645,000
Transfer from General Fund	840,496	2,600,150	3,149,153	3,777,376	4,186,550	4,294,485	4,294,485	4,294,485	4,294,485	4,294,485	4,294,485	39,480,139
Transfer from Other Funds	598,427											
Revenues/Funding Sources Total	52,263,625	40,628,531	74,464,235	25,110,308	25,022,460	76,728,146	20,412,962	74,230,517	30,458,480	61,205,515	29,669,043	457,930,197

County Capital Project Summary - RECOMMEND

Fiscal Years 2022-32

Appropriations	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Ten
	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28	Fiscal Year 2028-29	Fiscal Year 2029-30	Fiscal Year 2030-31	Fiscal Year 2031-32	Year Total
911 Computer Aided Dispatch (CAD) and Records Management System (RMS) Replacement				600,000								600,000
Bingham Park											475,075	475,075
Blackwood Farm Park	15,000	310,000	775,000	155,000						99,000		2,329,000
Cedar Grove Community Center			422,000									583,685
Cedar Grove Park, Phase II			522,500						95,052	950,523		1,568,075
Climate Change Mitigation Project	536,645	550,150	561,153	572,376	616,550	629,298	642,314	655,605	706,219	720,817	735,721	6,390,203
Communication System Improvements	160,308	210,000	220,500	231,525	243,101							905,126
Conservation Easements		1,000,000		1,000,000		1,000,000		1,000,000		1,000,000		5,000,000
Court Street Annex		160,000										160,000
Emergency Services Substations	2,600,000	410,000	3,600,000		300,000	3,600,000		900,000	4,100,000			12,910,000
Facility Accessibility, Safety and Security Improvements	368,200	1,240,435	566,304	1,656,988	34,676	75,600	729,658	747,716	250,726	148,128	628,182	6,078,413
Fairview Park Improvements			3,000,000			178,153	1,781,530					4,959,683
Generator Projects		240,000										240,000
Historic Courthouse Square - Building and Grounds Improvements	40,000				570,000							570,000
Hollow Rock Nature Park (New Hope Preserve)									30,000	196,000		226,000
HVAC Projects	540,000	109,000	673,800	226,200	1,241,000	248,400	50,000	65,000	197,000	293,000	913,000	4,016,400
Information Technologies Governance Council Initiatives	500,000		500,000		500,000		500,000		500,000		500,000	2,500,000
Information Technologies Infrastructure	1,164,000	1,281,556	644,990	698,868	910,102	877,000	897,000	907,000	917,000	927,000	937,000	8,997,516
Justice Facility Improvements		225,000										225,000
Lake Orange - Dam Rehabilitation	896,180	280,000	1,800,000	220,000	2,200,000							4,500,000
Lands Legacy Program	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000
Little River Park, Phase II	100,000	125,000						60,000				185,000
Main Branch Library Remodel									100,000	1,100,000		1,200,000
Major Plumbing Repairs					220,000	2,208,000						2,428,000
Millhouse Road Park							475,100	7,601,200				8,076,300
Mountains to Sea Trail	181,000		100,000					693,000				793,000
Neuse River (Falls Lake) Rules - Nutrient Management	175,000	175,000	175,000	175,000	175,000	175,000						875,000
Northeast District Park											415,690	415,690
OCTS Maintenance Shop		61,502										61,502
Orange County Radio/Paging Systems Upgrade		440,195	768,000	768,000	768,000	768,000						3,512,195
Orange County Southern Branch Library	8,681,605											
Parking Lot Improvements	30,000	15,000	30,000	15,000	30,000	30,000	30,000	30,000	30,000	180,000	1,530,000	1,920,000
Parks and Recreation Facility Renovations, Repairs, and Safety Improvements	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	1,800,000
Passmore Center Renovation											175,000	175,000
Phillip Nick Waters Building Remediation	685,193											
Phillip Nick Waters Building Remediation Phase 2	213,851	550,000										550,000
Piedmont Food Processing Center - Building Improvements	140,000	242,000										242,000
Register of Deeds Automation	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	800,000
Roofing and Building Façade Projects	98,700	671,500	107,000	55,000	60,000	71,300	153,940	1,202,250	412,500	88,500	388,125	3,210,115
Soccer.com Soccer Center, Phase II					430,000	5,344,600						5,774,600
Southern Orange Campus Expansion										300,000	5,185,000	5,485,000
Sustainability Projects	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000
Twin Creeks Park and Educational Campus, Phase II								440,000	7,560,000			8,000,000
Upper Eno Nature Preserve						438,000						438,000
Vehicle Replacements	1,333,341	1,420,671	1,343,874	1,676,653	1,797,092	1,305,082	1,707,904	1,667,539	1,107,156	1,492,136	1,071,242	14,589,349
West Campus Office Building Renovation	598,427											
Whitted Building Campus		345,000										345,000
Appropriations Total	19,867,450	10,872,009	16,620,121	8,860,610	10,905,521	17,758,433	7,777,446	16,779,310	16,815,653	8,305,104	14,915,720	129,609,927

Revenues/Funding Sources												
Article 46 Sales Tax Proceeds	140,000	242,000										242,000
Contributions from Other Infrastructure Partners	50,000	62,500					237,550	3,830,600	15,000	98,000		4,243,650
Debt Financing	17,425,027	8,199,977	11,531,968	6,044,234	8,197,171	14,224,948	5,006,411	9,629,597	14,267,168	5,173,619	12,282,235	94,557,328
Grant Funding	733,500	833,382	350,000	750,000	532,800	1,250,000	250,000	1,035,628	250,000	750,000	250,000	6,251,810
NCDEQ Reimbursement Fund			3,000,000									3,000,000
Partner Funding - County Capital		54,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	109,000	235,000
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	840,496	1,400,150	1,649,153	1,977,376	2,086,550	2,194,485	2,194,485	2,194,485	2,194,485	2,194,485	2,194,485	20,280,139
Transfer from Other Funds	598,427											
Revenues/Funding Sources Total	19,867,450	10,872,009	16,620,121	8,860,610	10,905,521	17,758,433	7,777,446	16,779,310	16,815,653	8,305,104	14,915,720	129,609,927

Proprietary Projects Summary - RECOMMEND
Fiscal Years 2022-32

	Current Fiscal Year 2021-22	Year 1 Fiscal Year 2022-23	Year 2 Fiscal Year 2023-24	Year 3 Fiscal Year 2024-25	Year 4 Fiscal Year 2025-26	Year 5 Fiscal Year 2026-27	Year 6 Fiscal Year 2027-28	Year 7 Fiscal Year 2028-29	Year 8 Fiscal Year 2029-30	Year 9 Fiscal Year 2030-31	Year 10 Fiscal Year 2031-32	Ten Year Total
Appropriations												
Water & Sewer Utilities												
Buckhorn-Mebane EDD Phase 3 Sewer	1,235,000											
Buckhorn-Mebane EDD Potential Investment Area	115,000			945,000								945,000
Water & Sewer Utilities Total	1,350,000			945,000								945,000
Solid Waste												
C&D Landfill & Ordinance Area – Vehicle and Equipment Replacement	1,448,997											
Consolidated Neighborhood Waste & Recycling Center			435,781	1,382,206								1,817,987
Construction & Demolition Landfill Expansion - Phase 2	886,000											
Recycling Operations – Vehicle and Equipment Replacement	801,314											
Solid Waste Vehicle & Equipment Replacements		722,363	1,780,976	1,712,871	2,057,822	2,120,692	776,001	440,423	1,434,803	528,976	2,022,097	13,597,024
Solid Waste Total	3,136,311	722,363	2,216,757	3,095,077	2,057,822	2,120,692	776,001	440,423	1,434,803	528,976	2,022,097	15,415,011
Sportsplex												
Sportsplex - Facilities Maintenance/Replacement	300,000	135,000	100,000	25,000	100,000	300,000	150,000		100,000	50,000	100,000	1,060,000
Sportsplex - Fitness			100,000		125,000			125,000			125,000	475,000
Sportsplex - Ice Rink			800,000									800,000
Sportsplex - Kidsplex	105,000			55,000		5,000	50,000	5,000		55,000		170,000
Sportsplex - New Facilities				1,000,000								1,000,000
Sportsplex - Pool		385,000		25,000	550,000	75,000		25,000	50,000		25,000	1,135,000
Sportsplex Total	405,000	520,000	1,000,000	1,105,000	775,000	380,000	200,000	155,000	150,000	105,000	250,000	4,640,000
Appropriations Total	4,891,311	1,242,363	3,216,757	5,145,077	2,832,822	2,500,692	976,001	595,423	1,584,803	633,976	2,272,097	21,000,011
Revenues/Funding Sources												
Debt Financing - Article 46 Sales Tax	1,350,000			945,000								945,000
Debt Financing - Solid Waste	2,540,307		971,106	2,321,279	1,246,472	1,336,426		615,258		1,092,486		7,583,027
Debt Financing - Sportsplex	405,000	520,000	900,000	1,050,000	650,000	375,000	150,000	25,000	150,000	50,000	125,000	3,995,000
Sale of Fixed Asset	240,000											
Solid Waste Funds	356,004	722,363	1,245,651	773,798	811,350	784,266	776,001	440,423	819,545	528,976	929,611	7,831,984
Sportsplex Funds			100,000	55,000	125,000	5,000	50,000	130,000		55,000	125,000	645,000
Revenues/Funding Sources Total	4,891,311	1,242,363	3,216,757	5,145,077	2,832,822	2,500,692	976,001	595,423	1,584,803	633,976	2,272,097	21,000,011