
CAPITAL PROGRAM HIGHLIGHTS

The adopted Capital Improvement Program (CIP) for FY 00-05 totals \$619 million.

The most significant capital program issues include the following:

- ◆ Implementation of “all years” budgeting for capital projects in FY 99. This technique is frequently used to account for funds that may carry over from one fiscal year to the next for a defined purpose such as a capital project. All years budgeting within the capital budget means that once the Board commits funds to a capital project, those funds will remain in that project until the project is completed, regardless of how many fiscal years the project may last. The unspent funds will no longer show up in the fund balance reported in the budget at the beginning of each year or in the capital budget in future years. Once a project is completed, unspent funds will become available again for appropriation. Previously, unspent funds were estimated in fund balance and rebudgeted in subsequent years. Rebudgeting the same funds year after year overstates the impact of the budget on the community since the funds will only be spent once. A reader examining the sources and uses schedules for this budget will see both a reduction in fund balance (a source) in both FY 00 and FY 01 from earlier levels, as well as a reduction in the capital budget (a use). With this new practice reflected in the budget, County residents and others who examine the budget should better understand the budget since the capital program will reflect only new funding allocated to projects. The Capital Improvement Program, which is described in this document, continues to reflect prior year funding for projects in addition to any funding anticipated in this budget or future budgets.
- ◆ Detail on the capital budget and CIP previously identified ELAPP (environmental land) and CDBG (federal community development block grant) as project categories. Since those are actually funding sources, not project categories, they are no longer separately listed.
- ◆ Short-term financing continues to be used as a tool to address funding needs that exceed current revenues available to fund projects. Financing of projects is anticipated in both FY 00 and FY 01. In the Transportation Program, financing will be used to complete several major projects and will then be paid off with gasoline taxes and impact fees over the next few years. A long-term source of funding for transportation needs continues to be discussed. A referendum is anticipated in 2000 to extend the Ninth Cent Gas Tax used to fund the resurfacing component of the Transportation Program.
- ◆ The capital budget, including enterprise operations (Water/Wastewater and Solid Waste) continues to be largely funded with a pay-as-you-go approach. The decision on whether to finance a project versus use a pay-as-you-go approach is typically made on a project-by-project basis. Explicit debt and capital policies were adopted by the BOCC in July 1998 to guide this decision-making process. Increasingly, the County is using short-term financing as a tool as well as using a line of credit to cover encumbrance requirements (contractual obligations that exceed the actual need for cash). These techniques optimize the County’s ability to time projects to meet operational requirements while minimizing financing costs. In some cases, short-term financing allows the County to use state or federal grants that would otherwise not be available if a project were delayed.
- ◆ The budget reflects adoption of the recommendation that Environmental Land Purchases in the Parks Program be funded in FY 00 and FY 01 by levying an operating millage to bring the total ELAPP millage up to 0.25 mills in both fiscal years. This pay-as-you-go approach to ELAPP will maximize the revenue available to that program as the millage levied to pay debt service on ELAPP bonds gradually declines. The added expenditures will be within the \$100 million limit set by voters, and the increased millage rates are more than offset by a recommended reduction of the General Fund millage rate in FY 00 and FY 01.
- ◆ The capital program continues to reflect 1% of the Countywide General Fund, the Unincorporated Area General Fund, and the Library Fund being set aside to maintain existing County buildings. The adopted budget includes new project inspection positions intended to be charged against those funds. The intent is to head off problems that may not surface for several years after a project has been completed by establishing an in-house inspection program.

A brief summary of each Capital Program follows.

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Fire Services

The Fire Services Program is funded through a combination of Impact Fees, Community Investment Tax I and II, and Ad Valorem dollars. It includes a large number of major maintenance and renovation projects, and funding for the construction of the Providence, Northdale and Pebble Creek fire stations. New projects include the second phase of the Fire Rescue Fleet Equipment Replacement and the construction of the Pebble Creek Fire Station, both to be funded from Community Investment Tax II allocations.

Government Facilities

The Government Facilities Program includes funding for a large number of projects targeted to address major deferred maintenance and repair needs of existing buildings, as well as minor renovations and improvements to other facilities. New projects added for the period include the construction of the Falkenburg Road Jail Phases IV and V, South County Regional Service Center, Cooperative Extension Auditorium, and one Regional Service Center/Townhall. These projects are funded with Community Investment Tax II revenues approved by the Board last November. In addition, funding for the construction of the Medical Examiner Facility is included. This program also includes funding in the amount of \$81.2 million for the Court Facilities Expansion project which is funded from a combination of Court Fees, Community Investment Tax II, and long-term debt supported by Court Fees.

Library Services

The Library Services Program continues toward the completion of projects included in this year's CIP. Some of the projects included in this program address deferred maintenance and repair needs and minor renovations of existing buildings. New projects include the North Tampa Library Expansion and the Westgate Library Expansion. Both of these projects are funded with Community Investment Tax II revenues. The Jan Platt Regional Library is scheduled to be completed at the beginning of FY 2001. Construction of a new Northwest Regional Library Facility is also included in this program. This facility will replace the existing library located in Northdale.

Parks & Recreation

The Parks Capital Improvement Program has developed 12 new parks and upgraded another 49 over the last six years.

All projects identified under the 1992 Bond Referendum Program have been addressed. The Park Improvement Program will continue with increased funding from impact fees, ad valorem taxes, Boating Improvement Fees, Community Development Block Grant funds and the Community Investment Tax. CIT dollars have provided the opportunity to fund the planning and construction of new recreational trails and greenways in the County along with new parks, community centers, ballfield lighting and general park facilities upgrades. Facilities Essential Maintenance and Repairs (FEMR) funds will be utilized for 29 park maintenance and repair projects. The second phase of the CIT will continue with 11 projects, including at least two new multi-purpose type community centers.

Solid Waste

The Solid Waste Program continues to focus on the Waste to Energy Facility's Clean Air Act Retrofit and the Site A – Landfill Capacity Expansion. Three of the four new projects provide continued improvements to existing County Solid Waste Facilities to ensure compliance with federal, state and local regulatory requirements. The fourth new project will provide a household chemical collection facility in the eastern part of the County to complement the existing facilities in the northwest and south parts of the County. The program continues to support the maintenance of existing standards and improved safety.

Stormwater

The Stormwater Program reflected in the Stormwater section of this document will continue the improvements set forth in the Accelerated Stormwater Program approved by the Board in July 1998. The Program is funded through a combination of Stormwater Fees, Community Investment Tax (CIT) funds, and long-term debt.

To date, Watershed Management Plans have been completed for six of seventeen basins. Contracts for developing the plan for an additional seven basins, assigned to consultants, were approved by the BOCC on April 21, 1999. In-house staff is working on the plans for the remaining four basins. These eleven Watershed Management Plans will be completed by September 30, 2001.

The adopted FY 00-05 CIP revises the previously approved Accelerated Stormwater Program. The revised program reflect required cost adjustments, cancellation of some projects no longer deemed necessary, and the addition of seventeen new projects in response to citizen and

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BOCC concerns. These adopted revisions do not increase the total five-year Adopted Stormwater Program cost beyond the currently approved \$93.8 million.

Transportation Program

The Transportation Program includes twenty-seven road projects, three bridge projects and twenty-one intersection projects. Funding for sidewalks and ADA ramps is also included. Of note is the accelerated schedule for Montague Road which was fully funded in FY 99; it originally was not to be funded until FY 03.

The Transportation Program will continue to require short-term financing to keep existing projects on schedule over the next six years. Gas tax revenues over this period will increasingly be committed both to meeting increased operating costs associated with transportation projects as well as repaying the short-term debt. The current cash flow analysis projects repayment of any funds borrowed by the end of FY 07; few new projects beyond those included in the adopted CIP can be funded until then.

On December 14, 1993, the Board of County Commissioners met to discuss Unfunded Capital Improvement Needs for fiscal years 1994-1999. At the Board's direction, staff identified means of advancing certain road projects into a six-year plan. The seven specific projects in question (listed below) were in the early stages of project development at that time and the County lacked sufficient cash within the program for funding these projects in their entirety

Bloomington Ave. (US 301 to Providence)
Sheldon Rd. (Hillsborough to Waters)
Anderson Rd. (Crenshaw to Waters)
Ehrlich Rd. (Lynn Turner to Gunn)
Ehrlich Rd. (Hixon to Spivey)
Linebaugh Ave. (Sugarmill to Dale Mabry)
Hoover Blvd. (Hillsborough to Crenshaw)

To keep from deferring these priority road projects, the staff recommended a tax-exempt commercial paper program. This financing device provided lower short-term interest rates and allowed the County to borrow only the moneys required to accomplish the projects when contracts were awarded. This commercial paper would provide the cash needed to keep the projects on schedule. Staff obtains

BOCC authorization to actually borrow from the commercial paper as the cash flow dictates.

To date, the County has actually borrowed \$8.7 million to meet Transportation Program cash flow needs. It is anticipated that additional short-term debt proceeds will be required later in FY 00 to meet ongoing cash requirements. Maximum total short-term debt is expected to not exceed \$43.8 million.

Over the longer term, the Board of County Commissioners is currently reviewing transportation needs and funding alternatives for the FY 00-05 Capital Improvement Program and beyond. On May 19, 1999 the BOCC approved extending the Ninth Cent Gas Tax, currently dedicated to road resurfacing, until December 31, 2001, authorizing a referendum to reimpose the gas tax beyond this date to go before the voters. The BOCC, working with statelegislators, is also exploring longer term funding solutions to address future County transportation needs.

Note that no funds have been set aside in this CIP to match any TEA-21 (Transportation Efficiency Act for the 21st Century – formerly ISTEA) funds that may be attained through the Metropolitan Planning Organization (MPO). It should also be noted that a number of sidewalk projects within Hillsborough County built by FDOT with TEA-21 funds are not detailed in this document.

Water/Wastewater

The focus of the Water, Wastewater and Reclaimed Water Program has shifted from regional expansion projects to reclaimed water projects. Although reclaimed water projects still comprise the majority of Water/ Wastewater projects, new water and waste-water plant and infrastructure expansion projects have been added to meet current and projected growth patterns.

To further support water conservation, reclaimed water projects have been added to serve additional subdivisions. Several projects funded by the CIT have been completed or are nearing final design and construction. Community Investment Tax Phase II projects have been incorporated into the CIP. New to the FY 00 – 05 program is the addition of major operation and maintenance (O&M) projects that will be funded from Department Renewal and Replacement funds. Several of the new projects are associated with improved level of service and water quality.

**CAPITAL IMPROVEMENT PROGRAM
SOURCES AND USES OF FUNDS SUMMARY
FY 00-05 (in thousands)**

<u>SOURCES</u>	<u>ADOPTED PROGRAM</u>
Ad Valorem	\$27,648
Community Investment Tax	151,890
Enterprise Charges	105,627
Financing	153,930
Grants	16,002
Gas Taxes	63,399
Impact Fees	54,232
Stormwater Fees	17,003
Other (a)	29,417
TOTAL SOURCES	\$ 619,148
<u>USES (a)</u>	
Fire Services	\$15,405
Government Facilities	167,645
Libraries	9,205
Parks Program *	32,032
Solid Waste *	6,877
Stormwater *	69,619
Transportation *	107,325
Water & Wastewater *	141,112
TOTAL USES	549,220
RESERVES	
Debt Service	\$47,002
Program Reserves	22,926
TOTAL USES AND RESERVES	\$ 619,148

* CIE Facilities

(a) Includes court fees, boat improvement fees, outside contributions and other miscellaneous revenues.