



# Capital Improvement Program Update

Presented to  
Mecklenburg Board of County Commissioners  
May 2, 2017

# Agenda

- CIP Submission Update
- Draft CIP Proposal
- CIP Capacity- General and Debt Service Fund
- Debt Policy Sensitivity Analysis
- Next Steps



# CIP Submission Updates

## March 7<sup>th</sup> Presentation

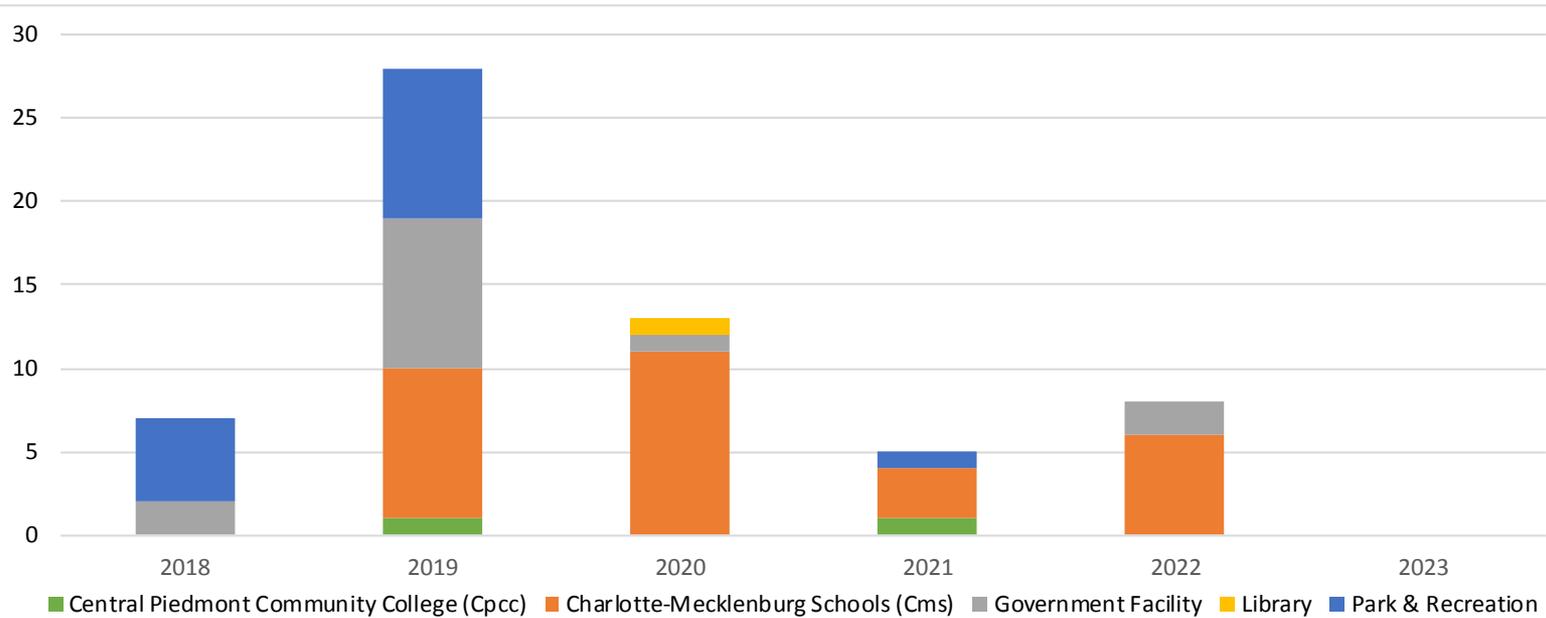
- Stated capacity of \$1.3 - \$1.5 Billion (spread over 5 years)
- \$2.5 Billion in submitted projects
- Projects heavily frontloaded

## Updates

- Convened the first two meetings of the CCBAC, and meeting weekly
- New asks since March 7<sup>th</sup>
  - CMS: \$146.3M - New West Charlotte HS; Bruns Academy
  - Govt. Facilities: \$35.3M - Sheriff 's Office-Jail Central & North (renovations & field ops relocation from ABC Warehouse to WRRRC)
  - Park & Recreation: \$5.6M - Independence Park
- Various price and timing adjustments
  - Motorola: Reduced costs from \$9.2M to \$8.0M
  - Discovery Place: \$1.5M reduction in costs and adjusted start date to 2021



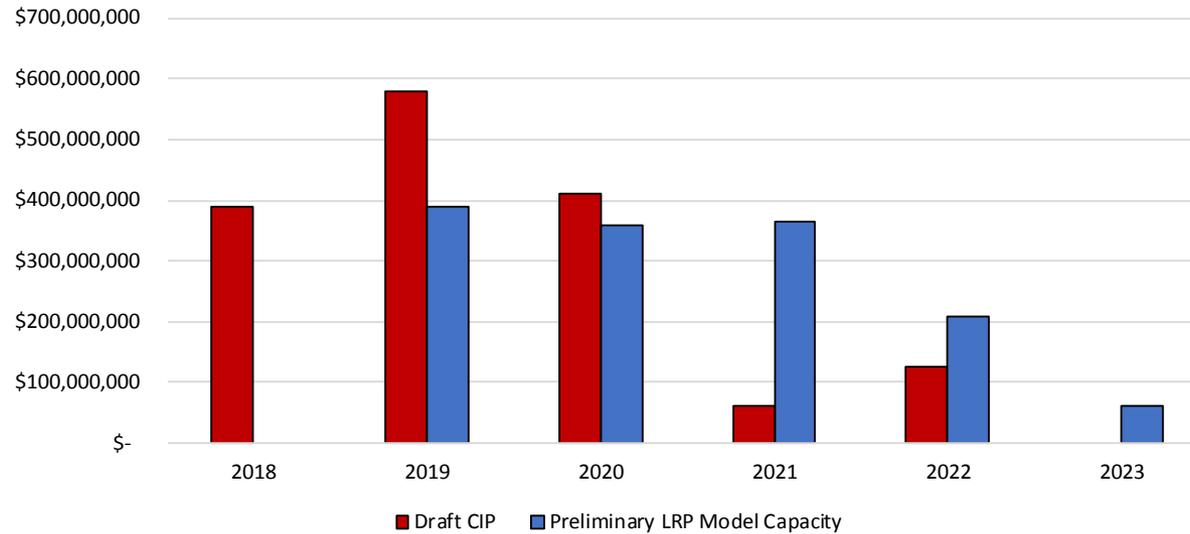
# Draft CIP – Project Count by Year



Department	2018	2019	2020	2021	2022	2023	2024
Central Piedmont Community College (Cpcc)	0	1	0	1	0	0	2
Charlotte-Mecklenburg Schools (Cms)	0	9	11	3	6	0	29
Government Facility	2	9	1	0	2	0	14
Library	0	0	1	0	0	0	1
Park & Recreation	5	9	0	1	0	0	15
<b>Grand Total</b>	<b>7</b>	<b>28</b>	<b>13</b>	<b>5</b>	<b>8</b>	<b>0</b>	<b>61</b>



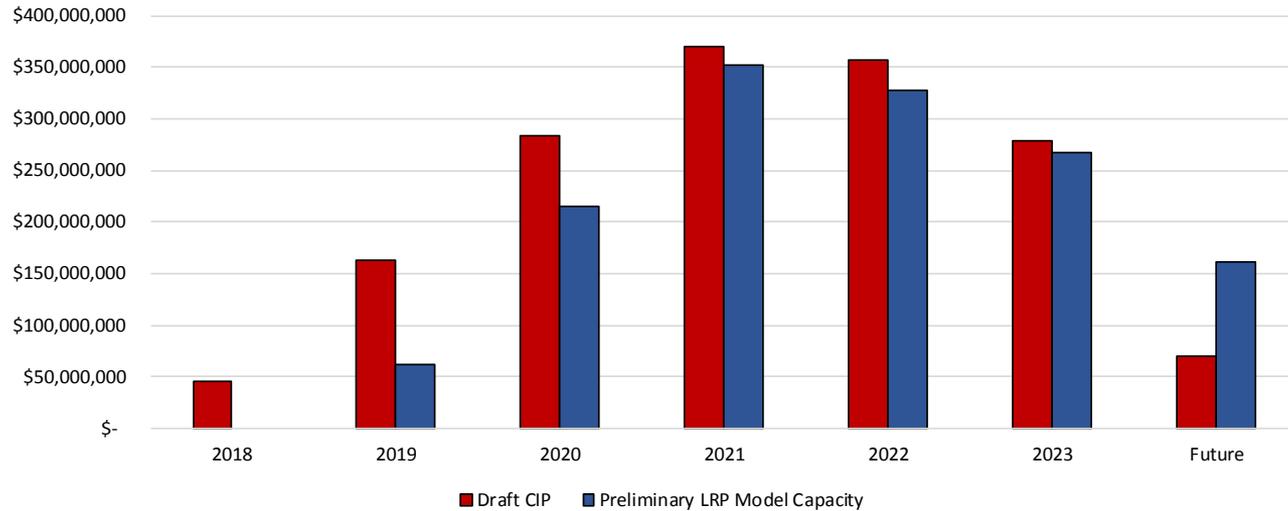
# Authorization – Draft CIP vs Preliminary LRP Capacity



Department	2018	2019	2020	2021	2022	2023	Total
Central Piedmont Community College (CPCC)	\$ 146,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,000,000
Charlotte-Mecklenburg Schools (CMS)	\$ -	\$ 393,060,001	\$ 345,136,000	\$ 46,176,000	\$ 126,963,000	\$ -	\$ 911,335,001
Government Facility	\$ 151,091,636	\$ 26,053,538	\$ -	\$ -	\$ -	\$ -	\$ 177,145,174
Library	\$ -	\$ -	\$ 65,000,000	\$ -	\$ -	\$ -	\$ 65,000,000
Park & Recreation	\$ 92,791,665	\$ 159,260,000	\$ -	\$ 16,000,000	\$ -	\$ -	\$ 268,051,665
<b>Draft CIP</b>	<b>\$ 389,883,302</b>	<b>\$ 578,373,539</b>	<b>\$ 410,136,000</b>	<b>\$ 62,176,000</b>	<b>\$ 126,963,000</b>	<b>\$ -</b>	<b>\$ 1,567,531,841</b>
<b>Preliminary LRP Model Capacity</b>	<b>\$ -</b>	<b>\$ 390,000,000</b>	<b>\$ 360,000,000</b>	<b>\$ 365,000,000</b>	<b>\$ 210,000,000</b>	<b>\$ 60,000,000</b>	<b>\$ 1,385,000,000</b>



# Cash Flow – Draft CIP vs Preliminary LRP Capacity



Department	2018	2019	2020	2021	2022	2023	Future	Total
Central Piedmont Community College (CPCC)	\$ 10,000,000	\$ 7,745,000	\$ 29,974,000	\$ 20,978,000	\$ 36,808,000	\$ 21,238,000	\$ 19,257,000	\$ 146,000,000
Charlotte-Mecklenburg Schools (CMS)	\$ -	\$ 46,958,333	\$ 123,091,667	\$ 242,400,001	\$ 245,090,558	\$ 194,027,558	\$ 59,766,885	\$ 911,335,001
Government Facility	\$ 26,200,000	\$ 1,357,188	\$ 15,648,370	\$ 26,642,629	\$ 46,170,551	\$ 61,126,436	\$ -	\$ 177,145,174
Library	\$ -	\$ -	\$ 28,935,605	\$ 32,900,852	\$ 3,163,543	\$ -	\$ 0	\$ 65,000,000
Park & Recreation	\$ 8,935,100	\$ 106,921,147	\$ 85,335,666	\$ 47,858,757	\$ 25,180,995	\$ 2,340,000	\$ (8,520,000)	\$ 268,051,665
<b>Draft CIP</b>	<b>\$ 45,135,100</b>	<b>\$ 162,981,668</b>	<b>\$ 282,985,308</b>	<b>\$ 370,780,239</b>	<b>\$ 356,413,647</b>	<b>\$ 278,731,994</b>	<b>\$ 70,503,885</b>	<b>\$ 1,567,531,840</b>
<b>Preliminary LRP Model Capacity</b>		<b>\$ 61,800,000</b>	<b>\$ 214,800,000</b>	<b>\$ 351,400,000</b>	<b>\$ 328,500,000</b>	<b>\$ 267,500,000</b>	<b>\$ 161,000,000</b>	<b>\$ 1,385,000,000</b>



# Government Facilities – Draft CIP Cash Flow

Rank	Project Name	2018	2019	2020	2021	2022	2023	Total
1	BMC2U Community Resource Center-East	6,500,000		1,415,707	4,375,821	23,166,111	35,392,669	70,850,308
2	BMC2U Community Resource Center-Southwest	4,350,000	562,977	1,520,038	9,458,016	32,371,186	12,385,497	60,647,714
3	Community Resource Center-West	3,000,000	-	-	-	269,210	1,346,052	4,615,262
4	AFM Administrative Costs		2,114,858	1,986,396	2,065,852	2,148,486	2,234,426	10,550,018
4	Community Resource Center-Northeast	4,350,000	-	-	-	438,059	2,190,293	6,978,352
5	County Share of Library Support Services Center (Warehouse)		2,750,000	-	-	-	-	2,750,000
6	BMC2U Government District Phase II-CCOB		2,384,938	214,635	-	-	-	2,599,573
7	BMC2U Government District Phase II-Johnson Building		344,309	2,524,915	-	-	-	2,869,224
8	BMC2U Government District Phase II-CMGC		431,651	-	3,165,441	-	-	3,597,092
11	Medical Examiners Office Clinical Expansion		1,735,580	306,279	-	-	-	2,041,859
Special	Motorola Radios and Repeaters	8,000,000		-	-	-	-	8,000,000
Special	Sheriff Office-Field Ops Relocation		1,612,107	102,900	-	-	-	1,715,007
Special	Jail Central and Jail North Modernization		3,320,769	7,577,499	7,577,499	7,577,499	7,577,499	33,630,765
Property Sale Bob Walton			(13,900,000)	-	-	(19,800,000)	-	(33,700,000)
<b>Grand Total</b>		<b>26,200,000</b>	<b>1,357,188</b>	<b>15,648,370</b>	<b>26,642,629</b>	<b>46,170,551</b>	<b>61,126,436</b>	<b>177,145,174</b>



# CMS – Draft CIP Cash Flow

Rank	Project	2019	2020	2021	2022	2023	Future	Total
1	Collinswood Language Academy (K-8) Replacement School	26,350,000	18,312,500	-	-	-	-	44,662,500
2	New Elementary School - Windsor/Winterfield/Idlewild Relief	-	-	200,000	1,600,000	21,300,000	4,795,000	27,895,000
3	Harding High School Renovation/Addition	300,000	12,575,000	5,000,000	-	-	-	17,875,000
4	New HS - South Meck/Ardrey Kell/Myers Park Relief	-	1,800,000	5,400,000	46,000,000	43,000,000	2,000,000	98,200,000
5	Montclaire Elementary School Replacement	800,000	25,250,000	2,345,000	-	-	-	28,395,000
6	West Mecklenburg High School Renovation/Addition	-	1,200,000	7,300,000	2,750,000	-	-	11,250,000
7	New K8 Language Immersion Magnet School	-	18,200,000	26,462,500	-	-	-	44,662,500
8	New ES - Bain/Lebanon Rd/Piney Grove Relief	-	150,000	3,450,000	22,500,000	3,795,001	(1)	29,895,000
9	Sharon Elementary School Renovation/Addition	-	650,000	7,225,001	-	-	(1)	7,875,000
10	E.E. Waddell Renovation	-	-	180,000	1,600,001	2,720,000	(1)	4,500,000
11	New ES - Hidden Valley/Newell/JW Grier Academy Relief	-	2,000,000	300,000	2,300,000	23,000,000	2,295,000	29,895,000
13	Shamrock Gardens Elementary School Replacement	-	300,000	1,200,000	17,500,000	8,895,001	(1)	27,895,000
14	Briarwood Elementary School Replacement	300,000	2,300,000	23,000,000	2,295,001	-	-	27,895,001
15	South Mecklenburg High School Renovation/Addition	-	-	-	300,000	1,550,000	10,931,000	12,781,000
16	New K-8 Language Immersion Magnet	-	18,200,000	26,462,500	-	-	-	44,662,500
17	New Facility for EC Specialty Program	15,258,333	3,741,667	-	-	-	-	19,000,000
18	New High School - Olympic HS Relief	1,200,000	5,500,000	41,500,000	56,500,000	6,000,000	-	110,700,000
19	New ES - Elon Park/Hawk Ridge/Polo Ridge Relief	-	-	-	1,800,000	21,300,000	4,795,000	27,895,000
20	JT Williams - Secondary Montessori	-	-	-	1,300,000	5,800,000	6,400,000	13,500,000
21	CTE Upgrades Phase One	-	750,000	2,900,000	4,500,000	1,975,000	-	10,125,000
22	Lansdowne ES Replacement - Elizabeth Lane Relief	150,000	1,950,000	22,000,000	5,795,000	-	-	29,895,000
23	Northwest School of the Arts	-	-	-	600,000	1,500,000	14,775,000	16,875,000
24	East Mecklenburg High School Renovation/Addition	-	450,000	3,300,000	7,000,000	2,031,000	-	12,781,000
25	New ES - Nations Ford, Sterling and Steele Creek Relief	-	1,725,000	21,375,000	4,795,000	-	-	27,895,000
26	Mountain Island Lake Academy Renovation/Addition	-	-	-	700,000	8,225,000	75,000	9,000,000
27	Garinger High School Renovation/Addition	-	-	1,300,000	6,200,000	6,281,000	-	13,781,000
28	Lincoln Heights Academy Renovation	1,400,000	2,537,500	-	-	-	-	3,937,500
Special	Bruns Academy	-	-	-	2,555,556	30,655,556	13,700,889	46,912,000
Special	West Charlotte High (New School Scenario)	1,200,000	5,500,000	41,500,000	56,500,000	6,000,000	-	110,700,000
<b>Grand Total</b>		<b>46,958,333</b>	<b>123,091,667</b>	<b>242,400,001</b>	<b>245,090,558</b>	<b>194,027,558</b>	<b>59,766,885</b>	<b>911,335,001</b>



# Park & Recreation – Draft CIP Cash Flow

Rank	Project Name	2018	2019	2020	2021	2022	2023	Total
1	Little Sugar Creek Gwy Polk Site to South Carolina State Line	4,000,000	4,000,000	-	-	-	-	8,000,000
2	McDowell Creek Gwy - Upper McDowell at NC73 to Chilgrove Lane		320,580	1,634,958	3,814,902	641,160	-	6,411,600
3	McAlpine Creek Gwy - Green Rea Road to Johnston Road		269,100	1,372,410	3,202,290	538,200	-	5,382,000
4	Stewart Creek Gwy - West Trade Street to State Street		233,770	1,192,227	2,781,863	467,540	-	4,675,400
5	Irvins Creek Gwy - Idlewild Road to Lakeview Circle		58,212	474,012	1,929,312	864,864	-	3,326,400
6	Torrence Trib #2 - CATS Park and Ride to Rosewood Meadow Drive		16,018	282,980	1,025,136	811,566	-	2,135,700
8	Plum Creek Gwy - South Bailey Road to South Prong Rocky River Gwy		36,567	729,079	513,254	-	-	1,278,900
10	Northern Towns Regional Recreation Center	570,000	682,500	7,507,500	21,060,000	10,621,665	-	40,441,665
34	Independence Park		182,000	1,330,000	3,192,000	896,000	-	5,600,000
FY18 R1	Pearle Street Neighborhood Park Improvements	283,500	2,754,000	1,012,500	-	-	-	4,050,000
FY18 R2	Eastway Regional Recreation Center	3,000,000	20,300,000	15,700,000	-	-	-	39,000,000
FY18 R4	David B. Waymer Recreation Center Renovations	1,081,600	218,400	-	-	-	-	1,300,000
Special	Discovery Place		-	-	8,000,000	8,000,000	-	16,000,000
Special	Memorial Stadium		71,250,000	47,500,000	(4,260,000)	(4,260,000)	(4,260,000)	97,450,000
Special	Land Acquisition		6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	33,000,000
<b>Grand Total</b>		<b>8,935,100</b>	<b>106,921,147</b>	<b>85,335,666</b>	<b>47,858,757</b>	<b>25,180,995</b>	<b>2,340,000</b>	<b>268,051,665</b>



# CPCC – Draft CIP Cash Flow

Rank	Project Name	2018	2019	2020	2021	2022	2023	Future	Total
1	Harris Campus - Phase III - Package "A"	5,000,000	7,745,000	29,974,000	14,032,000	5,949,000	-	-	62,700,000
3	Levine Campus - Phase IV	5,000,000			6,946,000	30,859,000	21,238,000	19,257,000	83,300,000
<b>Grand Total</b>		<b>10,000,000</b>	<b>7,745,000</b>	<b>29,974,000</b>	<b>20,978,000</b>	<b>36,808,000</b>	<b>21,238,000</b>	<b>19,257,000</b>	<b>146,000,000</b>

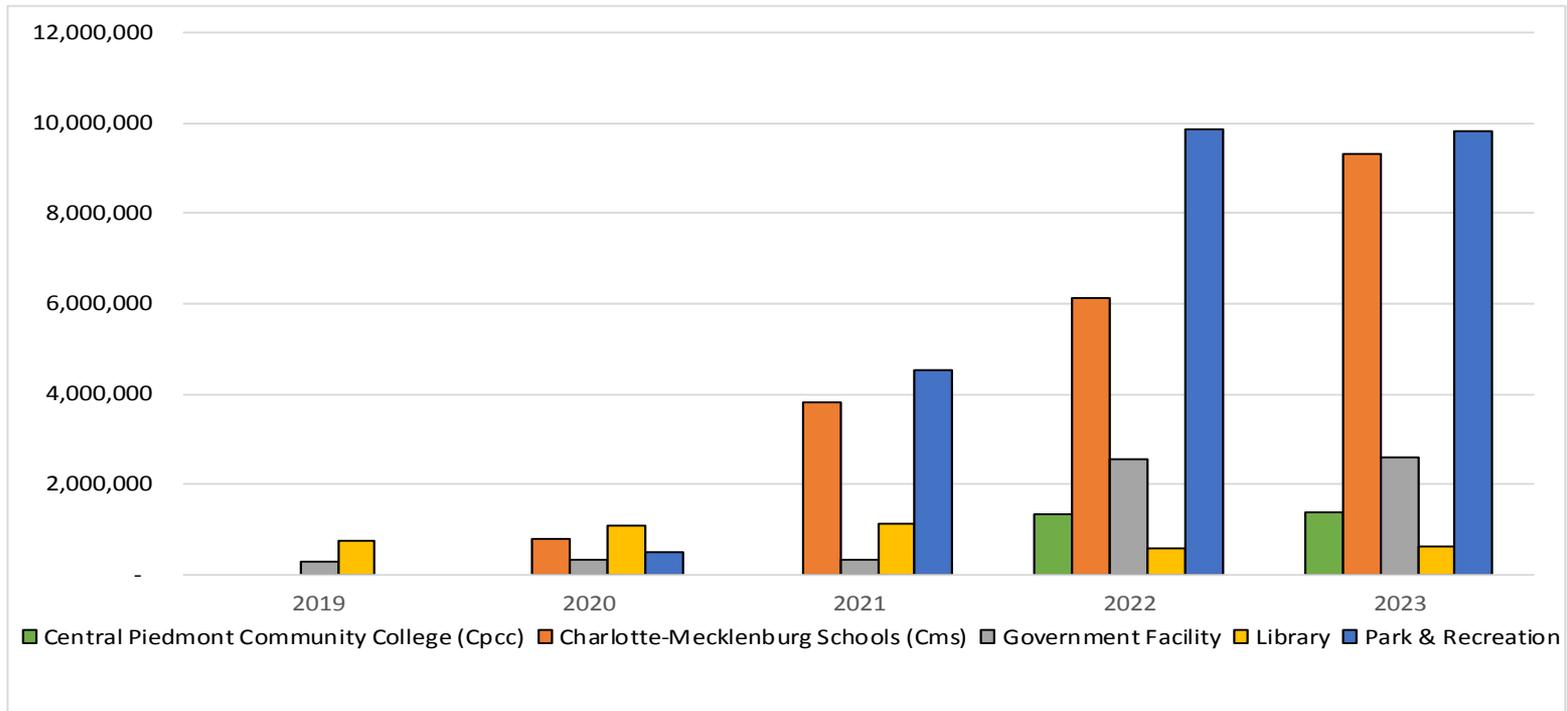


# Library- Draft CIP Cash Flow

Rank	Project Name	2019	2020	2021	2022	2023	Future	Total
1	New Main Library		28,935,605	32,900,852	3,163,543	-	0	65,000,000
<b>Grand Total</b>			<b>28,935,605</b>	<b>32,900,852</b>	<b>3,163,543</b>	-	<b>0</b>	<b>65,000,000</b>



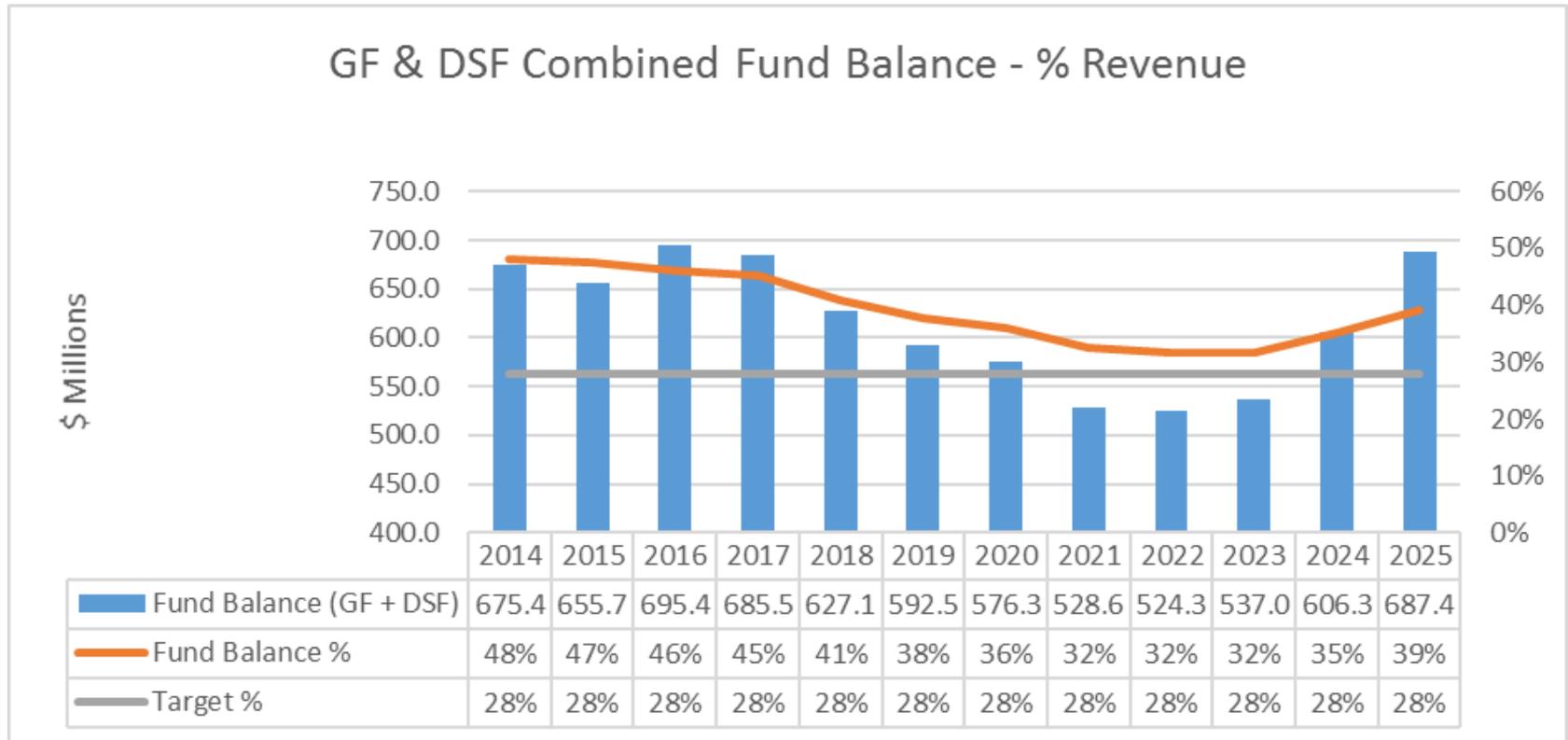
# Draft CIP - Operational Expenditures



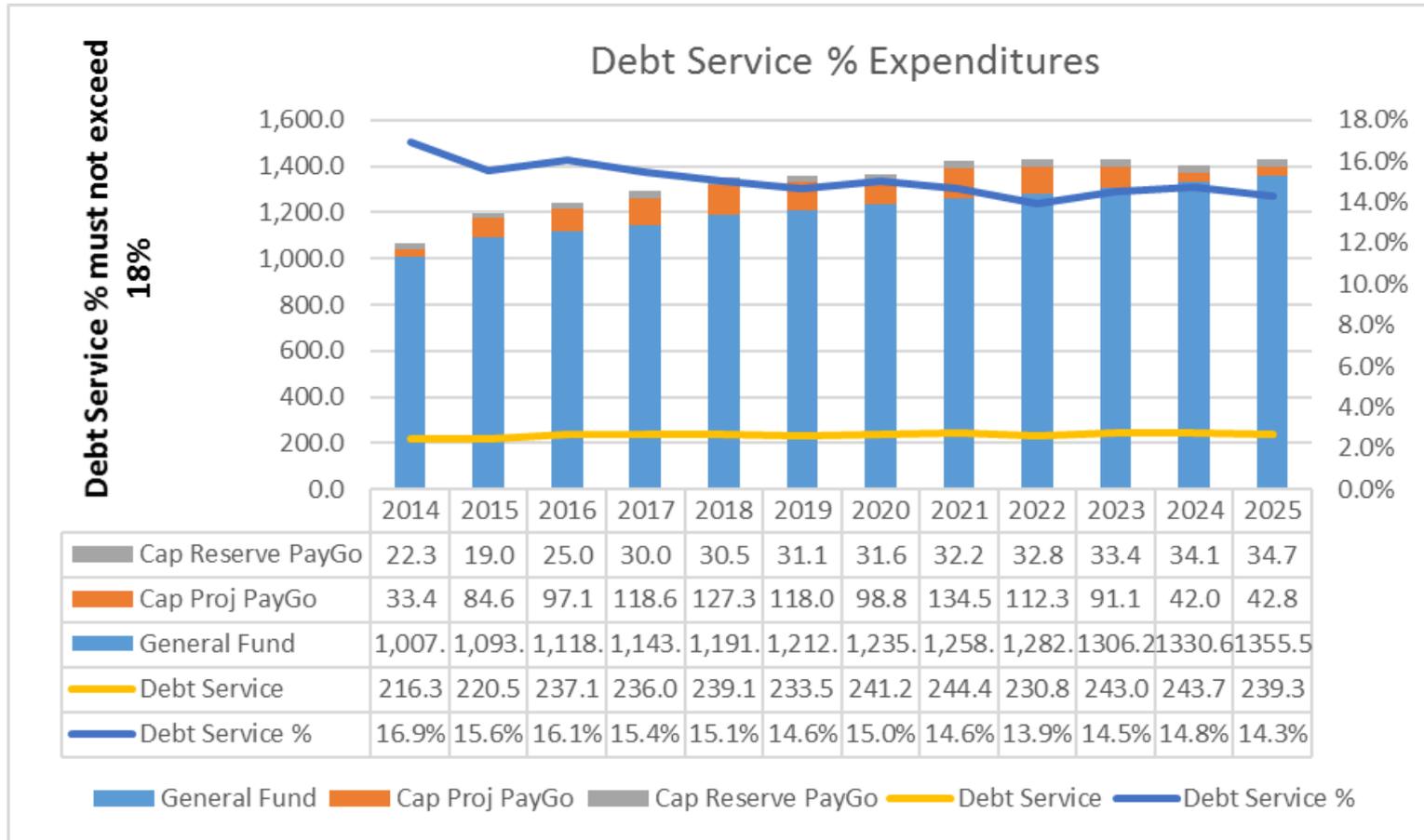
Department	2019	2020	2021	2022	2023
Central Piedmont Community College (Cpcc)	-	\$ -	\$ -	\$ 1,331,315	\$ 1,367,812
Charlotte-Mecklenburg Schools (Cms)	-	\$ 804,940	\$ 3,799,188	\$ 6,131,078	\$ 9,312,606
Government Facility	274,616	\$ 312,598	\$ 331,107	\$ 2,534,245	\$ 2,603,810
Library	729,001	\$ 1,081,372	\$ 1,113,814	\$ 593,309	\$ 612,418
Park & Recreation	-	\$ 511,926	\$ 4,509,289	\$ 9,878,803	\$ 9,828,898
<b>Grand Total</b>	<b>\$ 1,003,617</b>	<b>\$ 2,710,836</b>	<b>\$ 9,753,398</b>	<b>\$ 20,468,750</b>	<b>\$ 23,725,544</b>



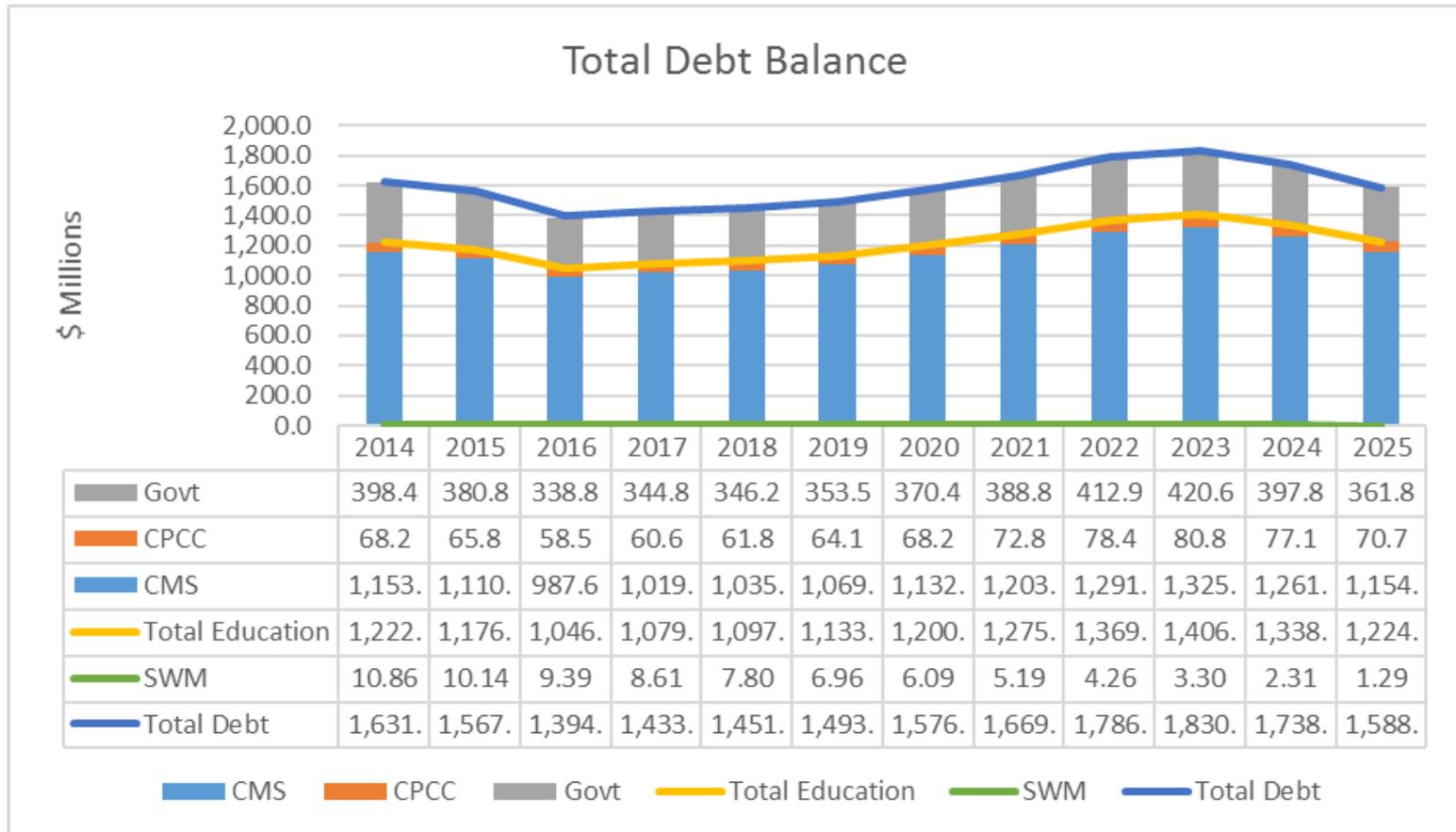
# Draft CIP Capacity - General Fund and Debt Service Fund



# Draft CIP Capacity - Debt Service Percentage of Expenditures



# Draft CIP Capacity - Total Debt Balance



# Draft CIP – Sensitivity Analysis

Ratios FY 2025 Unless noted	Policy Target	Draft CIP	Draft CIP without Memorial	Draft CIP CMS @ \$800 M	Draft CIP CMS @ \$800 M without Memorial	FY17 Forecast
Direct Debt as % of Market Value	2.0%	1.05%	1.02%	0.97%	0.92%	0.90%
Direct Debt per Capita	\$2,200	\$1,274	\$1,231	\$1,175	\$1,120	\$1,285
Debt Service % of Operating	18.0%	14.3%	14.0%	13.7%	13.3%	15.4%
Total CIP Authorization		\$1.568 B	\$1.470 B	\$1.421 B	\$1.324 B	

Debt Balance (in millions)						
FY2017		\$1,433	\$1,433	\$1,433	\$1,433	
FY2025		\$1,588	\$1,534	\$1,464	\$1,396	
Peak		\$1,830	\$1,769	\$1,693	\$1,630	

Fund Balance as % of Revenue						
FY2017		45%	45%	45%	45%	
FY2025		39%	43%	41%	45%	
Lowest		32%	35%	32%	36%	



# Next Steps – CIP Approval

## April - May 2017

- April 21, 2017- CCBAC Orientation Meeting - Done
- April 28, 2017- CCBAC Capital Project and Debt Capacity Review - Done
- CCBAC will continue to meet weekly with departments until the adoption of the Capital Budget
- May 19, 2017-CCBAC begins deliberation on capital recommendation to County Manager
- Week of May 22, 2017 - CCBAC Recommendation submitted to County Manager (memo form)
- May 30, 2017 – CIP Presented by County Manager for BOCC consideration

## June 2017

- June 8, 2017 – BOCC Operations Budget and CIP Plan Overview
- June 12 & 13, 2017 – BOCC straw vote on CIP Plan and Operations Budget
- June 20, 2017 - BOCC adopts Operating and Capital Budgets



# Next Steps – Bond Authorization Timetable

## Bond Referendum (process starts in August 2017 ending in November 2017)

- August 2, 2017
  - School Board adopts resolution petitioning for issuance of bonds
- August 30, 2017
  - Publish bond order as introduced with notice of public hearing
- September 5, 2017
  - Publish bond order as adopted and notice of referendum
- October 6, 2017
  - Publish notice of referendum
- November 7, 2017
  - Referendum



# Questions???

