



2012–2016 Capital Improvement Plan Recommendation



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September 2011

2012 – 2016 Capital Improvement Plan Recommendations

Polk County

Introduction and Purpose

As part of the annual budget process, Polk County prepares a five-year capital improvement plan (CIP). The first year of that CIP – projects and funding – is incorporated in the annual budget as a capital budget; the remaining years are planning estimates that will be incorporated in subsequent budgets.

The CIP identifies Polk County's priority projects that exceed \$25,000 in cost and have a life expectancy greater than three years. In addition, these are capital projects, the purchase of a tangible asset such as roads, large computer equipment and software packages, and so forth. The ordinary replacement of vehicles and similar are not included in the CIP but in individual annual operating budgets (although a separate procurement schedule for capital purchases above \$5,000 is incorporated within the budget documentation).

A separate CIP is important for financial planning for Polk County, as most of these items are very expensive and deserve a level of planning above and beyond that available through a single year budget process. Major road and bridge construction or new/substantially renovated buildings are long-lived assets, the consequences of which will affect county services and operating budgets for years into the future. In addition, larger capital projects are commonly financed through debt, and therefore a well-designed CIP can help maintain a good credit rating as well as avoid sudden changes in debt service needs. A well-designed CIP process is also necessary to keep the public and other stakeholders informed about capital needs and projects, allowing for citizen input and for coordination between other public and private capital projects. The latter is especially important as public

infrastructure investment is an essential component of economic development. Finally, orderly maintenance and replacement of facilities, including roads and buildings, is essential to the preservation of public investment in these facilities.

The CIP process

In preparing their annual budget submission, Polk County departments are asked to forecast major capital needs in their respective areas, building upon the prior year's CIP. Departments are encouraged to consult with their Governing Committees and other stakeholders in developing these proposals. These requests are transmitted to the Department of Administration for incorporation into the revised CIP and the annual capital budget. In developing the CIP, the Department of Administration uses a basic set of criteria to determine whether to incorporate these requests in the CIP. These criteria include:

- The degree to which the proposed project meets the goals and objectives as set by the County Board and the relevant Governing Committee;
- The project's role and effect in preserving public infrastructure investment;
- The effect of the project on the county budget in reducing or increasing operating costs;
- Any role or effect on improving the public safety of health of Polk County residents, economic development or tax base growth or other clearly demonstrable public benefit; and
- Whether the project is mandated by the federal or state government or will help Polk County meet its mandates.

In each case, that evaluation includes a review of alternative methods of achieving the same goal, including an evaluation of the effect of not undertaking the project.

The next stage of the process is a determination of financing options and feasibility. As funding is of course limited, projects have to compete one with another. A preliminary cost-benefit analysis is undertaken for each as well as a financing analysis including the degree to which the project can help leverage non-County funds or financing options other than through the property tax. Timing of

that financing is also a consideration, of course. Also note that the revenues listed as “unfunded” indicate solely that no specific funding source has been determined. The individual years’ capital budgets would be balanced by using new revenues from a variety of sources, reductions in operating expenses, or deferral or cancellation of other capital projects.

The resultant recommendations are, for the first year, incorporated in the Department of Administration’s budget recommendation to the County Board. Subsequent recommendations are incorporated in CIP submitted along with the final budget.

CIP Format

This document is allocated by department, with an initial summary sheet, and by year. The first year’s amount is included in the 2012 budget recommendations; subsequent years will be evaluated for potential inclusion at the appropriate time. Each department’s capital budget is available in detail from the department of administration. Note that financial constraints have clearly limited the items for inclusion, and no significant expansion in investment is anticipated until perhaps 2016, anticipating a reduction in the County’s levy for debt service beginning in 2017. The 2016 CIP for Highways incorporates either a major rebuilding of the existing highway facility, with a cost of perhaps \$4 million, or building a new facility at a cost of perhaps \$8 million, funded through a debt issuance and internal borrowing. That decision, of course, will be made by a future County Board.

Polk County
5 Year Capital Improvement Plan Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
<u>Revenues</u>						
Fund Balance	-	-	160,000	-	325,200	485,200
Levy (Property Tax)	1,538,547	1,538,457	1,539,000	1,538,000	1,541,000	7,695,004
State Transportation Aids	795,000	1,100,000	1,100,000	1,100,000	1,100,000	5,195,000
Grants	125,000	-	-	-	-	125,000
Borrowed Funds ¹	-	-	-	-	5,000,000 to 9,000,000	5,000,000 to 9,000,000
Recycling revenue	-	-	-	-	200,000	200,000
Asset Protection Fund	-	170,000	125,000	100,000	250,000	645,000
Unfunded	-	1,004,943	1,127,100	1,085,000	1,809,400	5,026,443
Lime Revenues	85,000	100,000	165,000	105,000	160,000	615,000
GAM Revenues	-	135,000	-	-	-	135,000
Total Revenue	\$ 2,543,547	\$ 4,048,400	\$ 4,216,100	\$ 3,928,000	\$10,385,600 to \$14,385,600	\$25,121,647 to \$29,121,647
<u>Expenditures</u>						
A) IT Items	-	-	-	-	180,000	180,000
B) Vehicles	400,000	648,000	755,000	729,000	724,000	3,256,000
C) Other Capital Equipment	179,000	750,000	888,000	270,000	614,000	2,701,000
D) Road Construction / Repairs	1,822,600	2,329,400	2,238,100	2,644,000	3,482,600	12,516,700
E) Facilities, Furniture & Equipment ²	101,947	291,000	335,000	285,000	5,385,000 to 9,385,000	6,397,947 to 10,397,947
F) Other Items	40,000	30,000	-	-	-	70,000
Total	\$ 2,543,547	\$ 4,048,400	\$ 4,216,100	\$ 3,928,000	\$10,385,600 to \$14,385,600	\$25,121,647 to \$29,121,647

¹ Includes internal borrowing as available

² See note on page 9

Polk County
5 Year Capital Improvement Plan Parks, Buildings & Solid Waste Department Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
<u>Revenues</u>						
Property Tax (Levy)	25,000	76,000	241,000	248,000	221,000	811,000
Other Borrowed Funds					500,000	500,000
Recycling revenue					200,000	200,000
Asset protection fund			125,000	100,000	250,000	475,000
Unfunded					250,000	250,000
GAM Revenues	-	135,000	-	-	-	135,000
Total Revenue Available	\$ 25,000	\$ 211,000	\$ 366,000	\$ 348,000	\$ 1,421,000	\$ 2,371,000

Expenditures

B) Vehicles

Trucks 1/2 building - 1/2 parks	-	-	28,000	28,000	-	56,000
Dump Truck w/ Plow					36,000	36,000
Recycling Truck				75,000		75,000
Sub Total Vehicles	\$ -	\$ -	\$ 28,000	\$ 103,000	\$ 36,000	\$ 167,000

C) Other Equipment

Skid Steer	-	-	28,000	-	-	28,000
Tractor	-	-	35,000	-	-	35,000
Sub Total Equipment	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ 63,000

E) Facility Improvements

Parking Lots/Other Imp Gov't Center	-	-	35,000	-	-	35,000
Sidewalks/entrances	-	-	25,000	-	-	25,000
Roof at GAM	-	135,000	-	-	-	135,000
Roof at Old Jail	25,000	25,000	-	-	-	50,000
Recycling Air Handler	-	-	-	25,000	-	25,000
Conveyor at Recycling Bailer	-	-	-	-	885,000	885,000
Conveyor at Recycling Comingle	-	-	65,000	-	-	65,000
Roof at Recycling	-	26,000	-	50,000	-	76,000
Caulking	-	25,000	-	25,000	-	50,000
Update phone system	-	-	125,000	-	-	125,000
Elevator at Gov Center	-	-	-	100,000	-	100,000
Pool mechanical paint tile etc.	-	-	25,000	-	-	25,000

Polk County
5 Year Capital Improvement Plan Parks, Buildings & Solid Waste Department Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
County board furniture/sound system	-	-	-	45,000	-	45,000
Sub Facility Total	\$ 25,000	\$ 211,000	\$ 275,000	\$ 245,000	\$ 885,000	\$ 1,641,000
E) Fair						
Grandstand	-	-	-	-	500,000	500,000
Sub Total Fair	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
Total	\$ 25,000	\$ 211,000	\$ 366,000	\$ 348,000	\$ 1,421,000	\$ 2,371,000

**Polk County
5 Year Capital Improvement Plan Highway Department Summary**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
<u>Revenues</u>						
Fund Balance	-	-	160,000	-	325,200	485,200
Levy (Property Tax)	1,513,547	1,432,457	1,298,000	1,290,000	1,140,000	6,674,004
State Transportation Aids	795,000	1,100,000	1,100,000	1,100,000	1,100,000	5,195,000
Grants	125,000	-	-	-	-	125,000
Borrowed Funds	-	-	-	-	4,500,000 to 9,500,000	4,500,000 to 9,500,000
Unfunded	-	1,004,943	1,127,100	1,085,000	1,559,400	4,776,443
Total Revenue	\$ 2,433,547	\$ 3,537,400	\$ 3,685,100	\$ 3,475,000	\$8,624,600 to \$12,624,600	\$21,755,647 to \$24,755,647

Expenditures

B) Vehicle Replacement

Plow/Haul Trucks w/attachments	340,000	550,000	570,000	590,000	610,000	2,660,000
Supervisor's Vehicle	30,000	32,000	34,000	36,000	38,000	170,000
Crew Truck	-	36,000	38,000	-	40,000	114,000
Used Plow Truck	30,000	-	-	-	-	30,000
Roll-Off Truck	-	-	85,000	-	-	85,000
Subtotal	\$ 400,000	\$ 618,000	\$ 727,000	\$ 626,000	\$ 688,000	\$ 3,059,000

C) Other Capital Equipment

Graders	-	150,000	150,000	-	175,000	475,000
Power Broom	48,000	-	-	-	54,000	102,000
Front End Loader	-	110,000	125,000	-	-	235,000
Screening Plant	-	230,000	-	-	-	230,000
Stacker & Surge Bin	-	-	250,000	-	-	250,000
Air Compressor	20,000	-	-	-	-	20,000
Skid Loader	10,000	-	-	-	-	10,000
Shop Crain (Go Devil)	-	20,000	-	-	-	20,000
Low Boy Trailer (50 Ton)	-	-	-	50,000	-	50,000
Trailer (30 Ton)	-	-	-	30,000	-	30,000
Tractor Loader Backhoe	-	-	-	85,000	-	85,000

Polk County
5 Year Capital Improvement Plan Highway Department Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
Tractor (Farm-Type)	-	-	65,000	-	-	65,000
Mowers	-	-	70,000	-	-	70,000
Asphalt Roller	48,000	-	-	-	-	48,000
Roller Trailer	8,000	-	-	-	-	8,000
Truck-Mounted Spray Patcher	-	-	-	-	175,000	175,000
Skid Loader Attachements	-	-	-	-	50,000	50,000
Subtotal	\$ 134,000	\$ 510,000	\$ 660,000	\$ 165,000	\$ 454,000	\$ 1,923,000

D) Road Projects¹

CTH S1 - Ultra-thin Overlay	390,000	-	-	-	-	390,000
CTH T1/T2/T3 Chipseals	116,000	-	-	-	-	116,000
CTH A3/A2 - Prep Work	93,000	-	-	-	-	93,000
CTH E1 - Pulverize/Pave	968,000	-	-	-	-	968,000
CTH EE1 - Overlay	156,000	-	-	-	-	156,000
CTH A1 - Chipseal	99,600	-	-	-	-	99,600
CTH A3/A2 - Ultra-thin Overlay	-	708,800	-	-	-	708,800
CTH GG1 Overlay	-	962,300	-	-	-	962,300
CTH W1 - Culverts/Ditching	-	128,000	-	-	-	128,000
CTH W4 - Thin Overlay	-	530,300	-	-	-	530,300
CTH O1 - Culverts/Ditching	-	-	150,000	-	-	150,000
CTH W1 - Pulverize/Pave	-	-	674,900	-	-	674,900
CTH X1/I6/G3 - Chipseal	-	-	264,000	-	-	264,000
CTH N1/Y2 - Chipseals	-	-	197,900	-	-	197,900
CTH C3 - Ultra-Thin Overlay	-	-	651,300	-	-	651,300
D2 (Part 1 & 2) - Culverts/Ditching	-	-	300,000	-	-	300,000
CTH G5 - Thin Overlay	-	-	-	581,400	-	581,400
CTH D2 - Pulverize/Pave (Part 1)	-	-	-	984,000	-	984,000
CTH O1 - Overlay	-	-	-	1,030,600	-	1,030,600
D2 (Part 2) - Culverts/Ditching	-	-	-	48,000	-	48,000
CTH D2 - Ultra-Thin Overlay (Part	-	-	-	-	859,500	859,500
I1/M2/M3 - Chip Seals	-	-	-	-	218,400	218,400

Polk County
5 Year Capital Improvement Plan Highway Department Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
CTH J1/P1/CC2 - Chip Seals	-	-	-	-	196,800	196,800
Z1 - Culverts/Ditching	-	-	-	-	178,000	178,000
CTH M1 - 20% Match	-	-	-	-	330,000	330,000
CTH K2/K2.1 - Pulverize/Pave	-	-	-	-	714,400	714,400
CTH W2 - Overlay	-	-	-	-	985,500	985,500
Subtotal	\$ 1,822,600	\$ 2,329,400	\$ 2,238,100	\$ 2,644,000	\$ 3,482,600	\$ 12,516,700

E) Facility Improvements

Building Needs ²	76,947	80,000	60,000	40,000	4,000,000 to 8,000,000	4,256,947 to 8,256,947
Subtotal	\$ 76,947	\$ 80,000	\$ 60,000	\$ 40,000	\$4,000,000 to 8,000,000	\$4,256,947 to \$8,256,947
Total	\$ 2,433,547	\$ 3,537,400	\$ 3,685,100	\$ 3,475,000	\$8,624,600 to \$12,624,600	\$21,755,647 to \$24,755,647

¹ Road project costs only reflect Polk County's portion

² The recommendation for 2016 is to continue to pursue a dual-track strategy to evaluate highway department building needs. Should a major remodel and rebuilding be adequate to meet all current standards and improve efficiency and effectiveness, costs for building needs would be at or below the lower number. Should it prove more efficient to construct a new facility, the costs could approach the higher number.

Polk County
5 Year Capital Improvement Plan Land Information Department Summary

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
<u>Revenues</u>						
Levy (Property Tax)	-	30,000	-	-	180,000	210,000
Total Revenue	\$ -	\$ 30,000	\$ -	\$ -	\$ 180,000	\$ 210,000
<u>Expenditures</u>						
A) IT Items						
GPS Equipment (100K in 2016)	-	-	-	-	100,000	100,000
Aerial Photography	-	-	-	-	80,000	80,000
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 180,000	\$ 180,000
B) Vehicles						
Vehicles - Survey & Zoning	-	30,000	-	-	-	30,000
Subtotal	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Total	\$ -	\$ 30,000	\$ -	\$ -	\$ 180,000	\$ 210,000

**Polk County
5 Year Capital Improvement Plan Lime Quarry Summary**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
<u>Revenues</u>						
Asset Protection Fund		170,000				170,000
Lime Revenues	85,000	100,000	165,000	105,000	160,000	615,000
Total Revenue	\$ 85,000	\$ 270,000	\$ 165,000	\$ 105,000	\$ 160,000	\$ 785,000
<u>Expenditures</u>						
Lime Quarry						
A) IT Items	\$ -	\$ -	\$ -			
B) Vehicles	\$ -	\$ -	\$ -			
C) Other Capital Equipment						
Seco Vibrating Pan Feeder	20,000	-	-	-	-	20,000
Conveyor Repair	15,000	-	-	-	-	15,000
Jaw Shaker Pan	10,000	-	-	-	-	10,000
Replace Loader	-	240,000	-	-	-	240,000
Moving Scale	-	-	-	45,000	-	45,000
Moving Crusher	-	-	-	60,000	-	60,000
Portable Stacker	-	-	55,000	-	-	55,000
2-Conveyors	-	-	110,000	-	-	110,000
Primary Jaw Crusher	-	-	-	-	160,000	160,000
Subtotal	\$ 45,000	\$ 240,000	\$ 165,000	\$ 105,000	\$ 160,000	\$ 715,000
F) Other Items						
Reclamation	40,000	30,000	-	-	-	70,000
Subtotal	\$ 40,000	\$ 30,000	\$ -	\$ -	\$ -	\$ 70,000
Total	\$ 85,000	\$ 270,000	\$ 165,000	\$ 105,000	\$ 160,000	\$ 785,000