

Section Twenty

Facilities Capital Improvement Plan Policy

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1. PURPOSE

This policy establishes the process for adopting and amending the County of Lake's Facilities Capital Improvement Plan (FCIP). The FCIP is a planning document that identifies facilities-based capital improvement projects that the County intends to complete over a five-year period. The FCIP will provide key information for each project, including a project description, anticipated costs, identified future funding, and a delivery schedule.

The scope of this policy includes all buildings owned by the County of Lake. The policy will help to plan and organize facilities capital expenditures by establishing a process to:

- A. Assure sustainability of existing facilities by addressing the replacement of significant building systems or elements meant to recapitalize and extend the useful life of the facility.
- B. Assure responsiveness to fluctuations in tenant use of existing facilities by addressing building renovations to improve operations through efficiency, security, or comfort.
- C. Assure consideration of new facility construction when existing facilities do not satisfactorily meet the County's needs.

2. DEFINITIONS

Capital Improvement Committee – A group comprised of two members of the Board of Supervisors, the County Administrative Officer (and/or designated attendees), and the Public Services Director (and/or designated attendees). The committee evaluates capital facility projects, recommends project priority and funding options, and engages with county department heads for facilities issues.

Capital Project – A non-recurrent facilities expenditure of an amount of \$25,000 or more for a permanent facilities asset which has a useful life of ten years or more, or extends the useful life of an existing fixed asset by ten years or more. Expenditures can include soft costs and/or hard costs.

Capital Project Application – The form used by county departments who request that a capital project be included in the Facilities Capital Improvement Plan.

Facilities Capital Improvement Plan – A detailed plan for capital facility projects planned to be initiated within the next five years, including both new buildings, renovations, and rehabilitation of existing buildings, along with a more general framework for projects anticipated beyond a five-year horizon or sooner if funding becomes available or priorities change.

Hard Costs - Costs that are directly related to the physical construction of a facility. These costs include building materials and labor for construction.

Real Property - Land and anything permanently attached to the land including buildings, building components such as roof, walls, electrical systems, plumbing systems, HVAC systems, finishes, and site improvements such as pavement, landscaping, etc.

Renovation - Changes to improve a tenant's operations through efficiency, security, or comfort.

Rehabilitation - Periodic replacement of significant building systems or elements (i.e., roof, HVAC, carpeting, etc.) meant to recapitalize and extend the useful life of the building.

Soft Costs - Costs that are not directly related to the physical construction of a facility but still necessary for project development. Examples include professional design services, permit fees, construction testing/inspection, or other expenses required to complete the project.

Unfunded Project – A project that does not have a revenue source identified to pay for the planning or construction.

3. PROCEDURE

The FCIP will be updated as part of the budget process annually for a five-year forecast to reflect project status, funding availability, addition or deletion of projects, and changes to project prioritization. This annual process requires input from department heads, assistance from the Capital Improvement Committee to evaluate competing requests for limited funding, and administration from the Public Services Department.

Annual process:

- January: Departments begin formulating capital project needs
- March: Formal call for projects (with budget book)
- April: Project requests due to Administration (with budget submittals)
- April: Capital Improvement Committee reviews and prioritizes projects
- May: preparation of draft FCIP
- June: BOS presentation of recommended FCIP (with proposed budget)
- June-September: revision to draft FCIP
- September: BOS presentation of final FCIP

Projects that are rehabilitative or renovative in nature but are anticipated to cost less than \$25,000 will not be included in the FCIP.

Facility-related projects that exceed the \$50,000 capitalization threshold but do not qualify as a Capital Project will not be included in the FCIP. Examples include master planning or the purchase of personal property.

4. CRITERIA

The criteria for inclusion of projects in the FCIP are the following:

1. Required to meet compelling health, safety, legal or code compliance, a mandate of the Board of Supervisors, or a court order.
2. Previously approved phases of a project, which are integral to completing its initial scope.
3. Required to keep an existing facility operational. Provides measurable economic benefit or avoids economic loss to the County. Serves to maintain or improve infrastructure of the County as a general benefit to County operations and services.
4. Alleviates constraints and impediments to effective public access and service such as improvements regarding space limitations or inefficient layout of space in County facilities, provisions for expanded or changed programs or services, or improvements to heating, ventilation or other work environment conditions.
5. Improves the environmental quality or aesthetics of County facilities.

The County's facility-related needs are likely to exceed available resources, resulting in competing priorities for limited funds. This FCIP recognizes these funding limitations – it is a realistic, “funding constrained” plan. The amount and scope of projects programmed into the FCIP are limited by the amount of funding currently available or reasonably anticipated within the five-year horizon. Some funding sources are flexible and can be used to fund any project (e.g., General Funds), while other funds are restricted in nature (e.g., grants, state/federal program allocations, etc.). Funding for the first year of the FCIP is expected to be appropriated in the County's budget for the next fiscal year. Projects shown in future fiscal years are contingent upon available funding and may be reprioritized.

Capital projects that are funded by outside or non-discretionary sources may be given separate consideration if the projects conform to the Board of Supervisors strategic plan.

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COUNTY OF LAKE CAPITAL PROJECT PLANNING REQUEST

Project Title	
Project Location	
Department Requesting:	
Department Head Signature:	

Project Description and Justification

Provide cost estimate per year for project development/construction

Fiscal Year	23/24	24/25	25/26	27/28	28/29	Total
-						0

Proposed Funding Source(s)

Prepared by: _____

Date: _____