



The National Center for Aviation Training

EXECUTIVE SUMMARY

Capital Improvement Program Overview

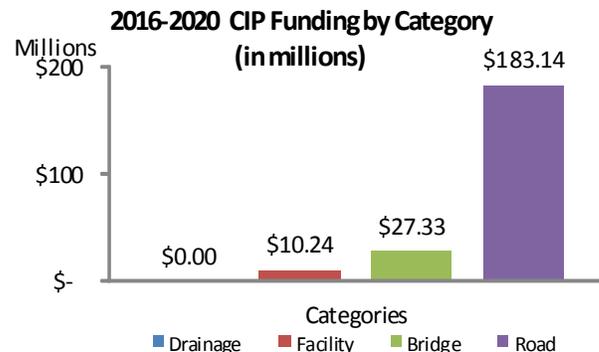
Sedgwick County’s Capital Improvement Program (CIP) includes the acquisition, construction, remodeling and major maintenance of public facilities and infrastructure systems. To be eligible for the capital improvement program, a project must be an addition to the County’s facilities or infrastructure having an expected useful life greater than five years and expected cost exceeding \$50,000, or maintenance of existing assets that is estimated to cost more than \$25,000. Excluding preventive road maintenance (project R175), CIP projects are characteristically non-routine and beyond the scope of normal operations, including normal expected maintenance. Routine investments in capital assets, including acquisition and maintenance, are planned for in departmental operating budgets, not the CIP. Examples of these expenses include replacement of fleet vehicles and related equipment (excluding fire engines and apparatuses) included in the Fleet Management budget, information technology assets included in the Information Services Department budget, and routine maintenance of County-owned facilities included in the Facilities Department budget.

Annual long-range CIP planning began in 1982 with the goal of facilitating area-wide economic development by upgrading the County’s roads, bridges and drainage systems as well as maintaining facilities. Operating under the supervision of the County Manager and the approval of the Board of County Commissioners (BoCC), the CIP Committee provides

day-to-day oversight of the program. CIP Committee members guide the programming process which annually produces a plan specifying the capital spending budget for the upcoming budget year and projecting it for years two through five, the planning years of the program.

Sedgwick County Fire District 1 did not submit any new projects for the 2016-2020 CIP. Had the Fire District submitted capital projects, they would be included in this report; ongoing projects are still highlighted in this plan.

The total capital spending budget for 2016 is \$63,626,571, an increase of \$38.44 million from the 2015 capital budget. The 2016-2020 program continues to support the County’s commitment to maintain and improve its facilities and infrastructure including roads, bridges and drainage.



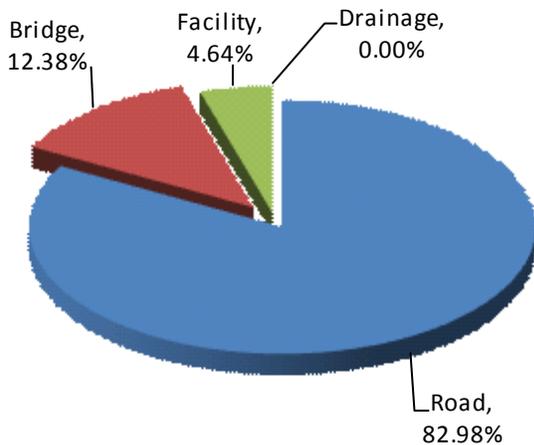
Planned spending on projects in the 2016-2020 CIP includes the following five-year totals: \$10.24 million for facilities, \$27.33 million for bridges, and \$183.14 million for roads.

Funding for the five-year CIP plan totals \$220.70 million, of which road spending comprises the majority, as illustrated by the chart on the previous page. Typically, a large portion of CIP funding is allocated to road projects, but the effect is inflated in the current CIP due largely to \$116.03 million in State and Federal funding for the interchange project at I-235 and U.S. Highway 54.

Funding Overview

As a percentage of total costs planned for the 2016-2020 CIP, road projects account for 82.98 percent, bridge projects for 12.38 percent, drainage projects for 0 percent and facility projects for 4.64 percent.

2016-2020 CIP Expenditures by Category



Funding for the CIP occurs on a year-by-year basis. When funding that is allocated to a project is not completely spent by the end of the fiscal year, it is carried forward for use in the next fiscal year. Funding for CIP projects comes from annual revenues including property tax, sales tax, liquor tax, contributions from other governments and proceeds from issuing bonds. Road, bridge and drainage projects are often funded by a mix of sources from the Kansas Department of Transportation, the Federal Highway Administration and local jurisdictions in Sedgwick County.

Facilities & Drainage	2016	2016-2020
Cash	\$ 4,952,205	\$ 10,236,005
Bond	-	-
Combined sub-total	\$ 4,952,205	\$ 10,236,005
Roads & Bridges		
Cash	\$ 19,193,241	\$ 76,715,068
Bond	-	16,240,000
Other	39,481,125	117,513,140
Combined sub-total	\$ 58,674,366	\$ 210,468,208
Grand Total	\$ 63,626,571	\$ 220,704,213

Cash Funding

When cash funding is used, departmental budgets reflect the funding for their projects. For example, the Juvenile Detention Facility’s 2016 budget includes capital improvements funding of \$129,318 to replace all of their Security System Access control computers. Allocating funding for cash-funded projects in this manner allows for accurate budgeting and analysis of the impact of projects on department operations.

Cash is used to fund CIP projects when current revenues and fund balances are adequate to fund the project within an acceptable timeframe, when current debt levels restrict the County from issuing additional bonds or when unfavorable conditions exist in the bond market.

Bond Funding

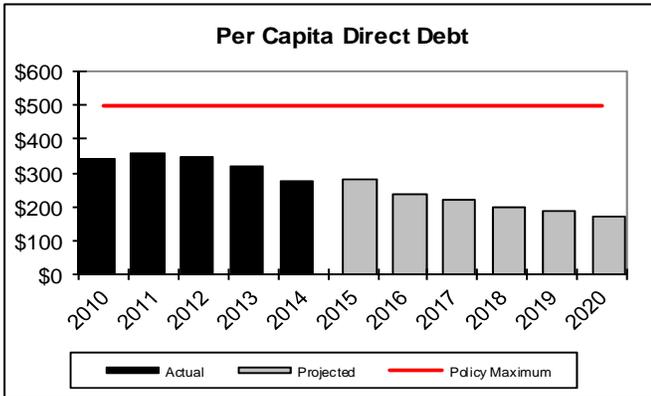
Each County bond issue, whether issued directly by the County or indirectly by the Sedgwick County Public Building Commission, constitutes a general obligation of the County, meaning the investors are protected from default risk by a pledge of the County’s full faith and taxing power. The three major credit rating agencies (Moody’s, Standard and Poor’s and Fitch) rate Sedgwick County’s bonds at the highest level of AAA, meaning the County is exceptionally positioned to meet its debt obligations. The result is favorable interest rates. The County’s Debt Financing Policy provides for a conservative approach to debt management, designed to sustain the County’s high credit ratings and low property tax mill levy. The County may use debt financing for one-time projects included in the five year CIP and unordinary major equipment purchases. Debt is only used when revenues for debt service are sufficient and reliable to ensure favorable interest rates and when using fund balance and current revenue would adversely impact the County.

The actual timing of bond issuance to fund a portion of the CIP depends on the pace of project completion. Typically, the County provides temporary financing of projects with available cash balances, and issues the bonds at the conclusion of the project when long-term debt requirements can be precisely determined. In these instances the bond proceeds are used to replenish the cash balances that provided temporary financing for the project.

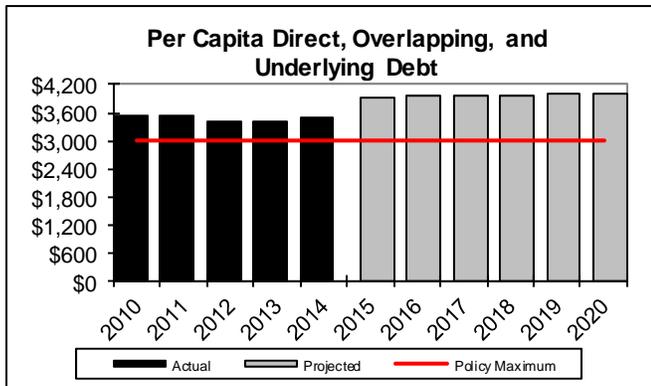
In October 2009, the BoCC approved a revised debt policy that provides clear guidance on the County’s use of debt. The objectives of the policy are to ensure financing is obtained only when necessary; the process for identifying the timing and amount of debt or other financing is as efficient as possible; the most favorable interest rate and other related costs are obtained; and future financial flexibility is maintained.

The following charts outline the guidelines established by the Debt Policy. The Policy requires the County to remain under at least three of the following five benchmarks. In aggregate, the charts illustrate the County’s strong fiscal position. More information on the County’s debt management is included in the Bond and Interest section of the budget.

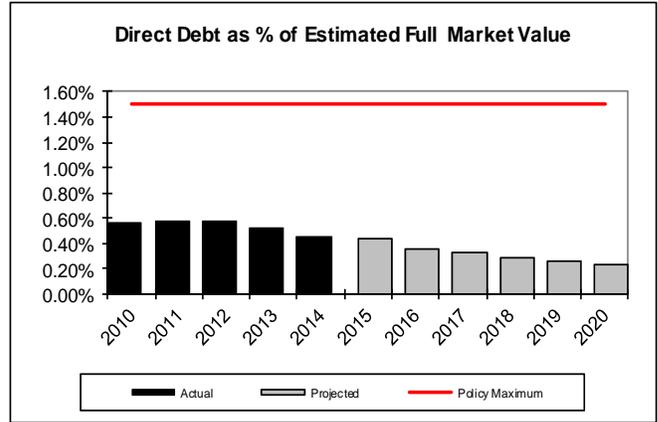
1) Per capita debt will not exceed \$500



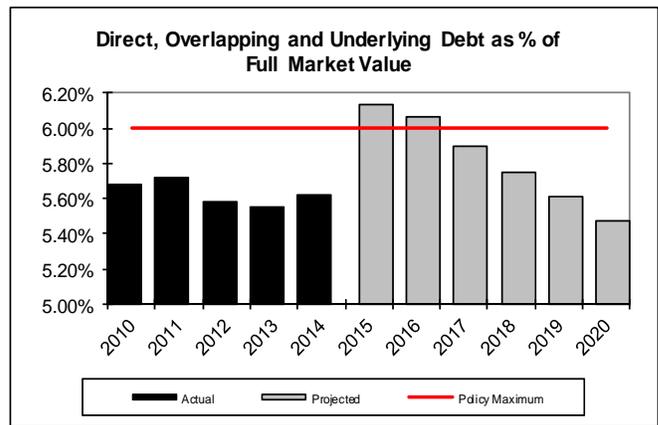
2) Per capita direct, overlapping and underlying debt will not exceed \$3,000



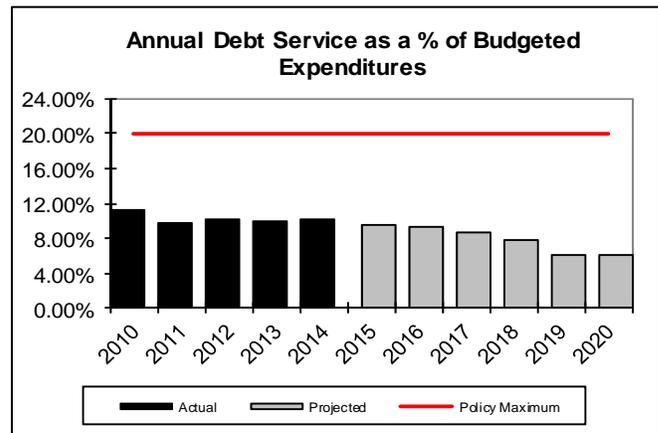
3) Direct debt as a percentage of estimated full market value will not exceed 1.5 percent



4) Direct, overlapping and underlying debt as a percentage of estimated full market value will not exceed six percent



5) Annual debt service will not exceed 20 percent of budgeted expenditures of the General Fund and Debt Service Fund



Notwithstanding the provisions of the County’s Debt Financing Policy, the BoCC has established a goal of reducing, if not eliminating, the use of debt to finance capital projects. This CIP reflects that goal.

Other Funding

Funding sources other than bond proceeds and local tax revenue are categorized as other funding. Funding from Federal, State and local agencies primarily comprise this category. Other funding sources are generally associated with projects resulting from multi-jurisdictional partnerships.

CIP Process

The CIP is reviewed as the planning for the previous cycle ends. Facility Project Services assists departments in developing new projects or updating current projects, obtaining accurate estimates, determining the potential impact on the operating budget and submitting project requests for the next five years. These requests are then prioritized by the departments' respective division directors. The prioritized requests, in turn, are submitted to Facility Project Services for consolidation and are presented in a draft five-year plan to the CIP committee early in the first quarter of the year.

The list of department requests was initially unconstrained. After several meetings that included presentations from departments and divisions on specific projects, the CIP Committee prioritized each facility and drainage project and developed a rank order listing. The priorities are reflected in the project listing order on the CIP Facility Project spreadsheet following the executive summary. Emphasis was given to projects initiated in previous years, those requiring system replacements and those intended to prevent building deterioration. These projects typically receive priority over remodeling or new construction.

The CIP Committee's selection criteria for the 2016-2020 program included:

- meeting legal mandates
- responding to public safety needs
- maintaining existing assets
- reducing or offsetting costs
- contributing to the County's financial or community sustainability
- meeting County Commission priorities

With priorities established, projects were scheduled consistent with available funding, resulting in lower priority projects moving into later years. The CIP Committee recommended cash funding in the 2016 Capital Budget at \$4,952,205 to cover essential facility and drainage. A similar process was followed for road and bridge projects, both funded primarily from a different cash source, a portion of a one-cent local

sales tax. Bond funding is governed by established County policy. With funding established within these constraints, the County Manager then reviewed and recommended the CIP to the BoCC for their approval.

For the 2016-2020 CIP, the CIP Committee consisted of Chris Chronis, Chief Financial Officer and Committee Chair; Ron Holt, Assistant County Manager; David Spears, Public Works Director and County Engineer; Marv Duncan, Public Safety Director; Steve Claassen, Facilities Director; and John Schlegel, Director of Planning, Metropolitan Area Planning Department. Support is provided by the Facilities Department, Public Works and the Budget Office.

CIP Watch List

The Watch List is used to identify and monitor potential projects that are not yet fully defined either in scope or in cost. Those projects may not yet meet one or more established criteria, such as customer thresholds or traffic counts, or that require funding beyond the amount that can be made available. Use of the Watch List helps ensure these projects remain visible while keeping planning efforts focused on the current program.

Numerous projects that were originally planned for 2016 and 2017 have been moved to the watch list in order to attain the BoCC goals of eliminating the use of debt as a financing tool for projects, and of reducing the forecasted deficit for 2016. Projects that have been transferred to the watch list include:

- Partial funding for Compliance with the Americans with Disabilities Act (ADA)
- Construction of a new EMS Northeast Post
- Construction of an EMS Garage Facility
- Regional Forensic Science Center DNA Lab Addition
- Sedgwick County Park Pond Bank Stabilization and Paving
- Adult Detention First Floor Visitation Remodel & Courthouse Space
- Adult Detention Addition & Courthouse Space
- Munger Remodel - 2nd & 3rd Floors
- R274: 183rd St. W. from 23rd St. S. to 39th St. S.

All approved projects receive monthly review and all open projects are included in the Quarterly Financial Report. Projects that are superseded or unable to be accomplished are recommended for cancellation and their corresponding funding returned to the original funding source on approval of the BoCC.

Project Execution and Prior Year Projects

State Mandates

State law (K.S.A. 68-506f) requires counties to maintain streets in cities with a population of less than 5,000 that form connecting links in the County road system and highways included in the secondary road system or in the system of County minor collector roads and highways. This State mandate requires Sedgwick County to maintain such roads in all cities within the County except Bel Aire, Valley Center, Derby, Haysville, Park City, and Wichita. According to State law, these cities are large enough that they are expected to maintain their own streets and highways. These cities receive an annual maintenance fee per lane-mile to maintain state highway connecting links within their city limits.

CIP Environmental Scan

The Metropolitan Transportation Plan (MTP) 2035

The MTP 2035 is the blueprint for all regionally significant transportation projects through 2035. It is a 25-year strategic plan for maintaining and improving mobility within and through the region. It increases effective use of the region's investments and promotes transportation services and infrastructure that are consistent with the overall desires of residents. The MTP 2035 discusses all modes of transportation in the region, includes an inventory of existing conditions, identifies needs, and provides recommendations. The MTP 2035 was prepared by the Wichita Area Metropolitan Planning Organization (WAMPO). WAMPO is the designated Metropolitan Planning Organization (MPO) for the Wichita region. WAMPO is not a department of any city or county, but is a regional planning organization charged with planning and programming federal transportation funds in the region.

The vision for MTP 2035 is to have a multimodal transportation system in 2035 that will be safe, efficient, accessible and affordable.

Objectives for the MTP 2035 are concrete and specific

items that build upon the vision and goals. The MTP Project Advisory Committee developed 11 objectives for the MTP 2035; four were selected to be short-term objectives. The short-term objectives will receive extra attention during the first five years of the plan. The four short-term objectives that were selected by the MTP-PAC are to:

- Select projects that demonstrate the greatest overall improvement of the system;
- Maintain air quality attainment status;
- Increase multimodal options and access; and
- Decrease the number of transportation-related wrecks, injuries, and fatalities.

The MTP 2035 provides an overview of the existing roadway network in the WAMPO region and the different services it provides. It also highlights the regional roadway needs, identifies several roadway-related plans that impact the regional network and provides recommendations to improve roads in the WAMPO region. A number of recommendations for roadways are identified including:

- Add roadway capacity at needed locations to serve traffic growth and development;
- Increase the length of on-ramps and off-ramps;
- Develop and implement comprehensive access management guidelines for arterial and collector streets;
- Consolidate the number of driveways on major streets;
- Pave rural roadways;
- Add shoulders to rural roadways;
- Add capacity to two-lane roadways where it is warranted by traffic volumes;
- Coordinate traffic signals to optimize existing roadway capacity;
- Incorporate pavement management system technologies into the roadway network;
- Apply complete street principles such as sidewalks, bicycle lanes, and bus lanes to new roadways being built and when existing roadways are rebuilt; and
- Incorporate Intelligent Transportation System (ITS) technologies into the roadway network.

For context, the following highlights were also included in the 2020 Transportation Plan:

1. Maintenance costs from 1993 to 2020 were estimated to be \$307 million for Sedgwick County and \$182 million for Wichita (in 1994 dollars). Sedgwick County's costs are significant due to the large backlog of bridges

needing reconstruction and the extensive paved road system that is to be reconditioned over the 27-year planning period.

2. It noted the purpose of the County Road System is to:
 - a. Connect cities in Sedgwick County to each other;
 - b. Connect to other cities in adjoining counties;
 - c. Provide modern all-weather farm-to-market roads; and
 - d. Generally provide for quick, efficient movement across the County in all directions.

The 2030 update, accomplished in 1999, provided several important revisions to the basic plan. It identified system changes made in the first five years of the plan (1994-1999), examined the traffic problems in 1997, and identified those sections on major arterial streets experiencing high traffic demand beyond the desired service levels in 1997. These sections were consequently identified as areas of congestion. It detailed proposed improvements between 2000 and 2030, potential residual problems and anticipated financing requirements from various sources.

In 2005, the Wichita Area Metropolitan Planning Organization (WAMPO) updated the 2030 Long Range Transportation Plan (LRTP). This update, approved on August 25, 2005, refreshed the plan and enhanced the value of the plan as a tool for public and private decision makers. The objective is to continue to help public policymakers make cost effective transportation-related decisions, and aid business owners and individuals in developing or selecting locations that are suitable for business or residences.

How the CIP Addresses Mandates in the MTP 2035 Plan

Sedgwick County’s 2016-2020 Capital Improvement Program continues to address many of the significant transportation issues noted in the latest revision to the 2035 Transportation Plan. The CIP also fulfills the County’s responsibility to maintain existing paved roads in the County and its statutory duty to maintain connecting links in most cities in the County. Examples in the plan include:

- The creation of a Cold Mix and Gravel Road Replacement Program to replace up to five miles per year of existing cold mix asphalt

roads in poor condition or replacement of County or township gravel roads where traffic volumes justify conversion to paved roads.

- The construction of a multi-use path to connect the existing path systems in Derby to the existing path systems in Mulvane in 2018.

The Division of Public Works constantly monitors traffic on arterial streets and at intersections. The priority of various CIP projects is adjusted according to this changing traffic information. Equally important, on a five year rotating schedule, each mile of County road receives an appropriate maintenance treatment based on its condition. The CIP also continues an aggressive replacement program for bridges with posted weight limits. The County continues to support efforts to obtain state project funding to address other issues identified in the 2035 plan, such as the freeway system and crossings over the floodway. For example:

- Beginning in 2016, Sedgwick County has committed to providing the local match to KDOT funding for the first phase of a \$116 million dollar project to replace I-235 and Kellogg (US-54) Interchange, an antiquated and dangerous highway structure.

With this support and careful planning, the County expects to continue to achieve significant progress in the maintenance and upgrade of its bridge infrastructure. As the biannual bridge inspection process identifies functionally obsolete or structurally deficient structures, Public Works staff prioritizes them and programs them in the CIP for replacement as funding allows. Currently, 57 (9.6 percent) of Sedgwick County’s bridges are structurally deficient or functionally obsolete. This is much better than the current rate for the entire nation (23.9 percent) and Kansas (16.9 percent). The 16 bridges planned for this CIP should help address the issue.

Planned 2016-2020 CIP Bridge Construction	
Year	Number Planned
2016	7
2017	4
2018	3
2019	4
2020	1
Total	19

Financial Summaries and Project Pages

Financial summaries and project pages follow the Executive Summary that provide detailed information for each project recommended to the BoCC.

Significant Current and Recently Completed CIP Projects

Preventive Road Maintenance

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$48.3 million	\$28.3 million

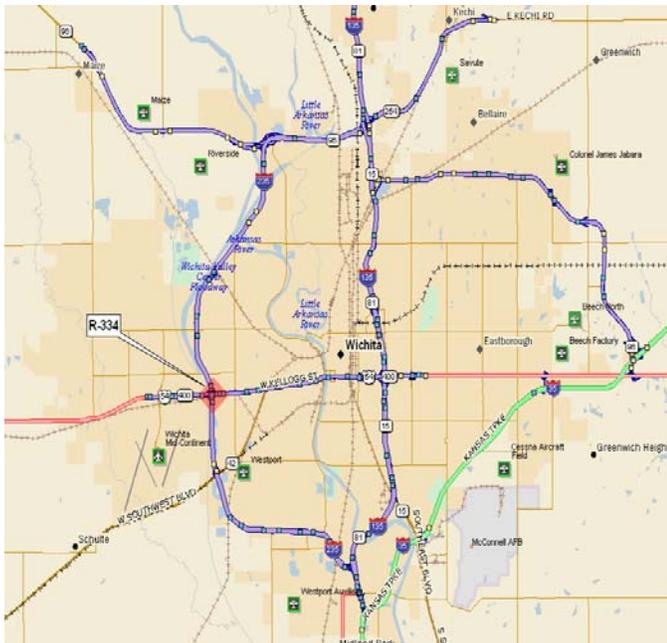
Preventive maintenance work is performed by contract or purchase of materials for overlays, seals, shoulders or asphalt on a rotating five-year schedule. When timely preventive maintenance is not performed, roads deteriorate and at a certain point must be replaced with new pavement. The life cycle cost of roads is reduced by performing regular pavement maintenance.

Interchange at I-235 and US-54 (Phase I)

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$867,698	
Bond	\$1.3 million	
Other	\$113.8 million	—

The Board of County Commissioners approved County participation in this Kansas Department of Transportation

Project on May 18, 2011. The County share of the project will be \$11,600,000. The project is expected to begin in 2016 and extend through 2018. The interchange is a high priority project in both the region and the State.



Cold Mix and Gravel Road Replacement Program

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$6.3 million	—

A new program beginning in 2016, the Cold Mix and Gravel Road Replacement

Program will replace existing cold mix asphalt roads that are in poor condition or will convert County or township gravel roads to paved roads where traffic volumes justify conversion. In each year of the CIP, up to five miles of roads will be selected based on traffic counts, road condition and expected growth of traffic counts.

Law Enforcement Training Center

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$2.7 million	—

A new Law Enforcement Training Center is necessary to adequately meet the needs of the Wichita

Police and Sedgwick County Sheriff Departments. The current facility is housed in a former USD 259 elementary school built in 1958. Neither tenants nor the school district are inclined to make significant investments in infrastructure for heavy maintenance or remodeling. The new facility will jointly use space and create natural synergies for law enforcement training and it has regional potential.

The new Law Enforcement Training Center will be a joint effort of Sedgwick County and the City of Wichita with an equal contribution from the City of Wichita in 2016.

Repair EMS Post 8

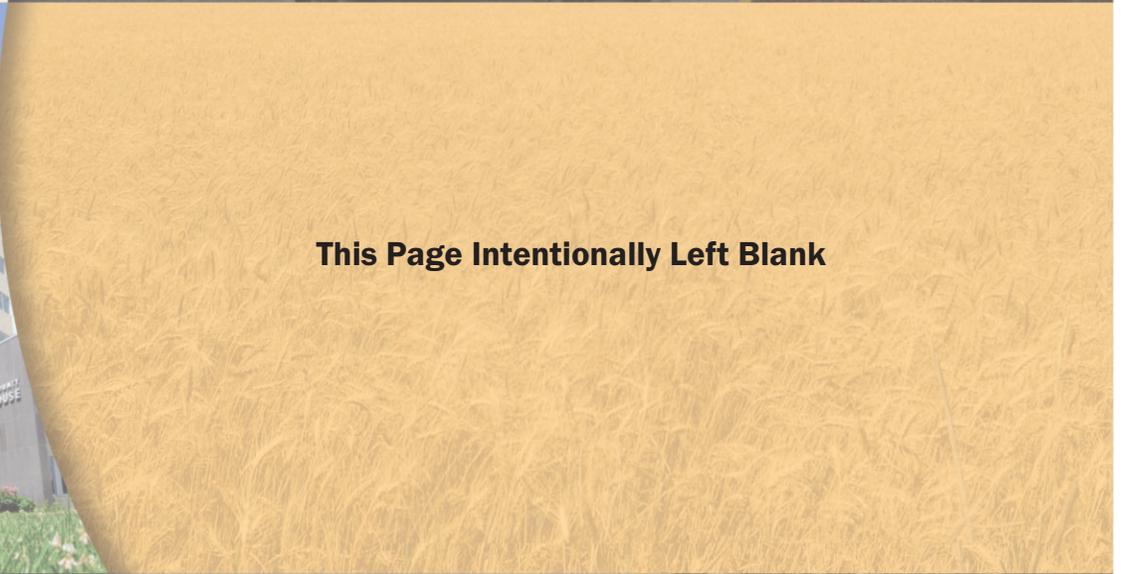
Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$210,800	—

EMS Post 8 was originally a shared facility with Sedgwick County Fire District 1 and there were no other full-time EMS services available north of this location at the time this Post was built. The ambulance at this location provides coverage to approximately 219 square miles with approximately 33,000 residents.

Currently, only EMS is operating out of this building and combined with the age, condition, size, maintenance needs and utility costs, the facility is



*Sedgwick County...
working for you*



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