



Artist's Illustration of the Law Enforcement Training Center

## EXECUTIVE SUMMARY

### Capital Improvement Program Overview

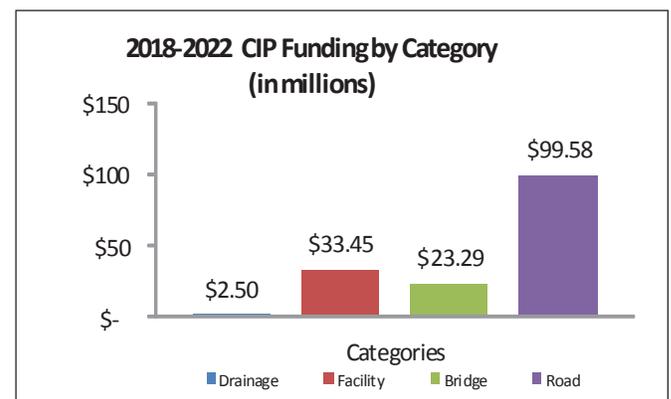
Sedgwick County's Capital Improvement Program (CIP) includes the acquisition, construction, remodeling, and major maintenance of public facilities and infrastructure systems. To be eligible for the CIP, a project must be an addition to the County's facilities or infrastructure having an expected useful 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 divisional 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 Services budget, information technology assets included in the Information, Technology & Support Services budget, and routine maintenance of County-owned facilities included in the Facilities Services 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 2018-2022 CIP. Had the Fire District submitted capital projects, they would be included in this report.

The total capital spending budget for 2018 is \$58,895,490, a decrease of \$6.04 million from the 2017 capital budget. The 2018-2022 program continues to support the County's commitment to maintain and improve its facilities and infrastructure including roads, bridges, and drainage.

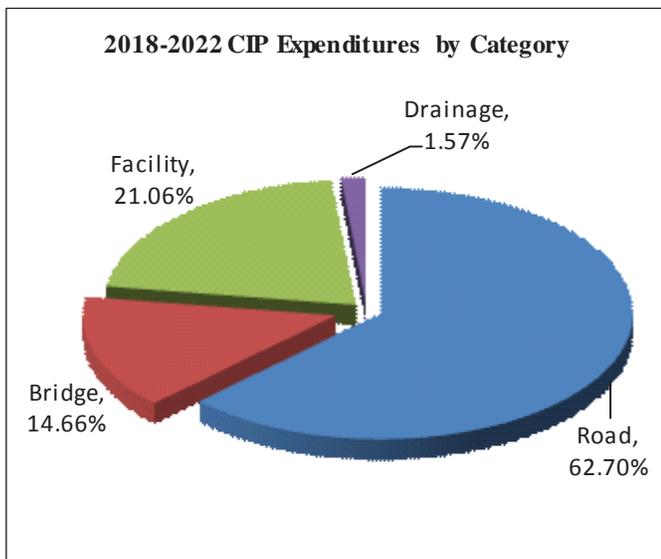


Planned spending on projects in the 2018-2022 CIP includes the following five-year totals: \$23.29 million for bridges, \$35.95 million for facilities and drainage, and \$99.58 million for roads.

Funding for the five-year CIP plan totals \$158.82 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 \$32.4 million in State and Federal funding for the interchange project at I-235 and U.S. Highway 54, whereas the County’s contribution for this project is \$3.6 million in the current CIP.

**Funding Overview**

As a percentage of total costs planned for the 2018-2022 CIP, road projects account for 62.70 percent, facility projects for 21.06 percent, bridge projects for 14.66 percent, and drainage projects for 1.57 percent.



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.

CIP Funding by Source		
Facilities & Drainage	2018	2018-2022
Cash	\$ 2,034,490	\$ 28,675,939
Bond	-	7,274,228
Combined sub-total	\$ 2,034,490	\$ 35,950,167
Roads & Bridges		
Cash	\$ 15,375,000	\$ 69,790,000
Bond	3,450,000	6,515,000
Other	38,036,000	46,563,000
Combined sub-total	\$ 56,861,000	\$ 122,868,000
<b>Grand Total</b>	<b>\$ 58,895,490</b>	<b>\$ 158,818,167</b>

**Cash Funding**

When cash funding is used, divisional budgets reflect the funding for their projects. For example, the Facilities Services’ 2018 budget includes capital improvements funding of \$687,259 for vinyl composition tile (VCT) floor removal at the Sedgwick County Adult Detention Facility. Allocating funding for cash-funded projects in this manner allows for accurate budgeting and analysis of the impact of projects on division 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**

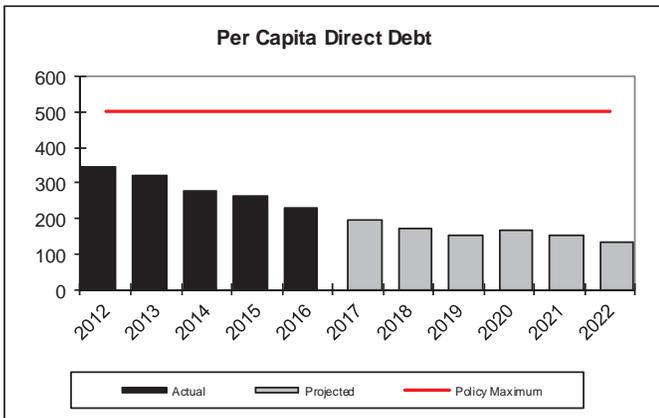
Each County bond issue, whether issued directly by the County or indirectly by the Sedgwick County Public Building Commission (PBC), constitutes a general obligation of the County, meaning the investors are protected from default risk by a pledge of the County’s full faith and taxing power. Sedgwick County currently has high debt ratings from each of three credit rating agencies: “AAA” from Standard & Poor’s, “Aaa” from Moody’s Investors Service, and “AA+” from Fitch Rating Service, meaning the County is very well positioned to meet its debt obligations, and 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.

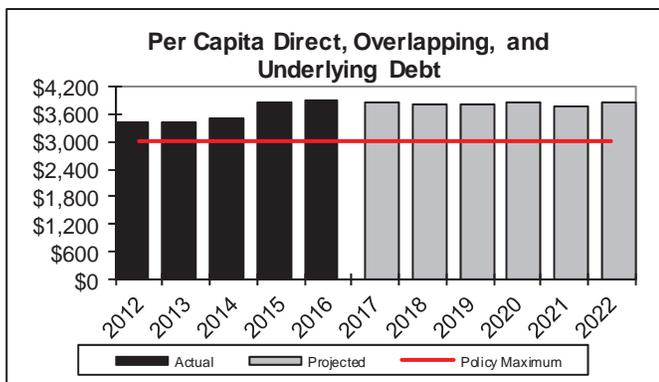
In April 2017, the BOCC approved a revised debt policy that provides clear guidance on the County’s use of debt. The objectives of the policy are to ensure financing is obtained only when necessary; the process for identifying the timing and amount of debt or other financing is as efficient as possible; 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 which 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.

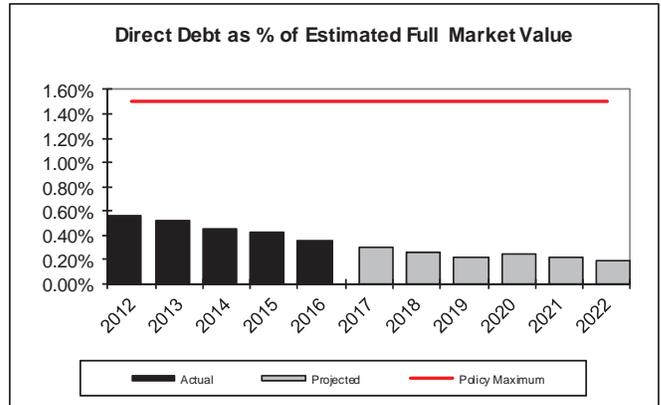
1) Per capita debt will not exceed \$500



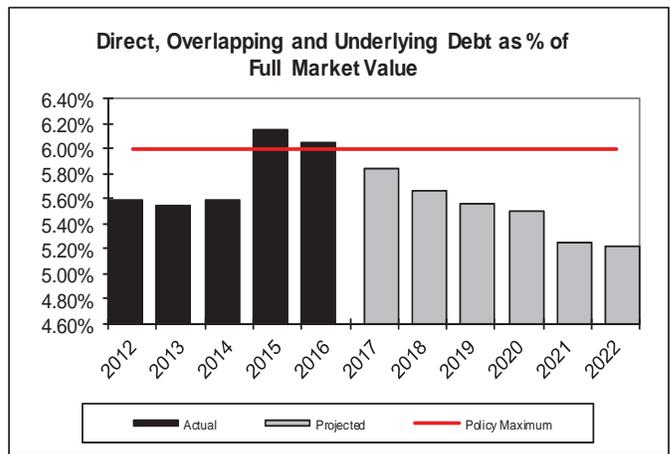
2) Per capita direct, overlapping and underlying debt



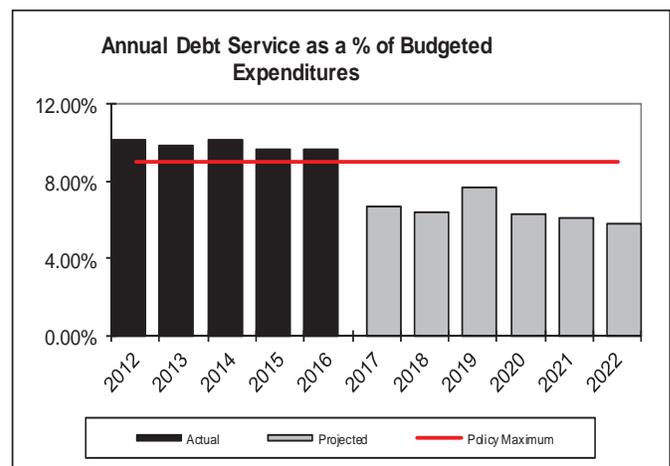
3) Direct debt as a percentage of estimated full market value will not exceed 1.5 percent



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 10.0 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 principle of using debt in a very targeted and strategic fashion 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-

## CIP Process

jurisdictional partnerships.

The CIP is reviewed as the planning for the previous cycle ends. Facility Project Services assists divisions 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 divisions' respective department 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 division requests was initially unconstrained. After several meetings that included presentations from divisions on specific projects, the CIP Committee prioritized each facility and drainage project and developed a rank order listing in which projects are prioritized into tiers based on project urgency. 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 2018-2022 program included:

- protection of public health and safety;
- protection of employee health and safety;
- compliance with regulatory mandates;
- elimination of frequently occurring problem;
- reduction of ongoing operating cost;
- age or condition of existing asset;
- generation of revenue;
- demonstrable public benefit;
- attainment of specified BOCC goal;
- implementation of comprehensive plan;
- response to public demand;
- synergy with other CIP projects; and
- availability of dedicated funding.

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 2018 Capital Budget at \$2,034,490 to cover essential facility and drainage projects. 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 2018-2022 CIP, the CIP Committee consisted of Lindsay Poe Rousseau, Chief Financial Officer and Committee Chair; Tom Stolz, Deputy County Manager; Tim Kaufman, Assistant County Manager, Department of Public Services; David Spears, Assistant County Manager/County Engineer, Department of Public Works, Facilities Maintenance, and Project Services; Tania Cole, Interim Building Services Director; and Scott Knebel, Planning Manager, Metropolitan Area Planning Department (MAPD). Support is provided by the Facilities Division, 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.

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.

### How the CIP Addresses Mandates in the MTP 2035 Plan

Sedgwick County's 2018-2022 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 Design of Phase 1 of the South Area Parkway in 2018 to link K-15 to US-81, including a new crossing over the Arkansas River and the BNSF railroad, to follow the 95th St. South alignment as an alternative to a freeway system in the area.
- 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 Department 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 six 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, 67 (11.2 percent) of Sedgwick County’s bridges are structurally deficient or functionally obsolete. This is much better than the current rate for the entire nation (22.8 percent) and Kansas (15.6 percent). The 20 bridges planned for this CIP should help address the issue.

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Planned 2018-2022 CIP Bridge Construction	
Year	Number Planned
2018	4
2019	4
2020	4
2021	4
2022	4
<b>Total</b>	<b>20</b>

**Financial Summaries and Project Pages**

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

### Significant Current and Recently Completed CIP Projects

#### Flood Control System Major Maintenance and Repair

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$2.5 million	\$933,977

The flood control system represents a significant long-term investment in infrastructure.

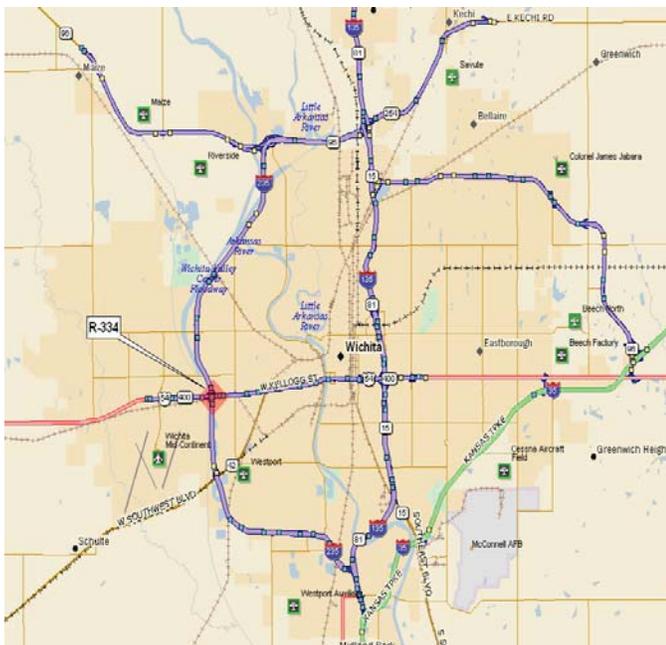
Extensive analysis performed during the levee certification project revealed that the system is in good condition but that future viability of the project depends upon making continuing investments in major maintenance and repair work. Work will include repair or replacement of toe drains, flood gates, concrete, erosion control systems, earthwork on levees and channels, and other critical elements of the system. The County is increasing flood control efforts in the 2018 budget.

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

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$2.5 million	\$8.0 million
Bond	\$0.6 million	-
Other	\$2.5 million	-

The BOCC approved County participation in this Kansas Department of Transportation

Project on May 18, 2011. The County share of the project will be \$11.6 million. 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.



#### Compliance with the Americans with Disabilities Act

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Cash	\$4.1 million	\$1.7 million

The Americans with Disabilities Act (ADA) Transition Plan was the result of an

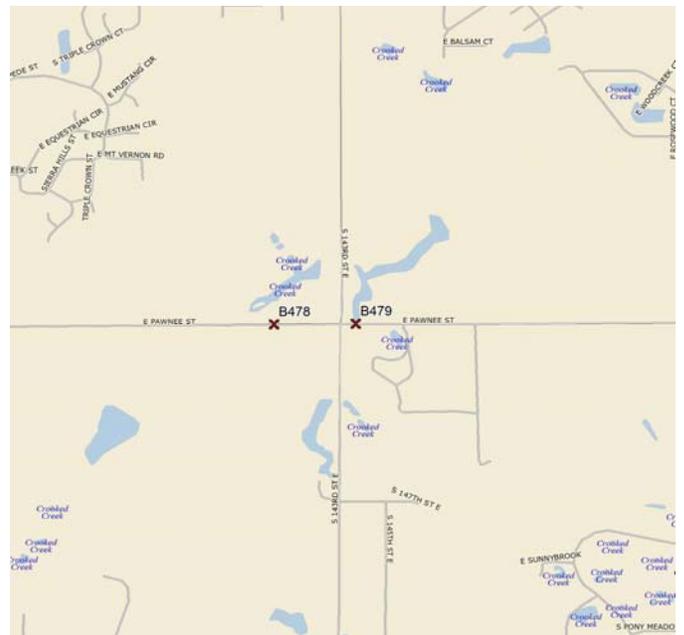
exhaustive inspection of all County facilities for ADA barriers. The plan identifies ADA variances by priority based on the severity of the variance and the risk of failing to promptly comply. This project continues to provide for a logical planned effort to comply with the ADA and the recommendations of the County's Transition Plan. Since 2009, \$4.1 million has been allocated for ADA projects with expenditures of \$1.7 million to date and an allocation of \$216,161 for 2018. The Transition Plan calls for projects to be completed in 2018, but with significant facility CIP projects coming in the next few years, the plan is to integrate ADA updates and repairs into bigger facility projects.

#### Bridge on Pawnee between 127th St. East & 143rd St. East

Project Overview		
Funding Type	Project Allocation	Expenditures to-date
Bond	\$0.8 million	-

This bridge is scheduled for replacement in 2018, and it currently has a sufficiency rating of

22.7 and is structurally deficient. The load limit for this bridge is 15/23/36 and it has a traffic count of 3,412. This is part of a targeted bonding strategy in 2018, as well as the plan to shift to replacing/repairing 10 bridges per year cycle as opposed to the former plan of 12 bridges per year.





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