



The Law Enforcement Training Center

EXECUTIVE SUMMARY

Capital Improvement Program Overview

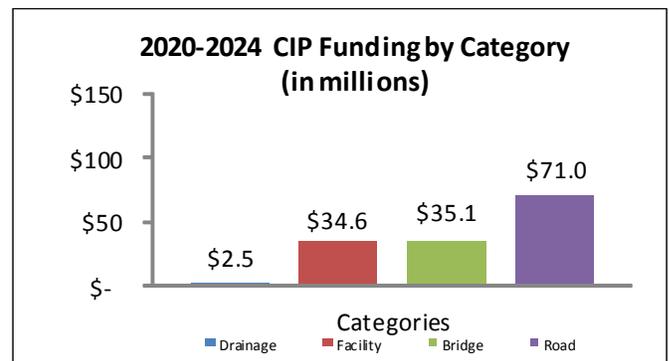
Sedgwick County’s Capital Improvement Program (CIP) includes the acquisition, construction, remodeling, and major maintenance of public facilities and infrastructure systems. To be eligible for the CIP, a project must be an addition to the County’s facilities or infrastructure having an expected useful 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 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 Division of Information & Technology 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 2020-2024 CIP. Had the Fire District submitted capital projects, they would be included in this report.

The total capital spending budget for 2020 is \$22,798,238 a decrease of \$3.1 million from the 2019 capital budget. The 2020-2024 program continues to support the County’s commitment to maintain and improve its facilities and infrastructure including roads, bridges, and drainage.

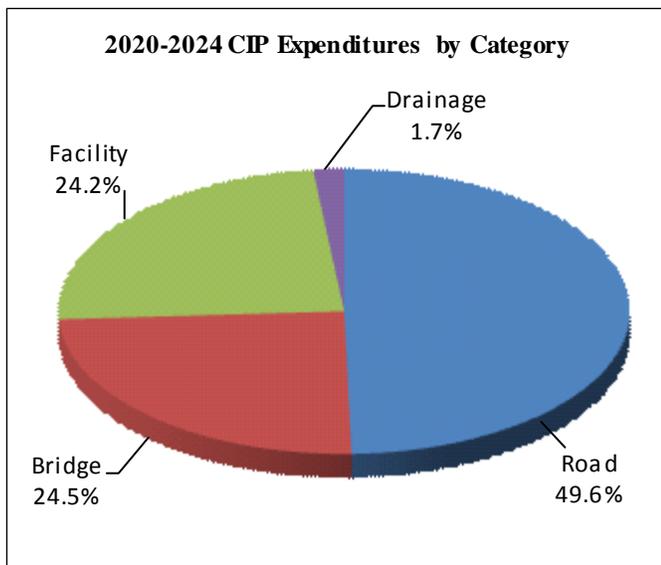


Planned spending on projects in the 2020-2024 CIP includes the following five-year totals: \$71.0 million for roads, \$37.1 million for facilities and drainage, and \$35.1 million for bridges.

Funding for the five-year CIP plan totals \$143.1 million, of which road spending comprises the majority, as illustrated by the chart on the previous page.

Funding Overview

As a percentage of total costs planned for the 2020-2024 CIP, road projects account for 49.6 percent, bridge projects for 24.5 percent, facility projects for 24.2 percent, and drainage projects for 1.7 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 (KDOT), the Federal Highway Administration, and local jurisdictions in Sedgwick County.

Cash Funding

When cash funding is used, departmental budgets reflect the funding for their projects. For example, the Department of Corrections’ 2020 budget includes capital improvement funding of \$198,086 to expand the waiting room at the Adult Residential Facility. Allocating funding for cash-funded projects in this

| CIP Funding by Source | | |
|----------------------------------|----------------------|-----------------------|
| | 2020 | 2020-2024 |
| Facilities & Drainage | | |
| Cash | \$ 857,238 | \$ 6,387,491 |
| Bond | - | 30,688,809 |
| Combined sub-total | \$ 857,238 | \$ 37,076,300 |
| Roads & Bridges | | |
| Cash | \$ 13,825,000 | \$ 73,025,000 |
| Bond | 4,000,000 | 20,000,000 |
| Other | 4,116,000 | 13,036,000 |
| Combined sub-total | \$ 21,941,000 | \$ 106,061,000 |
| Grand Total | \$ 22,798,238 | \$ 143,137,300 |

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

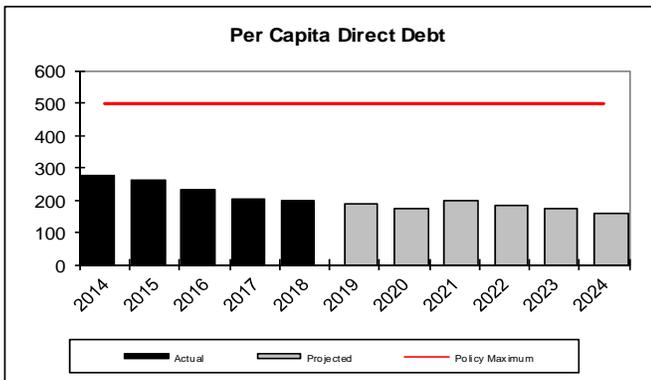
Each County bond issue, whether issued directly by the County or indirectly by the Sedgwick County Public Building Commission (PBC), constitutes a general obligation of the County, meaning the investors are protected from default risk by a pledge of the County’s full faith and taxing power. Sedgwick County currently has high debt ratings from each of the 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.

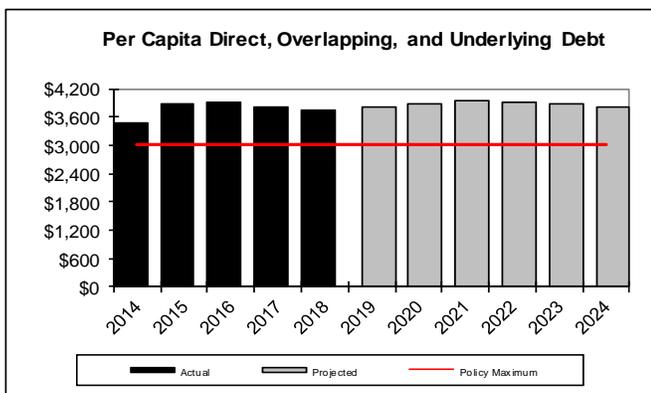
In April 2017, the BOCC approved a revised debt policy that provides clear guidance on the County’s use of debt. The objectives of the policy are to ensure financing is obtained only when necessary; the process for identifying the timing and amount of debt or other financing is as efficient as possible;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

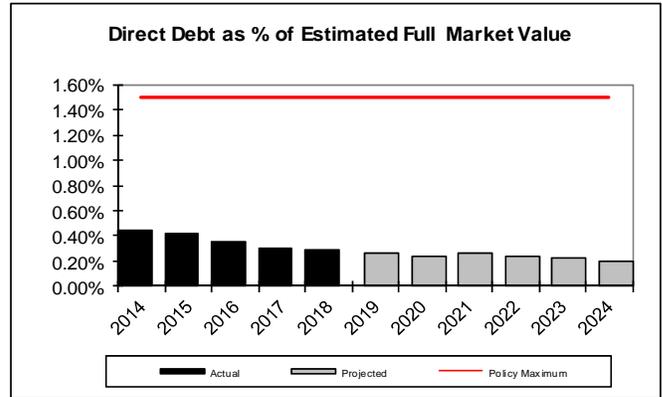
1) Per capita debt will not exceed \$500



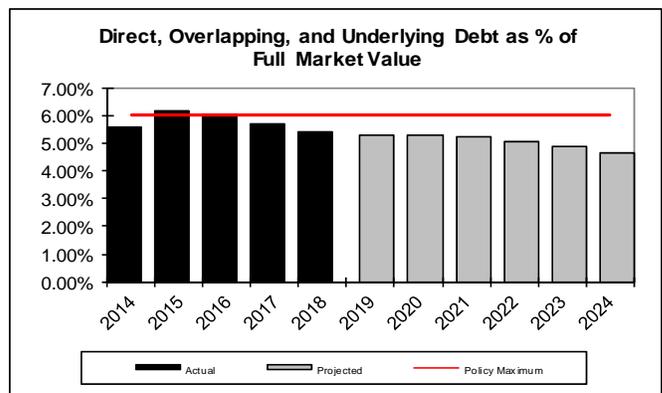
2) Per capita direct, overlapping, and underlying debt will not exceed \$3,000



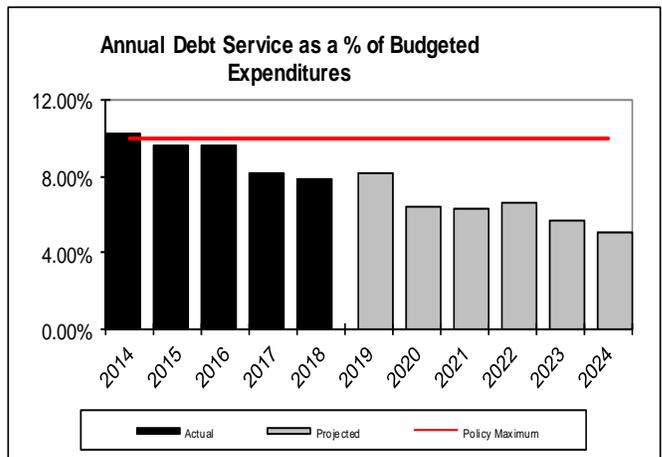
3) Direct debt as a percentage of estimated full market value will not exceed 1.5 percent



4) Direct, overlapping, and underlying debt as a percentage of estimated full market value will not exceed 6.0 percent



5) Annual debt service will not exceed 10.0 percent of budgeted expenditures of the General Fund and Debt Service



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-jurisdictional partnerships.

CIP Process

The CIP is reviewed as the planning for the previous cycle ends. 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 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 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 2020-2024 program included:

- protection of public health and safety;
- protection of employee health and safety;
- compliance with regulatory mandates;
- elimination of frequently occurring problems;
- reduction of ongoing operating costs;
- 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 2020 Capital Budget at \$857,238 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 2020-2024 CIP, the CIP Committee consisted of Lindsay Poe Rousseau, Chief Financial Officer and Committee Chair; Tim Kaufman, Deputy County Manager, Division of Public Services; David Spears, County Engineer, Division of Public Works; Rusty Leeds, Assistant County Manager, Division of Public Safety; Tania Cole, Assistant County Manager, Division of Administrative Services; Valerie Kaster Project Services Manager; and Scott Knebel, Planning Manager, Metropolitan Area Planning Department (MAPD). Support is provided by 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.

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

MOVE 2040

MOVE 2040, an update of the Metropolitan Transportation Plan (MTP) 2035, is the blueprint for the future transportation system serving the Wichita metropolitan area. It reflects the progress achieved with the resources available and a re-examination by the area's elected officials of the outcomes attained since adoption of MTP 2035. MOVE 2040 looks out over a twenty-five year planning horizon and identifies programs and projects to achieve the region's vision, goals, and desired system conditions.

MOVE 2040 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. Additionally, MOVE 2040 was developed in compliance with the Moving Ahead for Progress in the 21st Century Act (MAP-21), which authorizes federal funds for a variety of surface transportation programs including highway, safety, bicycle, pedestrian, and transit. MAP-21 provides rules, regulations, and guidance for transportation planning at the federal, state, and regional levels, and it centers on a performance-based approach.

The vision for MOVE 2040 is "to provide a regional multimodal transportation system that is safe, permits equitable opportunity for its use, and advances the region's ongoing vitality through cost conscious strategic investments." Goals for MOVE 2040 include:

- choice and connectivity;
- economic vitality;
- eliminating bottlenecks;
- freight movement;
- improving air quality;

- infrastructure condition;
- quality of life;
- safety; and
- system reliability.

For the first time, WAMPO selected projects and identified programs to follow a targeted transportation investment strategy for MOVE 2040. Additional projects were selected and funded by member jurisdictions to allow them to address their local priorities and needs. MOVE 2040 does incorporate an amendment process that allows for changes to the project lists and program activities in response to:

- changes in funding allocations from the federal or state governments;
- grant applications and awards;
- response to natural or manmade emergencies; and
- inability of sponsors to use federal or state funds available (these funds will not be designated for the original sponsor but all eligible sponsors will compete for the funds).

MOVE 2040 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. Some recommendations for roadways are identified including:

- address bottleneck locations on area highways;
- address the condition for some neighborhood streets and bridges;
- improve the safety at at-grade railroad crossings; and
- incorporate Intelligent Transportation System (ITS) technologies into the roadway network.

How the CIP Addresses Mandates in MOVE 2040

Although the County does not have any specific projects that fall under MOVE 2040, the County continues to work on projects that align with the goals. Examples include:

- Phase 3 of the Aviation Pathway connecting Derby and Wichita, and
- Multi-use path on Road Road from McConnell Airforce Base to Oak Knoll.

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 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 2040 plan, such as the freeway system and crossings over the floodway. For example, beginning in 2016, Sedgwick County committed to providing the local match to KDOT funding for the first phase of a \$116 million dollar project to replace the 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, 52 (8.6 percent) of Sedgwick County's bridges are structurally deficient. This

| Planned 2020-2024 CIP Bridge Construction | |
|---|----------------|
| Year | Number Planned |
| 2020 | 5 |
| 2021 | 7 |
| 2022 | 6 |
| 2023 | 6 |
| 2024 | 5 |
| Total | 29 |

is similar to the current rate for the entire nation (8.9 percent) and Kansas (8.5 percent). The 29 bridges planned for this CIP should help address the issue.

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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 Upcoming CIP Projects

Adult Residential/Work Release Waiting Room Expansion

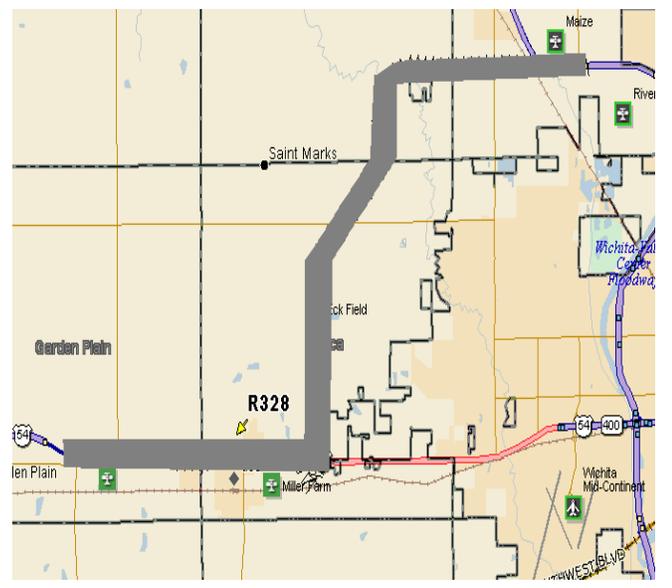
| Project Overview | | |
|------------------|--------------------|----------------------|
| Funding Type | Project Allocation | Expenditures to-date |
| Cash | \$0.2 | \$0.0 million |

In January 2018, the Department of Corrections assumed supervision of the Sheriff’s Work Release Program, which resulted in an increased population of 100 clients, The current waiting room seats eight clients, and there can be as many as 25 clients waiting at one time due to client reporting requirements. The 2020 CIP project will expand the waiting room space for clients and will allow for the addition of a metal detector to improve security at the facility.

Northwest Bypass Right-of-Way Acquisition

| Project Overview | | |
|------------------|--------------------|----------------------|
| Funding Type | Project Allocation | Expenditures to-date |
| Cash | \$2.6 million | \$0.0 million |

The County is engaged with the City of Wichita and the State of Kansas to bring major improvements to the interchange of I-135, I-235, K-96, and K-254 in north Wichita. In 2018, the County and City entered into an agreement to provide \$0.5 million each to purchase the right-of-way and hire experts to prepare applications for federal grants. The project is expected to cost \$100.0 million and expected to need funding from a number of partners with significant investment from local governments over the next several years. This project, which will greatly enhance the safety and efficiency of the interchange, has been identified as the top regional priority for local governments and private industry. (Project Overview includes funding from 2019 through 2024.)



Master Space Plan for Downtown

| Project Overview | | |
|------------------|--------------------|----------------------|
| Funding Type | Project Allocation | Expenditures to-date |
| Bond | \$35.4 million | \$4.9 million |

A master space plan study is being conducted by the Facilities Department and an architectural firm to review the space within the Courthouse Complex that includes the County Courthouse, the Historic Courthouse, the Munger Building, and other surrounding facilities that would be impacted with a new Administration Building and County Courthouse remodel. The master space plan study provides long-term space need goals for the District Attorney’s Office, the Eighteenth Judicial District, the Sheriff’s Office, and County administration functions over the next five to ten years and gives a logical progression of space to be allocated and remodeled within the Courthouse Complex. (Project Overview includes the Adult Detention Facility First Floor Remodel and Addition and Courthouse Space, the proposed County Administration Building, and the proposed District Court and District Attorney Expansion and Remodel projects from 2019 through 2024.)

Flood Control System Major Maintenance and Repair

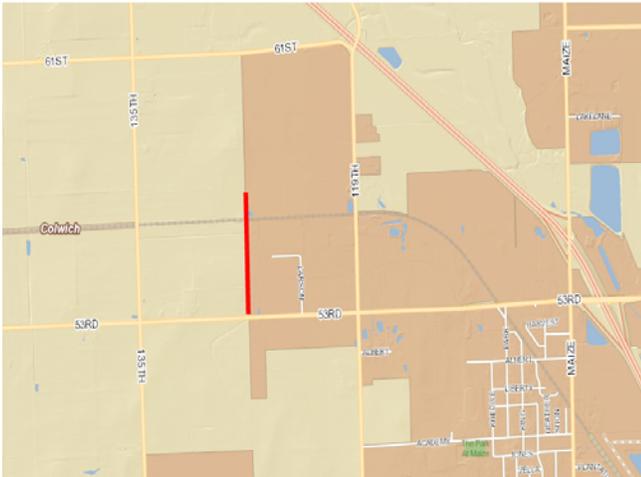
| Project Overview | | |
|------------------|--------------------|----------------------|
| Funding Type | Project Allocation | Expenditures to-date |
| Cash | \$3.0 million | \$0.2 million |

The flood control system represents a significant long-term investment in infrastructure. The system is inspected annually by the Corps of Engineers and is required to undergo an extensive certification process for the Federal Emergency Management Agency (FEMA) every ten years. These inspections have shown that the system is in good working order but indicate that ongoing annual investments in major maintenance and repair are needed to keep the system in good working order. Ongoing 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 long-term maintenance plan indicates that the County and City of Wichita need to invest a total of \$1.0 million per year through 2026, and costs are projected to double beginning in 2027. The 2020 allocation for this project is \$0.5 million. (Project Overview includes funding from 2019 through 2024.)

Pave 135th St. W. North of 53rd St. N.

| Project Overview | | |
|------------------|--------------------|----------------------|
| Funding Type | Project Allocation | Expenditures to-date |
| Cash | \$2.0 million | \$40,835 |

The City of Maize is developing an industrial park north of 53rd Street North between 119th Street West and 135th Street West. 135th Street West is currently a gravel township road. Maize requested that the County support development of the industrial park by taking over maintenance of the road and constructing an industrial standard road from 53rd Street North to the Kansas and Oklahoma Railroad tracks approximately a half mile north of 53rd Street North. Construction is programmed in 2020 at a cost of \$1.4 million. (Project Overview includes funding from 2019 through 2024.)



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