



April 18, 2011

The Honorable Jeffrey A. Horton
Members of County Council
County Administrative Building
366 North Church Street
Spartanburg, South Carolina 29303

Dear Members of Council:

I am pleased to present to you the County's Recommended FY 2012-16 Capital Improvement Plan (CIP). The recommended CIP has been developed with the goal of balancing the capital needs of the County with the reality of the current fiscal environment. The recommended CIP seeks to address the most critical departmental needs, prevent deterioration of our capital assets, and meet the requirements of unfunded mandates, all under challenging economic conditions. Despite the fiscal challenges that exist, it is crucial that we continue to invest in our infrastructure, technology, vehicles and equipment, and in projects that enrich the quality of life experienced by our citizens. Additionally, it is imperative that we recognize that the current fiscal climate will not endure indefinitely, and that we plan to address deferred capital needs as revenues begin to recover. It is with that goal that the FY 2012-16 CIP has been developed. We believe we have been successful in meeting these challenges, continuing to carry-out the policies of Council, meeting demands of mandates, and strategically investing in capital projects that will yield benefits for many years to come.

CIP Structural Changes

Although we recognize that FY 2011/12 will be a challenging year, it is important that we continue to refine the Capital Improvement Plan, and expand the information that it provides to you, our policy makers, and to our citizens. With this in mind, we have expanded the information that is presented in the CIP so that our citizens may have a better understanding of the fiscal impact of capital projects and have a more thorough understanding of the County's debt. Included in the FY 2012-16 Recommended Capital Improvement Plan is a new summary of additional operating impact. This summary offers a five year analysis of the financial impact of capital projects on the County's operating budget. While this information has been included on project description pages since the CIP's inception, it has never before been consolidated into one summary for review. Presenting this information in this format helps us to have a better understanding of the recurring fiscal impact of capital projects and plan that impact on our annual budget.

Also included in the FY 2012-16 Capital Improvement Plan is a series of tables that more clearly identify the types of debt the County holds and its long-term financial obligation related to those debts. This information, located in the Appendix, outlines the various types of long-term debt that the County holds, its obligation by fiscal year, the associated revenue sources that pay for the debt, and the purpose for which the debt was originally issued. It is our hope that this information, while serving as a valuable reference, will also help our citizens to better understand the County's debt and its impact on the CIP process.

Programmed Projects

As in prior years, the projects contained in the CIP represent an effort to create a safe and secure community, maintain and improve our public infrastructure, enhance our quality of life through recreational opportunities, exceed customer expectations by providing efficient and effective services to all citizens, employees, businesses, and visitors to Spartanburg County, and maintain a healthy community and environment.

Highlights of the Recommended FY 2012-16 Capital Improvement Plan totaling \$74.6 million, including \$16.75 million in the FY 2011/12 Capital Year Budget include:

Creating a Safe and Secure Community – In order to meet the demands of the FCC 2013 mandate, a comprehensive solution is proposed that will provide the mechanisms necessary to meet mandate requirements as well as create the foundation of a system that will serve the County for years to come. This project, included at \$2.8 million in FY 2011/12, will establish a more robust communication network for the emergency responders that utilize the VHF network, particularly area fire departments. The County also continues its commitment to maintain safe and secure roads and bridges through the inclusion of multiple public works related projects. The Westmoreland Road Widening is funded with an additional \$445,000 of Road Maintenance Fee funds. Also included in the CIP are a series of bridge and culvert replacements, including Motlow Creek Road Bridge, Foster Road Culverts (A&B), Clark Road Bridge, Kist Road Bridge, and Hampton Road Bridge that leverage Road Maintenance Fee funds and State C-funds to assure that our waterways remain passable by public safety personnel even during flooding.

Maintaining and Improving Our Public Infrastructure – The County remains focused on maintaining our public infrastructure through continued investment in the Countywide Asphalt Resurfacing Program, funded at \$19.4 million in FY 2012-16, including \$3.6 million in FY 2011/12. Resources are also programmed for extension of Sterling Drive, funded at \$775,000 in FY 2011/12. Funding is also recommended for the construction of the Phase VII MSW landfill, with funding for permitting programmed in FY 12-13 and funding for planning and construction in FY 14-16.

Over the past year, many capital projects related to our County facilities have been completed, eliminating the backlog of deferred maintenance and upgrading the efficiency of our systems. Despite the substantial investment already made to preserve our assets, it is imperative that we continue to fund repairs to our various facilities in order to prevent deterioration. With this in mind, we have included a series of projects over the five year planning period that will address the needs of our facilities and prevent costly emergency repairs. Additionally, a second series of efficiency upgrades are recommended for funding. This project, Performance Contract Funded Improvements, is recommended for funding in FY 2011/12 and will address those County facilities that were not addressed in the first iteration of this program. It is expected that the utility savings associated with this project will be sufficient to offset debt service associated with this project.

Enhancing our Quality of Life through Recreational Opportunities –In the FY 2012-16 CIP, the County continues to utilize the proceeds from the 2% Hospitality Tax, programming tourism related pay-as-you-go recreational projects to attract visitors to Spartanburg while providing additional recreational amenities to our citizens. Projects included at the request of the Spartanburg Parks Commission are: Holston Creek Regional Park - \$1.4 million in FY 2011/12; Tyger River Regional Park \$500,000 in FY 2011/12; Va-Du-Mar McMillan Regional Park - \$250,000 in FY 2011/12; and Countywide Trail Development, \$500,000 annually from FY 13-16. It is important to note that these recommended pay-as-you-go projects do not require the issuance of additional debt by the County.

Exceeding Customer Expectations by Providing Efficient and Effective Services to all Citizens, Employees, Businesses, and Visitors to Spartanburg County - The County will continue to provide outstanding customer service through technology improvements to business operations (\$3.5 million in FY 2012-16) and providing safe and fuel efficient vehicles and equipment for staff to use in completing job activities (\$14.3 million over FY 2012-16, including \$2.2 million in FY 2011/12). Our ability to provide efficient and effective services to citizens will be enhanced through investment in Document Management and Workflow Collaboration technology. This project, recommended for \$105,000 in funding in FY 2011/12 and 139,000 in FY 2013-14, will assist departments in managing various documents critical to their missions, sharing those documents across departments to increase efficiency and effectiveness, and maximize the effectiveness of costly data storage.

Maintaining a Healthy Community and Environment – The County remains committed to improving the environment, with programmed funding for several Stormwater Management related projects. These projects, developed in response to the MS4 permit and the Clean Water Act, will provide resources to monitor water quality and to develop mechanisms to improve water quality in the most cost effective manner. Project funding for these items is recommended at \$425,000 in FY 2012-16.

On the following pages, you will find detailed information for each project including expenditures and recommended funding sources. Also included are summary information sheets to provide you with quick access to information regarding project recommendations, and financial overviews.

The FY 2012-16 Recommended Capital Improvement Plan allows the County to maintain its commitment to providing a safe and secure community, maintaining and improving our public infrastructure, enhancing our quality of life through recreational opportunities, exceeding customer expectations, and maintaining a healthy community and environment. Development of this plan involved many hours of hard work by County staff, and I am appreciative of the role they continue to play in this important endeavor.

I look forward to working with you as we implement the County’s comprehensive FY 2012-16 Capital Improvement Plan.

Sincerely,



D. Glenn Breed
County Administrator