

Capital Improvements Program

The Blount County Commission has recognized the need for and has a formal Capital Improvements Plan for the County. This program has documented a six-year plan of the projects the Commission has prioritized within the means of the County. As the County implements this plan, new projects will be added so that this plan will be both current and perpetual. The benefits of a formal plan include:

- Ensuring the highest and best use of the County's limited funds for capital improvements
- Preventing/avoiding "crisis" management
- Providing a tool for the County to address long-term needs with long-term solutions
- Maximizing the improvements possible at the current rate
- Providing a long-term debt plan to ensure the County lives within its means, the County's needs are appropriately addressed and Blount County's citizens and the Debt Market's participants maintain their confidence in Blount County

The County Commission has long recognized many needs in the County and the limited funds available to address those needs. On March 16, 1995, the Blount County Commission unanimously voted to use a six-year plan as a tool to formally address this issue in an open and systematic method.

At the time, the Jail Committee was already studying the County's largest individual project. Plans were developed to build the County Justice Center to address the overpopulation of inmates with expert advice from our jail consultants and architect. Since that time, many options and projects have been presented and addressed culminating at the June 1997 meeting. The situation involved a justice center solution and the obvious need for additional classroom facilities in our schools to help meet the state's lower class sizes; as mandated by the Better Education Program (BEP) and to anticipate growth in student population. The County Commission made clear its intent to address these needs as efficiently as possible by establishing The Blount County Public Building Authority (PBA) and calling for a proposal to implement these solutions.

At the July 1997 meeting, the Commission again demonstrated its intent at doing its part in providing solutions to these issues. Among the business conducted in July included:

- Appointed members to the newly established PBA
- Accepted the six-year capital plan
- Authorized the School Board to begin a project to design and construct two new middle schools
- Authorized a \$500,000 capital outlay note to provide funds to start the school design process

- Authorized the school board to begin the site selection process for two additional school sites
- Instructed the budget department to include the Library project in the next bond issue --in accordance with year one of the CIP
- Authorized the PBA and Jail Committee to obtain a guaranteed maximum price contract for the construction of a full justice center

The culmination of all of this hard work and dedicated planning came to fruition in May 1999 when the justice center/jail opened on schedule. After many years of hard work, the efforts paid off. As is evidenced by the completion of the justice center on time and under budget, a well thought out and well executed capital improvements plan is very much worth the efforts that go in on the front end.

Since the June 1997 meeting, the County Commission each year revisits its six-year Capital improvements plan and revises it where necessary. This happens each year as part of the budget process.

A complete listing of the projects currently included in the CIP follow this narrative. While each project is not appropriated at this point, the inclusion of all foreseeable projects helps the County Commission to prioritize and also keeps all projects readily available for Commission to consider. The capital spending in the plan reflects a total of about \$62 million of which \$35 million has already been borrowed. The plan provides for the completion of several new schools and the renovation and reconstruction of a middle school into a freshman academy. The proposed funding plan is to issue general obligation bonds through the Public Building Authority over the next six years.

As is evidenced by the above, Blount County continues to believe in stretching every dollar we spend. Projects completed thus far continue to be finished on time and under budget. This is further proof of the fact that we are spending the taxpayer's money prudently.

The effects of the project are not just the "bricks and mortar" as discussed above. Operational needs will follow the completion of each project. For example, each new elementary school costs us an additional \$1 million each year to operate. These monies are for new utility bills, secretaries, bookkeepers, principals, guidance personnel and eight new teachers per school for elementary school programs. All other teachers will be transferred from other schools within the systems.

As is with any project, the operational needs are a major consideration and as County Commission debates projects, funding of the operational side takes up a major amount of the time of discussion. By the end of debate and approval of a capital project, the timing and amount of the operational needs are calculated and figured into the County's long-term budgetary needs. Included with the list of capital projects that will be completed are the estimated operational impacts of each project and the fiscal year in which the impact will be felt. Several of the projects have little or no impact on the operational budgets as they deal with roof replacements, bleacher replacements, HVAC replacements, etc. The reconfiguration of William Blount Middle School into a 9th grade academy will have an impact of approximately \$300,000 on the General Purpose School Budget. This impact will have to be addressed in the FY 2008-09 budget. The completion of the new elementary school in the east side of the County on new land to

be purchased through this capital improvements plan will impact the General Purpose School Fund by \$1 million. This impact will be addressed in the 2008-09 budget as well.

Finally, the completion of the new middle school on the same land already mentioned will have an operational impact of approximately \$1.5 million. These needs will also have to be addressed in the FY 2008-09 budget. All other capital projects are replacement items and will not have an impact on the operational budgets of the County.

Again, the County has formally recognized the benefits and the need for a long-term capital improvements plan. The County has a plan to meet those needs. Of course, there are many projects proposed and needed that did not make the list. There are projects that are on the long-term list that will change or be affected by the growth of the County. Our long-term plan is just that, a plan. We continue to monitor, adjust and adapt to our ever changing needs. The focus of future Commission debate will include addressing the following questions:

- Should we ask the taxpayers to pay more in order for the County to do more? Or to do these projects earlier?
- After implementing the projects listed in the current CIP, what are our next priorities? In which order? And when?

Citizen's can be confident in the foresight and work to-date of the County Officials and Commissioners. The planning accomplishments will pay "dividends" to the County for years to come.

**Blount County, Tennessee
Capital Improvements Program
FYE June 30, 2006**

Project	Location	Amount	Completion Date	Operational Impact	FY Operational Impact
Convert William Blount Middle School to a 9th Grade Academy	William Blount Middle School	\$ 2,000,000	June-08	\$ 300,000	2008-2009
Purchase Property for Elementary and Middle Schools (West Side)	New Property	2,000,000	August-06	None	N/A
Construct Elementary School	New Property	14,000,000	June-08	1,000,000	2008-2009
Construct Middle School	New Property	16,000,000	June-08	1,500,000	2008-2009
Purchase Property for Elementary School (East Side)	New Property	2,000,000	June-07	None	N/A
Add Two Classrooms	Townsend Elementary	145,000	June-07	None	N/A
Replace/Repair Roof	Friendsville Elementary	200,000	June-07	None	N/A
Fire Marshall Compliance	All Schools	90,000	June-07	None	N/A
Outdoor Athletic Facilities	Carpenters Middle School	800,000	June-07	None	N/A
Replace/Repair Roof	Middlesettlements Elementary	200,000	June-07	None	N/A
Replace/Repair Roof	Montvale Elementary	200,000	June-07	None	N/A
Replace Intercom	Rockford Elementary	7,000	June-07	None	N/A
Replace HVAC Units	Carpenters Middle School	50,000	June-07	None	N/A
Replace star projector's slip rings	Heritage High School	120,000	June-07	None	N/A
Replace Theater lighting	Heritage High School	105,000	June-07	None	N/A
Replace Gym Bleachers	Friendsville Elementary	73,000	June-07	None	N/A
Paint Main and Vocational Buildings	William Blount High School	65,000	June-07	None	N/A
Replace Bleachers	Walland Elementary	73,000	June-07	None	N/A
Replace Water Heater in Kitchen	Townsend Elementary	12,000	June-07	None	N/A
Carpet in Band Room	Eagleton Middle School	5,000	June-07	None	N/A
Replace Gym Bleachers	Porter Elementary School	73,000	June-07	None	N/A
Replace tile in gym foyer	Porter Elementary School	4,000	June-07	None	N/A
New carpet, seating in planetarium	Heritage High School	38,000	June-07	None	N/A
Paving	Porter Elementary School	40,000	June-07	None	N/A
Lighting in Library	Eagleton Middle School	6,000	June-07	None	N/A
New Library Furniture	Eagleton Middle School	8,000	June-07	None	N/A
Paving	William Blount High School	25,000	June-07	None	N/A
Auditorium Curtains	William Blount High School	33,000	June-07	None	N/A
Repair front covered walkway	Porter Elementary School	18,000	June-07	None	N/A
Replace two vehicles	Maintenance Crew	45,000	June-07	None	N/A
Canopy over bus pick-up area	Eagleton Middle School	20,000	June-07	None	N/A
Fencing and Gates	Mary Blount Elementary	8,000	June-07	None	N/A
Paving	Central Office	10,000	June-07	None	N/A
New Wrestling Mat	Heritage High School	10,000	June-07	None	N/A
Softball Fence Extensions	Heritage High School	6,000	June-07	None	N/A
Science Tables and Stools - 3 classrooms	William Blount Middle School	4,000	June-07	None	N/A
Board Room Sound System	Central Office	7,000	June-07	None	N/A
Phase IV Indoor Air Quality Program	System-Wide	1,500,000	June-07	None	N/A
Split Bond Issue with City School Systems - Alcoa & Maryville	Alcoa/Maryville Schools	22,000,000	June-07	None	N/A
	Total	\$ 62,000,000			

Notes