

*Report of the
House Appropriations
Subcommittee*

on

Capital Outlay



House Bill 1500

February 3, 2013

REPORT OF THE SUBCOMMITTEE

on

CAPITAL OUTLAY

Mr. Chairman and Members of the Committee:

Mr. Chairman, the foundation of the Capital Outlay Subcommittee's recommendations this year are twofold: to create jobs across the Commonwealth and to continue with the efforts that began back in 2008 when under your leadership the legislature became a partner in the development of long-range capital plans. This changed the way that we evaluate capital needs and brought sound business practices to the capital outlay area. The fact that this came about in a truly bipartisan fashion and was reported unanimously speaks to the strength of the program.

Mr. Chairman, as you requested, our recommendations were developed in a collaborative process with our colleagues in the Senate. The Subcommittee is pleased to bring you recommendations that keep fidelity to your capital outlay vision, that have been embraced by both bodies, and that ensure our commitment to fiscal responsibility by maintaining an average debt ratio of less than 4.5%, well below our self-imposed 5% limit.

First, the Subcommittee recommends allowing the 33 projects previously authorized in Chapter 3 to complete their planning and move to the construction phase.

Second, the Subcommittee recommends 14 additional projects that address infrastructure, small repairs and critical projects in state parks, veterans' services, and public safety.

To accomplish the goals of this comprehensive capital program, the Subcommittee recommends the use of \$120 million in unused previously authorized bonds and new bond authorization of no more than \$250 million a year. Because the project cash flows spread

across a three to five year period, we can proceed under this approach and utilize less than 20 percent of our bonding capacity. Also, Mr. Chairman, as mentioned earlier, the ten-year average debt ratio will not exceed 4.5%, well below our 5% limit.

Mr. Chairman, project planning was a key component of your 2008 legislation. As you will recall, we identified other projects to be queued for planning in Chapter 3. As we move to construction, the planning fund that you established will allow for the next group of planning projects to proceed. Therefore, the Subcommittee also recommends 26 projects that will move to detailed planning as the planning funds become available.

In summary, Mr. Chairman, the Subcommittee's recommendations build toward our future of achieving 100,000 more degrees while creating thousands of jobs in our current economy.

The details of the Subcommittee's report are contained in the attachments. Committee staff will review our recommendations in greater detail, and we hope it will be your pleasure to adopt the report.

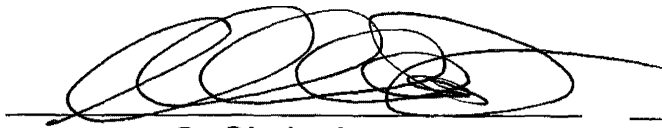
Respectfully Submitted by the House Appropriations Subcommittee
on Capital Outlay:



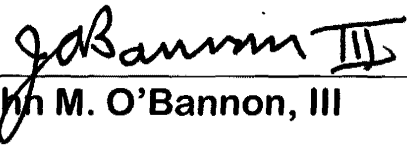
L. Scott Lingamfelter, Chair



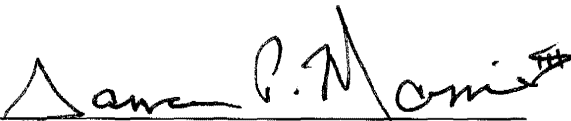
Beverly J. Sherwood



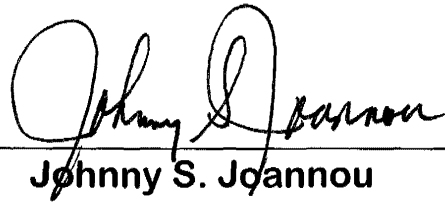
S. Chris Jones



John M. O'Bannon, III



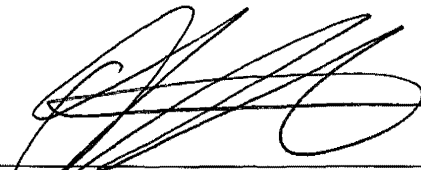
James P. Massie, III



Johnny S. Joannou



Robert H. Brink



Algie T. Howell, Jr.

House Bill 1500
CAPITAL OUTLAY
Amendment

<u>General</u>	<u>Nongeneral</u>
<u>Fund</u>	<u>Fund</u>

Treasury Board

Technical Correction to Out-of-State Student Capital Charge	(380,160)	380,160
Reduce Proposed GF Supplant for BAB Subsidy	(2,204,522)	0

General Conditions

VSU Alternative Financing		Language
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College of William and Mary

Marshall-Wythe Law School Improvements	0	14,000,000
Blanket Property Acquisition	0	1,000,000

George Mason University

Technical Adjustment for Central Utility Plant		(2,687,000)
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James Madison University

Construct Field Hockey Stadium	0	4,250,000
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Longwood University

Stubbs Hall Technical Adjustment	0	10,000,000
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Virginia Community College System

Move Danville CC Workforce to Capital Pool	(3,700,000)	
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Virginia Military Institute

Improve Post Facilities		4,000,000
Acquire Marshall Building		Language

Department Of Game And Inland Fisheries

Improve Wildlife Management Area Facilities		2,525,000
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Department Of Transportation

Keene Area HQ Land		Language
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Department Of Veterans Services

Hampton Roads Veterans Care Center		Language
Northern Virginia Veterans Care Center		Language

Central Capital Outlay

Maintenance Reserve	Language	200,000
Equipment for New Buildings	0	5,912,000
Capital Outlay Project Pool	0	(249,829,000)
Eliminate Proposed Debt Reprogramming	0	Language
Project Planning	(250,000)	Language
Eliminate Proposed Energy Debt	0	(35,250,000)
Comprehensive Capital Program	0	936,000,000

GRAND TOTAL

	(6,534,682)	690,501,160
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Amendments to House Bill 1500, as Introduced

Capital Outlay Subcommittee

Item C-39.05 #1h

Central Appropriations

FY 12-13

FY 13-14

Central Capital Outlay

(\$250,000)

\$0 GF

Language:

Page 469, line 19, strike "\$41,743,729" and insert "\$41,493,729".

Page 469, strike line 35.

Page 470, strike line 37.

Page 470, line 38, strike "phase, the" and insert "H.1. The"

Page 471, after line 19, insert:

"2. The following projects are authorized to proceed to preplanning :

194 Department of General Services Renovate Supreme Court Interior

194 Department of General Services Capitol Complex Infrastructure and Security

207 University of Virginia Renovate Gilmer Hall and Chemistry Building

214 Longwood University Admissions Office

214 Longwood University New Academic Building

216 James Madison University Renovate Madison Hall

229 Virginia Cooperative Extension and Agricultural Experiment Station Improve Kentland Facilities

242 Christopher Newport University Construct and Renovate Fine Arts and Rehearsal Space

260 Virginia Community College System Renovate Godwin Building, Northern Virginia CC Annandale Campus

242 Christopher Newport University Construct and Renovate Fine Arts and Rehearsal Space

268 Virginia Institute of Marine Science Construct Facilities Management Building.

3. The Director, Department of Planning and Budget shall provide \$13,000,000 from the Central Capital Planning Fund established under § 2.2-1520 of the Code of Virginia and \$16,000,000 from higher education nongeneral fund revenue sources for the projects contained in paragraphs H. 1. and H. 2. Agencies and institutions of higher education may utilize additional nongeneral funds, for which they will be reimbursed upon approval of construction funding for their project, to advance these projects. The Director, Department of Planning and Budget shall appropriate additional nongeneral fund upon request from agencies and institutions."

Page 471, line 20, strike "2." and insert "4."

Explanation:

Amendments to House Bill 1500, as Introduced

(This amendment provides for the movement of projects to planning phase.)

Capital Outlay Subcommittee	Item	C-39.40 #1h
Central Appropriations	FY 12-13	FY 13-14
Central Capital Outlay	\$0	\$936,000,000 NGF

Language:

Page 473, after line 3, insert:

"C-39.40. Comprehensive Capital Outlay Program	\$0	\$936,000,000
Fund Sources: Higher Education Operating	\$0	\$56,000,000
Bond Proceeds	\$0".	\$880,000,000".

"A. 1. The capital projects in paragraph B of this item are hereby authorized and may be financed in whole or in part through bonds of the Virginia College Building Authority pursuant to § 23-30.24 et seq., Code of Virginia, or the Virginia Public Building Authority pursuant to § 2.2-2263, Code of Virginia. Bonds of the Virginia College Building Authority issued to finance these projects may be sold and issued under the 21st Century College Program at the same time with other obligations of the Authority as separate issues or as a combined issue. The aggregate principle amounts will not exceed \$880,000,000 plus amounts to fund related issuance costs, and other financing expenses, in accordance with § 2.2-2263 of the Code of Virginia.

2. Notwithstanding any other provision of law, the Director, Department of Planning and Budget, shall provide for the construction, renovation, or improvement of the projects listed in paragraph B from proceeds previously authorized in Part 2, §§ 1 through 4 of Chapter 1, 2008 Acts of Assembly, Special Session 1 and from proceeds previously authorized in Items C-85 and C-86, Chapter 874, 2010 Acts of Assembly.

3. From the list of projects included in paragraph B of this item, the Director of the Department of Planning and Budget shall provide the Chairmen of the Virginia College Building Authority and the Virginia Public Building Authority with the specific projects, as well as the amounts for these projects, to be financed by each authority within the dollar limit established by this authorization.

4. Debt service on the projects contained in this item shall be provided from appropriations to the Treasury Board.

5. The appropriations for said capital projects are contained in this item and are subject to the conditions in § 2-0 F of this act.

6. That, except as provided herein, the Commonwealth shall not issue more than a total of \$250 million in debt or other payment obligations in any fiscal year for the capital projects set forth in this item. Provided, however, if the Commonwealth

Amendments to House Bill 1500, as Introduced

incurs less than a total of \$250 million in debt or other payment obligations in any fiscal year for such capital projects, the difference between \$250 million and the amount of debt or other payment obligations incurred in the fiscal year may be incurred in any other subsequent fiscal year for purposes of financing such capital projects. Only under this circumstance may the Commonwealth incur more than a total of \$250 million in debt or other payment obligations in a fiscal year for such capital projects.

7. Agencies and institutions shall submit cash flows requirements for each project to the Director, Department of Planning and Budget and the Director, Department of General Services, the Chairmen of the House Appropriations and Senate Finance Committees and the Six-Year Capital Outlay Advisory Committee. The cash flows shall indicate quarterly cash needs to complete planning, working drawings and construction funding to the projects completion.

8. In accordance with § 2.2-1520, the Director, Department of Planning and Budget shall reimburse the Central Capital Planning Fund, agencies and institutions for the amounts provided for and expenses incurred for project planning for the projects in paragraph B of this item.

9. All projects are authorized to proceed to working drawings and then to construction phase within the parameters outlined in § 2.2-1519, Code of Virginia.

10. Beginning July 1, 2013, the Director, Department of Planning and Budget and the Director, Department of General Services shall provide a quarterly progress report to the Chairmen of the House Appropriations and Senate Finance Committees on the projects in this item.

B. The General Assembly hereby appropriates \$56,000,000 from nongeneral fund sources in the second year for the projects listed in this section.

Agency	Project Title
Science Museum of Virginia	Construct Event Space and Upgrade Museum Exhibits
Virginia State Police	Area Offices 14, 16 & 26
Department of General Services	Renovation of the 9th Street Office Building and Parking Deck
Department of Conservation and Recreation	Complete Phase I Development, Powhatan State Park and Road Improvement
Department of Conservation and Recreation	Widewater State Park, Phase I A
Department of Conservation and	New Cabins Various State Parks

Amendments to House Bill 1500, as Introduced

Recreation	
Library of Virginia	State Library Improvements for Storage, Security and IT
Woodrow Wilson Rehabilitation Center	Renovate Dining Hall and Activities Building, Phase II
Woodrow Wilson Rehabilitation Center	Renovate Anderson Vocational Training Building, Phase I
College of William and Mary	Renovate Tyler Hall
University of Virginia	Renovate the Rotunda
Virginia Tech	Construct Classroom Building
Virginia Military Institute	Construct Corps Physical Training Facilities, Phase I and Phase II
Virginia State University	Erosion and Sediment Control Stormwater Master Plan / Retention Pond
Virginia State University	Renovate Lockett Hall
Virginia State University	Water Storage Tank and Campus Water Distribution Piping
Norfolk State University	Replace Brown Hall
Longwood University	Construct Student Success Center
University of Mary Washington	Renovate Mercer and Woodard Halls
James Madison University	Construct Health and Engineering Academic Facility (East Wing Hospital)
Radford University	Construct New Academic Building, Phase I & II
Old Dominion University	Construct New School of Education
Virginia Commonwealth University	Construct and Renovate Information Commons and Libraries
Virginia Commonwealth University	Replacement facility for the Virginia Treatment Center for Children
Virginia Museum of Fine Arts	Renovate Robinson House
Richard Bland College	Renovate Ernst Hall
Christopher Newport University	Construct Student Success Center
George Mason University	Construct Academic VII / Research III, Phase I
George Mason University	Construct Life Sciences Building, Prince William (Construct Bull Run Hall IIIB Addition)

Amendments to House Bill 1500, as Introduced

George Mason University	Central Utility Plant
Virginia Community College System	Construct Phase III Academic Building, Midlothian Campus, John Tyler
Virginia Community College System	Renovate Bayside Building, Virginia Beach Campus, Tidewater
Virginia Community College System	Construct New Classroom and Administration Building, Blue Ridge
Virginia Community College System	Renovate Building B, Parham Road Campus, J. Sargeant Reynolds
Virginia Community College System	Expand Workforce Development Center, Danville
Virginia Community College System	Renovate Reynolds Academic Building, Loudoun Campus, Northern Virginia
Virginia Community College System	Renovate Main Hall, Middletown Campus, Lord Fairfax
Virginia Community College System	Renovate Anderson Hall, Virginia Western
Virginia Community College System	Renovate Sowder Hall, Fauquier Campus, Lord Fairfax
Virginia Institute of Marine Science	Construct Consolidated Scientific Research Facility
Jamestown-Yorktown Foundation	Yorktown Outside Areas, Signage and Amenities
DBHDS	Western State Hospital Supplement
Department of Forensic Science	Expand Western Virginia Forensic Laboratory and Office of the Chief Medical Examiner Facility
Department of Corrections	Richmond P & P
Department of Corrections	Powhatan Correctional Center Water Line
Department of Veterans Services	Hampton Roads Veterans Care Center
Department of Veterans Services	Northern Virginia Veterans Care Center

Explanation:

(This amendment provides funding for construction and renovation of projects approved in Chapter 3, 2012 Session of the General Assembly.)
