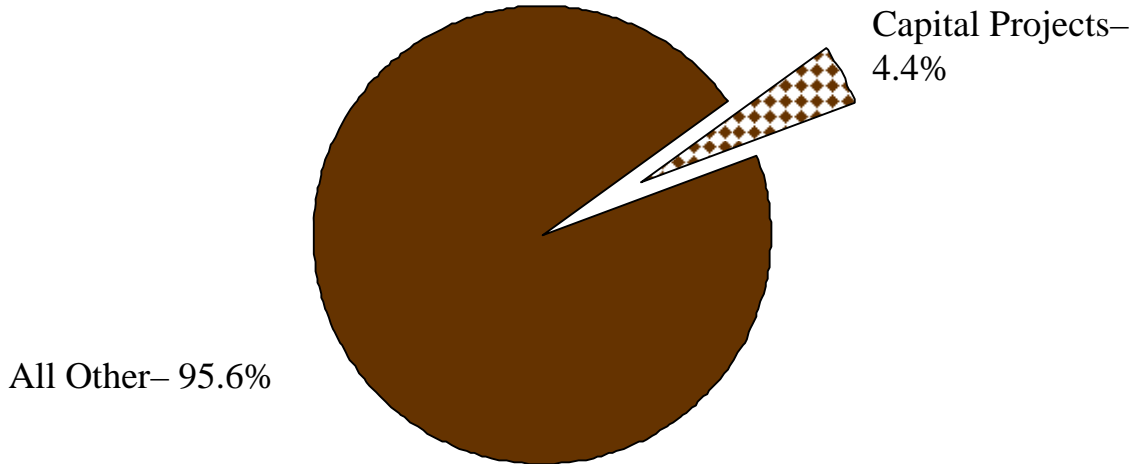


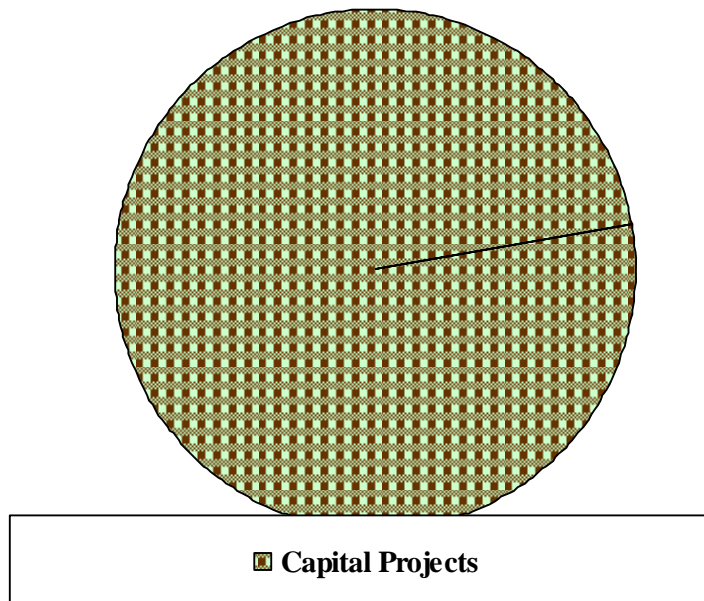
Capital Projects Functions

Total County Budget Perspective *



* Graph does not reflect operating transfers out since these expenditures are already reflected in the other expenditure categories

Capital Projects Expenditures by Fund Type



**COUNTY OF OTTAWA
CAPITAL PROJECTS FUND**

Building Authority Fund (5690-5695) - This Fund was established to account for construction projects of the building authority and/or County. Financing is provided by bond proceeds, interest income and occasionally State grants. This fund records only those projects funded with bond proceeds. Other capital construction projects funded with cash are reported primarily in the Public Improvement Fund (Special Revenue Fund 2450). Projects at County park facilities are reported in the Parks and Recreation Fund (Special Revenue Fund 2081).

Resources

Personnel

No personnel has been allocated to this department.

Funding

	2005 Actual	2006 Actual	2007 Actual	2008 Current Year Estimated	2009 Adopted by Board
Revenues					
Intergovernmental Revenue					
Interest	\$19,680	\$49,431	\$81,615	\$60,000	
Other Revenue	\$29,042	\$12,999			
Other Financing Sources	\$7,865,000	\$7,997,998	\$10,078,851	\$13,669,007	\$6,000,000
Total Revenues	\$7,913,722	\$8,060,428	\$10,160,466	\$13,729,007	\$6,000,000
Expenditures					
Capital Outlay	\$3,044,672	\$2,251,029	\$5,353,630	\$16,841,971	\$6,000,000
Bond Issue Costs		\$458,638			
Other Financing Uses	\$2,169,258		\$173,994		
Total Expenditures	\$5,213,930	\$2,709,667	\$5,527,624	\$16,841,971	\$6,000,000

Budget Highlights:

In October of 2007, the County issued bonds for the construction of a new Grand Haven Courthouse facility. Completion is anticipated in 2009.

2009 Capital Construction Projects

Although the County does not have a formal Capital Improvement Plan, the current building projects should provide the needed facilities for the next 10-15 years. Beyond that, the County anticipates expanding the jail and building a new facility for Family Court - Juvenile Detention. Funds are available in the Public Improvement fund (Special Revenue fund 2450) to cover small projects such as storage facilities, various renovations and significant improvements (e.g. roofs).

Grand Haven Courthouse Project **County Building**

The concept plan for a \$23 million Courthouse Building to replace the existing County Building on Washington Street in Grand Haven was presented to the Board of Commissioners in June 2004 and approved in June 2006. In addition to aesthetic



improvements, prominent features of the design include the ability to separate staff, victim, and defendant populations in the justice system, and the ability for citizens to access more

services than are currently available in Grand Haven through a public service counter near the building's entrance. As the County grows and departmental needs change, this new facility will have ample space to meet these growing demands. Construction of the new facility began in August 2007, and is anticipated to be a twenty four month project with completion prior to the end of 2009.

Effect on the Operating Budget

The County bonded for \$10 million for the combined Grand Haven Courthouse/Fillmore Addition project. The remainder of the cost is coming from funds set aside for this project in the following funds:

General Fund (Fund Balance Designations):	\$5,585,000
Public Improvement	5,515,000
Child Care - Circuit Court	500,000
Health	1,300,000
Equipment Pool	1,500,000
Telecommunications	2,600,000
Solid Waste Clean-up	2,500,000
Department of Human Services	500,000
	<u>\$20,000,000</u>

In addition, the new facility will increase the square footage by 30,600 square feet, or approximately 35 percent. Consequently, additional, ongoing maintenance costs are anticipated. At this point, no additional personnel needs have been identified, so the maintenance costs reflected on the schedule that follows are based on a 30 percent increase in non personnel costs. The percentage increase in cost is lower due to anticipated efficiencies in utilities to be gained with the new construction. This estimate includes costs for grounds maintenance, insurance, utilities, and other costs directly attributable to running the facility.

Fillmore Street Addition Project

A resolution was adopted by the Board on June 27, 2006 authorizing the County Building Authority to move forward with the planning of a \$6 million addition at Fillmore Street.

The revised final project costs of \$7 million and design were presented to the Board for approval in July, 2007. Construction began in October 2007 and is now complete. The



Treasurer’s Office relocated to West Olive in November of 2008. The Cooperative Extension, the County Clerk, Register of Deeds, and Drain Commissioner Offices will be coordinating moves in the coming months. The move will consolidate operational staff that work together on a daily basis, reconfigure space in the existing facility and allow citizens better access to some services that had only been available in Grand Haven.

Effect on the Operating Budget

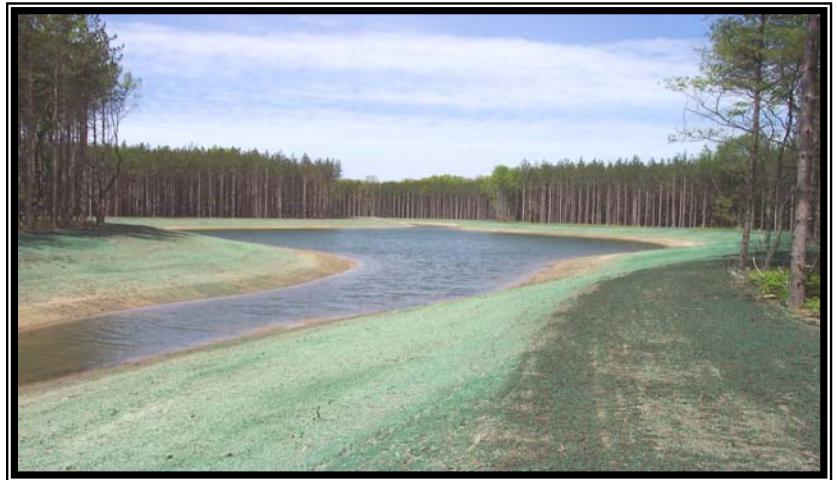
In addition, the new facility will increase the square footage by 39,000 square feet, or approximately 43 percent. Consequently, additional, ongoing maintenance costs are anticipated. One additional maintenance worker is projected to be added in 2010. The remaining maintenance costs reflected on the schedule that follows are based on a 40 percent increase in non personnel costs. The percentage increase in cost is lower due to anticipated efficiencies in utilities to be gained with the new construction. This estimate includes costs for grounds maintenance, insurance, utilities, and other costs directly attributable to running the facility. As previously stated, the County does expect to gain efficiencies by grouping related departments together, but these savings are not quantifiable.

Southwest Ottawa Landfill Upgrades

The 43-acre Southwest Ottawa landfill is located a little over one mile east of the shore of Lake Michigan in Park Township between James Street and Riley Street and 160th and 168th. The landfill opened in 1968 and was used for the disposal of municipal and industrial waste until it was closed in 1981. The County, through the Ottawa County Road Commission, operated the landfill for a few years in the late 1960's and early 1970's then transferred the operation to Waste Management, under contract. In the early 1980's, Waste Management closed the operation and constructed a cap over the landfill consisting of bentonite clay, power plant fly ash and sand.

In 1987, seven purge wells, along with the associated piping and electrical work, were constructed in order to pump contaminated groundwater to a treatment plant. The treatment process was designed to remove iron and volatile organic compounds from the groundwater leachate per the terms of a water restoration agreement between the County and the Michigan Department of Environmental Quality (MDEQ).

Due to the degradation of the existing groundwater extraction system and in order to reduce the necessary treatment time and costs, the County completed the construction of a clay cap over the landfill in 2008. This will prevent the contamination located in the landfill from leaching to the groundwater (via percolating rain water), and an upgrade to the purge well and treatment system began in 2008. The cost is expected to be approximately \$3.8 million with the work being completed in 2009.



The upgrades to the Southwest Ottawa Landfill and clean up efforts are divided into three categories: upgrades to the filtration plant, new wells, and the reshaping, recapping and venting of the landfill. The plan is to cap the landfill, put down new purge wells, close down old ineffective wells, and install new treatment technology.

Funding for the project is coming from two places. The Ottawa County Insurance Authority has covered \$1.8 million of the cost which represents the capping of the landfill. The remainder of the project is coming from the Solid Waste Clean-up fund, Special Revenue fund 2271.

Effect on the Operating Budget

Ongoing maintenance costs will be required to operate the purge wells. The County anticipates it will cost an average of \$182,000 per year to cover the utility and chemical costs to operate the purge wells. Although the improvements are expected to reduce the treatment time, those savings are currently indeterminable.

Once the improvements have been made, the County's Parks and Recreation Department plans to use the land to provide new recreational opportunities as part of Riley Trails. The top of the landfill has been shaped to allow sledding and hiking. The low land pond will provide a natural flora and fauna habitat. After completion of the improvements to the landfill portion of the work, the 230-acre parcel (which includes the 43-acre landfill) will be transferred to the County Parks system. On-going maintenance costs are expected to be minimal for the trail and parking lot maintenance.

Parks and Recreation Projects

The Parks and Recreation Department has a variety of small to medium sized park improvement projects planned for 2009. Smaller projects include replacing a retaining wall and walkways at the Historic Ottawa Beach properties (\$22,500), replacing the westerly dune stairs at Tunnel Park (\$21,000), upgrading the irrigation system at Tunnel Park (\$20,000), and miscellaneous site improvements at Eastmanville Farm for \$10,000.

Plans also include landscape work at Pine Bend to create an outdoor seating area for larger events held at the Weaver House (\$35,000). At the Bend Area, trails will be constructed along with a small parking area and trail head kiosk to provide access to the 188 acre riverfront site acquired in 2008 (\$20,000). Work planned at Grand River Park will renovate aging walkways to provide barrier free access in the core of the park (\$20,000) including accessible routes to the restrooms, picnic building, fishing dock, etc.

Larger projects planned for the coming year include general improvements to establish a day-use area at Connor Bayou including an entry drive, parking area, picnic areas, trails and other amenities. Connor Bayou is a 142 acre site on the Grand River in Robinson Township acquired in 2005 which currently is open for public use but with only minimal parking and access improvements.

Another project planned for 2009 will provide trail construction including boardwalks and footbridges at the Bur Oak Landing property, a 261 acre site in Polkton Township with 1.4 miles on the Grand River. Acquisition of Bur Oak Landing was completed in 2008 and two small parking areas were completed later that year.

Effect on the Operating Budget

The effect of the above projects on the operating budget is anticipated to be negligible.

Component Units:

The Ottawa County Public Utilities System has two ongoing capital construction projects, both of which will continue beyond 2009. The projects have been initiated to develop/update water and sewer infrastructure in the County. The annual operating costs are for debt service, but the benefiting municipality is responsible for payment. The County, however, does act as guarantor for the bond issues. Maintenance costs are also the responsibility of the municipality.

County of Ottawa
Capital Construction Projects - Construction Costs
 Budget Year Ending December 31, 2009

PROJECT DESCRIPTION	CAPITAL CONSTRUCTION COSTS					
	PROPOSED METHOD OF FINANCING	ESTIMATED COSTS		EXPENDED TO DATE (INC. CURRENT YR)	BUDGET YEAR 2009	FUTURE YEARS
		ORIGINAL	AMENDED			
Ottawa County (primary government)						
West Olive Addition/ Grand Haven Courthouse (1)	Bond Issue/ Fund Balance	\$24,000,000	\$30,000,000	\$14,523,127	\$6,000,000	\$0
SouthWest Ottawa Landfill (2)	Insurance Authority/ Landfill Surcharge	\$4,500,000	\$4,200,000	\$3,622,147	\$100,000	\$0
Park 12 Retaining Wall (2)	Parks & Recreation Millage	\$20,000	\$20,000	\$0	\$20,000	\$0
Tunnel Park Replace West Dune Stairs (2)	Parks & Recreation Millage	\$21,000	\$21,000	\$0	\$21,000	\$0
Tunnel Park Replace Irrigation (2)	Parks & Recreation Millage	\$20,000	\$20,000	\$0	\$20,000	\$0
Pine Bend Outdoor Seating Landscaping (2)	Parks & Recreation Millage	\$35,000	\$35,000	\$0	\$35,000	\$0
Bend Area Trailhead Parking (2)	Parks & Recreation Millage	\$20,000	\$20,000	\$0	\$20,000	\$0
Grand River Park Renovate Walkways (2)	Parks & Recreation Millage	\$20,000	\$20,000	\$0	\$20,000	\$0
Connor Bayou General Park Improvements (2)	Parks & Recreation Millage	\$250,000	\$250,000	\$0	\$250,000	\$0
Bur Oak Landing Trail Improvements (2)	Parks & Recreation Millage	\$65,000	\$65,000	\$0	\$65,000	\$0
Grand Total - Primary Government		\$28,951,000	\$34,651,000	\$18,145,274	\$6,551,000	\$0
Ottawa County Public Utilities (component unit)						
NW Ottawa Water Plant Expansion	Public Act 342 Bonds	\$21,500,000	\$21,500,000	\$0	\$10,000,000	\$11,500,000
Wyoming Water Plant Expansion	Public Act 342 Bonds	\$31,673,000	\$31,673,000	\$17,328,000	\$8,129,000	\$6,217,000
Grand Total Capital Construction		\$82,124,000	\$87,824,000	\$35,473,274	\$24,680,000	\$17,717,000

1. The County issued \$10 million in bonds for this facility with the rest of the cost paid from six other funds. See Capital Projects narrative for more detail.

2. No debt will be issued for this project. Funds have been set aside for this project or will be financed by the Parks tax levy.

County of Ottawa
Capital Construction Projects - Anticipated Annual Operational Costs
 Budget Year Ending December 31, 2009

PROJECT DESCRIPTION	ESTIMATED ANNUAL OPERATION COSTS (includes debt repayment)							
	PROPOSED METHOD OF FINANCING	EXPEN-DITURE TYPE	ACTUAL PRIOR YEAR 2007	ESTIMATED CURRENT YEAR 2008	BUDGET YEAR 2009	FUTURE YEARS		
						2010	2011	2012
Ottawa County (primary government)								
West Olive Addition/ Grand Haven Courthouse (1)	General Fund Various Funds	Maintenance Debt	\$0 \$0	\$96,819 \$763,713	\$283,747 \$762,875	\$384,804 \$762,575	\$396,347 \$763,375	\$408,239 \$763,575
SouthWest Ottawa Landfill (2)	Solid Waste Clean-up Fund	Maintenance	\$130,388	\$187,000	\$198,000	\$188,000	\$175,000	\$191,000
Park 12 Retaining Wall (2)	Property Tax Levy	Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Tunnel Park Replace West Dune Stairs (2)	Property Tax Levy	Maintenance	\$500	\$600	\$300	\$300	\$300	\$300
Tunnel Park Replace Irrigation (2)	Property Tax Levy	Maintenance	\$300	\$300	\$100	\$100	\$100	\$100
Pine Bend Outdoor Seating Landscaping (2)	Property Tax Levy	Maintenance	\$200	\$200	\$750	\$750	\$750	\$750
Bend Area Trailhead Parking (2)	Property Tax Levy	Maintenance	\$0	\$0	\$1,500	\$1,500	\$1,500	\$1,500
Grand River Park Renovate Walkways (2)	Property Tax Levy	Maintenance	\$500	\$500	\$100	\$100	\$100	\$100
Connor Bayou General Park Improvements (2)	Property Tax Levy	Maintenance	\$1,000	\$1,000	\$5,000	\$8,000	\$8,000	\$9,000
Bur Oak Landing Trail Improvements (2)	Property Tax Levy	Maintenance	\$0	\$0	\$1,000	\$1,500	\$1,500	\$1,500
Grand Total - Primary Government			\$132,888	\$1,050,132	\$1,253,372	\$1,347,629	\$1,346,972	\$1,376,064

Ottawa County Public Utilities (component unit)

NW Ottawa Water Plant Expansion (3)	Special Assessments	Debt	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000
Wyoming Water Plant Expansion (3)	Special Assessments	Debt	\$0	\$2,075,816	\$1,750,102	\$2,480,102	\$2,480,902	\$2,455,502

Grand Total Operational Costs **\$132,888 \$3,125,948 \$3,003,474 \$4,827,731 \$4,827,874 \$4,831,566**

1. No new personnel are included in the 2008 budget, but may become necessary in future years. Contractual labor and utility costs will be larger due to the larger sizes of the buildings.
2. No debt will be issued for this project. Estimated Annual Operation Costs are for maintenance including utilities, supplies, etc. No new personnel are projected to be added.
3. The annual operating costs for the public utilities project is strictly for debt service. The maintenance costs are the responsibility of the municipality.