Capital Outlay

The capital budget proposed for 2004-06 includes over $1.2 billion in capital outlay funding. Of this amount, $62.8 million is from the general fund, largely for the Maintenance Reserve program. Other capital projects totaling $347.3 million are recommended at a variety of state agencies, to be funded with tax-supported debt issued by the Virginia Public Building Authority (VPBA) and the Virginia College Building Authority (VCBA). The budget also includes bonding authority for revenue generating projects totalling $392.2 million. Finally, the budget includes $60.0 million in Virginia Port Authority bonds for the improvements at the Norfolk International Terminal.

Capital Outlay Funding Proposed in HB/SB 30
(2004-06 biennium)

Fund Type	$ Millions
General Fund	$62.8
VPBA Bonds	$214.1
VCBA Bonds	$133.2
VPA Bonds	$60.0
9(c) Revenue Bonds	$116.9
9(d) NGF Revenue Bonds	$275.3
Nongeneral Funds	$379.1
Total Capital Funds	**$1,241.5**

The Governor also proposes, through separate legislation, $273.3 million in VPBA/VCBA bonds for higher education institutions and state agencies. The proposed projects are detailed at the end of this narrative. In addition, another $159.3 million in VPBA debt is proposed for the development of the State Agency Radio System (STARS). Both pieces of legislation are contingent upon the passage of the Governor's proposed tax package.

Descriptions of selected projects follow.

- **Department of General Services**

  - ***Acquire Parking Deck.*** Provides $5.7 million in 9(c) revenue bond authority to acquire the parking deck at Ninth and Franklin Streets from the Virginia Retirement System. The deck will provide about 200 new spaces and address some of the parking needs at the seat of government.

- **Department of Taxation**

  - ***Office Space.*** Provides authority for the Department of Taxation to enter into a five-year capital lease for office space at the Main Street Centre.

- **Equipment Supplements**

  - ***Equipment for Various Agencies.*** Provides $32.4 million in VPBA and VCBA bond authority to purchase loose furnishings and equipment for projects scheduled to open in the upcoming biennium. The table below summarizes the allocation for each project.

Equipment Supplements
($ in millions)

Agency/Project	Amount
Christopher Newport University	
Performing Arts Building	$ 1.8
George Mason University	
Fairfax Research I	2.0
James Madison University	
CISAT Academic Building A3	4.4
Old Dominion University	
Technology Building	1.7
Richard Bland College	
Art Building	0.1
Virginia Commonwealth University	
Massey Cancer Center	2.9
Business Classroom Building	0.1
Virginia Community College System	
Science Laboratory, Lord Fairfax	2.8
Advanced Technology and Workforce Center, Germanna	1.5
Regional Automotive Technology and Workforce Center, Chesapeake Campus, Tidewater	1.2
Nursing Technology Building, Annandale Campus, No. Virginia	0.6
Academic and Administration Building, Thomas Nelson	0.5
HVAC Training Building, Woodbridge Campus, Northern Virginia	0.5
Webber Hall, Virginia Western	0.4
South Campus, Virginia Western	0.2
Instructional Building, Wytheville	0.2
Classroom and Lab Building, Daniel Campus, Southside Virginia	0.2
Classroom and Lab Building, Christanna Campus, Southside Va.	0.1
Virginia Tech	
Bioinformatics Phase II	4.0
Virginia Tech Agriculture Experiment Station	
Research Laboratory	1.2
Department of Emergency Management	
Emergency Operations Center	1.7
Virginia Museum of Natural History	
New Museum	4.2
Total Equipment Supplements	**$ 32.4**

- **University of Virginia**

  - ***Upgrade Heating Plant.*** Provides $17.5 million in VCBA bond authority and $19.8 million from NGF revenue bonds to begin upgrading the main heating plant to comply with federal and state clean air standards. An estimated $12 to $14 million would be needed in the 2004-06 biennium to complete these upgrades.

- **Department of Mental Health, Mental Retardation, and Substance Abuse Services**

  - ***Sexually Violent Predator Facility.*** Provides $31.8 million in VPBA bond authority to construct a new stand-alone 150-bed secure treatment facility that will accommodate projected civilly committed sexually violent predators. The current facility used to house this population is located on the campus of Central State Hospital and has a capacity of 72 beds. The Governor estimates that the program will exceed this capacity by FY 2007.

- **Woodrow Wilson Rehabilitation Center**

  - ***Infrastructure Improvements.*** Provides $6.9 million in VPBA bond authorization for the following projects:

    - Replace roofs at Watson Activities Building and Carter Ashley Hall ($1.4 million);

    - Abate asbestos in Anderson Vocational Training Building, Birdsall-Hoover Administration Building and Watson Activities Building ($3.7 million); and

    - Replace water and main sewer distributions systems ($1.8 million).

- **Department of Corrections**

  - ***Additional Prison Capacity.*** Provides $116.8 million in VPBA bond authorization for the following projects:

    - Construct of St. Brides Phase 2 to provide 800 dormitory-style beds ($32.5 million);

    - Expand Deerfield Correctional Center to provide 600 dormitory-style beds ($21.9 million); and

- Construct new medium security celled prototype facility to prove 1,024 beds ($62.4 million).

- *Prison Infrastructure.* Provides $9.9 million in VPBA bond authorization for the following projects:

  - Upgrade electrical system at Powhatan Correctional Center ($750,000);

  - Supplement upgrade to wastewater treatment plant at Coffeewood Correctional Center ($2.2 million);

  - Repair and replace roofs at various correctional institutions ($3.0 million);

  - Upgrade the wastewater treatment facility at Haynesville Correctional Center ($2.0 million); and

  - Construct a new entrance road and bridge at Bland Correctional Center ($2.0 million).

- **Department of Transportation**

  - *Northern Virginia District Building and Other Facilities.* Proposes $1.5 million NGF for construction of a district administration office at the Camp 30 site on West Ox Road. This project is contingent on passage of the Governor's tax proposal.

- **Virginia Port Authority**

  - *Improve Norfolk International Terminal.* Provides authorization for the issuance of up to $60.0 million in Commonwealth Port Fund bonds. The funds would be used to upgrade and improve the facilities at the south terminal.

- **Central Appropriations**

  - *Maintenance Reserve.* Provides $25.0 million GF in each year for deferred maintenance projects at state agencies, including new roofing, electrical repairs, and replacement of heating systems.

  - *Necessary Repairs and Energy Efficiency.* Provides $7.5 million GF to address unanticipated repairs and improvements at state agencies.

Contingent Capital Bond Program

Through two pieces of separate legislation, the Governor proposes $432.6 million in projects for higher education institutions and state agencies including the development of the State Agency Radio System (STARS). Debt service for the STARS project is contained in HB/SB 30, contingent upon passage of the Governor's tax proposal. No debt service is provided in HB/SB 30 for the other projects proposed in the separate legislation.

Proposed Contingent Capital Bond Program
($ in millions)

Agency/Project	Amount
Christopher Newport University	
Renovate Wingfield Hall	$ 7.3
College of William and Mary	
Construct New Information Technology Building	8.3
Renovate Four Lecture Halls	1.4
George Mason University	
Renovate Robinson A Academic Building	14.5
James Madison University	
Upgrade Campus Network Infrastructure	10.7
Longwood University	
Modernize Heating Plant, Phase III	4.3
Renovate and Expand Lankford Hall	5.7
Mary Washington College	
Renovate and Expand George Washington Hall	8.0
Norfolk State University	
Construct Public Safety Building	4.1
Construct Campus Wall for Security	5.0
Old Dominion University	
Construct Systems Research Center	11.4
43rd Street Improvements	1.0
Radford University	
Renovate Whitt Hall	4.0
University of Virginia	
Expand School of Nursing	6.0
Construct Ivy Stacks Addition	8.9

Proposed Contingent Capital Bond Program
($ in millions)

University of Virginia Medical Center	
Construct Cancer Center Addition	20.0
University of Virginia - Wise	
Renovate Smiddy Hall and Construct New IT Facility	6.7
Virginia Commonwealth University	
Construct New School of Business	14.0
Virginia Institute of Marine Science	
Replace Eastern Shore Seawater Lab	3.0
Virginia Community College System	
Construct Addition to Science Building, Blue Ridge	2.1
Construct Phase III Buildings, Loudoun Campus, No. Virginia	19.3
Add Geothermal Wells, Southside Virginia	0.4
Renovate Blackwater Building, Virginia Beach Campus, Tidewater	6.3
Renovate North Campus, Virginia Western	8.5
Renovate Galax Hall, Wytheville	1.8
Virginia Military Institute	
Renovate Kilbourne Hall	9.9
Improve Athletic Facilities	1.8
Virginia State University	
Renovate Lockett Hall	6.3
Renovate Campus Police Station	2.2
Virginia Tech	
Construct Critical Technologies Research Lab	14.0
VCBA Subtotal	**$216.9**
Virginia Museum of Fine Arts	
Upgrade Security System	1.8
Science Museum of Virginia	
Acquire New Exhibits	0.5
Frontier Culture Museum	
Wetlands / Mill and Bowman House Site Improvements	0.4
Jamestown-Yorktown Foundation	
Construct Jamestown Commemorative Plaza	0.7
Replace Jamestown Ships	1.0

Proposed Contingent Capital Bond Program
($ in millions)

Department of Conservations and Recreations	
Construct Roads, Cabins and Campgrounds at Andy Guest Park	3.8
Construct Visitor Center, Staff Residences and Offices at Mason Neck Park	1.1
Virginia Museum of Natural History	
Construct Exhibits for New Museum	2.0
Department of Criminal Justice Services	
Construct Driver Training Facility	10.0
Department of State Police	
Develop State Agency Radio System (STARS)	159.3
Department of Forestry	
Construct Abingdon Shop and Cold Storage	0.6
Construct Grayson and Carroll County Area Office	1.1
Department of General Services	
Construct Addition to War Memorial	3.5
Central Capital	
Construct Performing Arts Center	30.0
VPBA Subtotal	**$215.8**
Total Contingent Capital Bond Program	**$ 432.7**