

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 3/31/06  
**Department Name:** County Executive  
**Department No.:** 012  
**Agenda Date:** 4/18/06  
**Placement:** Administrative  
**Estimate Time:** NA, 90 Minutes on 5/16/06  
**Continued Item:** No  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Michael F. Brown, County Executive

**STAFF CONTACT:** Victor Zambrano 568-3407  
John Jayasinghe 568-2246

**SUBJECT:** Five Year Capital Improvement Program, Fiscal Years 2006-11

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## **Recommendations:**

It is recommended that the Board of Supervisors:

1. Receive the Five Year Capital Improvement Program (CIP)
2. Refer the CIP to the Planning Commission and request analysis of projects recommended for planning, initiation, or construction during Fiscal Year 2006-07 for conformity with the County Comprehensive Plan.
3. Approve the Policies for Development of the Capital Improvement Program and Budget
4. Set a 90-minute hearing for May 16, 2006 to review and approve in concept the projects included in the CIP and proposed capital budget for Fiscal Year 2006-07 and receive the Planning Commission's Comprehensive Plan conformity findings.

## **Alignment with Board Strategic Plan:**

The recommendations are primarily aligned with Goal No. 1: An Efficient Government Able to Respond Effectively to the Needs of the Community.

## **Executive Summary and Discussion:**

### Summary

The Five Year Capital Improvement Program (CIP) is a compilation of projects intended to implement various plans, including community plans, county facilities plans, and the circulation and housing elements of the County Comprehensive Plan. Projects in the CIP indicate current and future capital needs. Projects included in the CIP are non-recurring, have a long service life, are generally over \$100,000 and will be underway (or need to be underway, but are partially or entirely unfunded) at some point during FYs 2006-11. In line with the Operating Budget, the CIP presents projects grouped by department within each function.

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The County CIP is a comprehensive compilation of capital projects managed by various County departments including construction of new facilities, maintenance, equipment purchases, etc. While the CIP covers a five year planning period, it is updated each year to reflect ongoing changes; new projects are added, existing projects are modified, and completed projects are excluded.

The FYs 2006-11 CIP contains 228 projects, including 34 projects that are new this year. The attached report, 'New Project Index', identifies, by title and page number, the 34 new projects in the CIP. Of the total 228 projects, 113 projects are fully funded, 63 are partially funded, and 52 are currently unfunded. The total cost of the Five Year CIP is \$765.5 million; of this, total 35%, \$264.8 million, is funded. The CIP identifies a need of \$128.9 million for FY 2006-07; of this amount, 54%, \$69.4 million, is for funded projects and 46%, \$54.4 million, is for unfunded projects. Unfunded projects in the CIP indicate current and future unmet needs, and are included for planning purposes. Some of the proposed funded projects are highlighted within Section A of the CIP.

In addition to the tables included in the CIP document, an additional report is attached for your Board which breaks out the CIP project data by Supervisorial District.

Actions Recommended:

**It is recommended that the Board receive the FYs 2006-11 CIP.**

**It is recommended that the Board refer the CIP to the Planning Commission and request analysis of projects recommended for planning, initiation, or construction during FY 2006-07 for conformity with the County Comprehensive Plan.** State Planning Law (Government Code Section 65401) requires that a list of all projects recommended for planning, initiation or construction during the ensuing fiscal year be referred to the Planning Commission for review and that the Planning Commission report to the Board as to the projects' conformity with the adopted Comprehensive Plan. The Planning Commission will advise the Board whether proposed projects are generally consistent with the Plan and appropriate for orderly implementation. Detailed, "project specific" Comprehensive Plan Consistency Determinations will be provided through future Government Code Section 65402 Determinations, if required.

**It is recommended that the Board approve the Policies for Development of the Capital Improvement Program and Budget.** Each year the CIP is prepared in accordance with a set of guidelines established by the CEO (attachment B) and followed by all departments. While, in past years, the Board has approved policies for development of the operating budget, we have not asked the Board to formally approve CIP guidelines. However, in response to the Government Finance Officers Association (GFOA) noting that certain policies are lacking in our annual budget document, we are asking the Board to approve the policies listed in attachment B.

**It is recommended that the Board set a hearing for May 16, 2006 to receive a presentation on the proposed CIP.** At the hearing, the Board will be asked to consider the Planning Commission's findings from its analysis of projects within the CIP. Secondly, the Board will be asked to conceptually approve all projects included in the CIP as legitimate capital needs. In addition, the Board will be asked to conceptually approve the proposed capital budget for FY 2006-07 (funding for Year 1 of all projects included in the CIP) and direct staff to return with a final FY 2006-07 Capital Budget, recommended for adoption during budget hearings in June.

**Mandates and Service Levels:**

County Code Section 2-73 (f) states that the “The County Administrator shall ... develop or recommend to the Board of Supervisors long-range plans to ... prepare for future county growth and development”.

County Code Section 2-74 9c) states, “The County Administrator has the authority, and is required to ... recommend to the Board of Supervisors a proposed capital budget based upon long-range planning”.

Government Code Section 65401 requires that a listing of all projects recommended for planning, initiation or construction during the ensuing fiscal year be referred to the Planning Commission for review and that the Planning Commission report to the Board as to the projects’ conformity with the County’s adopted Comprehensive Plan

**Fiscal and Facilities Impacts:**

General Fund Contribution

The proposed capital budget for FY 2006-07 includes both new and carryover discretionary General Fund (GF) allocations. Carryover allocations, amounts not spent FY 2005-06 to be rebudgeted for FY 2006-07, total \$21.5 million.

In accordance with adopted Budget Principles, the CIP proposes GF contributions of \$2 million to the Capital Maintenance Designation, \$0.5 million to the Roads Designation, and \$0.5 million to the Capital Designation (\$3.0 million total), all to be recommended for inclusion in the FY 2006-07 Operating Budget. In addition, \$85,000 is for a bridge project in the Embarcadero Municipal Improvement District. The proposed carryover and new GF appropriations for FY 2006-07 associated with these designations, shown in thousands, are distributed as follows:

Department	Funding Source	ProjectTitle	FY 2006-07			
			CIP Page #	Carry-Over	*New	Total
Parks	General Fund Capital Maintenance Designation	Cachuma Lake Recreation Area Improvements	B-62	\$120.00	\$0.00	\$120.00
Parks	General Fund Capital Maintenance Designation	Play Equipment Replacement North County	B-97	\$0.00	\$55.00	\$55.00
Parks	General Fund Capital Maintenance Designation	Play Equipment Replacement South County	B-98	\$0.00	\$70.00	\$70.00
Parks	General Fund Capital Maintenance Designation	North County Park Maintenance Yard Improvements	B-70	\$0.00	\$80.00	\$80.00
Parks	General Fund Capital Maintenance Designation	Santa Barbara County Parks Paving Program	B-101	\$0.00	\$145.00	\$145.00
Parks	General Fund Capital Maintenance Designation	Santa Barbara County Parks Restroom Rehabilitation	B-99	\$0.00	\$150.00	\$150.00
General Services	General Fund Capital Maintenance Designation	Building Maintenance Projects Minor (Under \$100,000)	B-235	\$0.00	\$250.00	\$250.00
General Services	General Fund Capital Maintenance Designation	Building Maintenance Projects Major (\$100,000 or More)	B-230	\$0.00	\$1,250.00	\$1,250.00
Public Works	General Fund Road Designation	Structure R&R - Embarcadero Municipal Improv Dist	B-146	\$0.00	\$85.00	\$85.00
Public Works	General Fund Road Designation	Prev Maint- 5 Year Countywide Concrete Program	B-109	\$0.00	\$150.00	\$150.00
Public Works	General Fund Road Designation	Prev Maint- 5 Year Countywide Surface Treatment Program	B-110	\$0.00	\$350.00	\$350.00
<b>TOTAL</b>				\$120.00	\$2,585.00	\$2,705.00

\* ‘New’ does not include GF allocations to the Capital Designation of \$0.5 million.

Finally, while the FY 2006-07 recommended budget has not yet been finalized, tentative allocations from available General Fund fund balance have been identified for the Emergency Operations Center (\$3 million), New Cuyama Community Projects (\$2 million) and a remodel and elevator addition for the Santa Barbara Public Defender’s Office (\$1 million).

CIP and Authorized Debt Financing

The CIP for FYs 2006-11 includes projects that are using Certificates of Participation (COPs) for debt financing. On March 8, 2005, the Board authorized the 2005 COPs consisting of the following projects: Fire Station 51 Lompoc-Mission Hills New Station, Sheriff Isla Vista Foot Patrol Building, New Sheriff Station Lompoc, the County Elections-Recorder Office and Storage Building, and the Alcohol Drug and Mental Health Services Children’s Assessment and Transition Center. This action resulted in issuance of the 2005 COPs on April 21, 2005. Due to low interest rates, a true interest rate of 4.32% was realized. The chart below shows the proposed projects by department, related revenue source(s) to pay debt service and CIP page number:

Department	Project Name – Location	Revenue Source	CIP Page #
Fire	Fire – Station 51 (Lompoc-Mission Hills) New Station - Lompoc	General Fund	B-22
Sheriff	New Sheriff Station – Lompoc	General Fund	B-38
Sheriff	Sheriff - Technical Services Building – Santa Barbara	General Fund	B-40
Alcohol Drug & Mental Health Services (ADMHS)	Children’s Assessment and Transition Center - Completed	ADMHS Operating Budget Replacing current lease costs	B-55
Clerk-Recorder-Assessor	County Elections-Recorder Office and Storage Building	Recorder Modernization Designation And Partially Unfunded	B-219
Sheriff	Sheriff - Isla Vista Foot Patrol Building – Isla Vista	General Fund	B-239

There are no fiscal or facility impacts resulting from the actions requested. However, significant short and long term fiscal and facility impacts would result from the adoption of the projects in the FY 2006-07 Capital Budget in June.

**Special Instructions:**

Upon approval of recommendation #2, please forward one copy of the minute order to Rosie Dyste, Planner, CEO/Comprehensive Planning (568-3532).

**CC:** Department Directors  
 Planning Commission  
 Rosie Dyste, Planner, CEO/Comprehensive Planning

**Attachments:**

- (A) Five Year Capital Improvement Program, Fiscal Years 2006-11
- (B) Policies for Development of the Capital Improvement Program and Budget
- (C) Geographic CIP Project Data by Supervisorial District