



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: General Services and
Community Services
(Parks)
Department No.: 063 and 052
For Agenda Of: March 24, 2015
Placement: Departmental
Estimated Time: 45 Minutes
Continued Item: No
If Yes, date from: NA
Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Matthew P. Pontes, Director, General Services (805) 560-1011
CSD/Parks Div. Renee Bahl, Interim Director, Community Services (805) 568-3407

Contact Info: Greg Chanis, Assistant Director, General Services (805)568-3096
Paddy Langlands, Deputy Parks Director (805) 568-2475

SUBJECT: **Jorgensen Phase II Maintenance Plan and Maintenance Funding; All Districts**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence:

N/A

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file the final 'Phase II Maintenance Management Plan', prepared by Roy Jorgensen Associates Inc.;
- b) Receive and file staff presentation regarding Jorgensen Report and current status of funding related to ongoing maintenance of County owned facilities; and
- c) Determine the proposed actions are not a "project" as defined by California Environmental Quality Act (CEQA) Guidelines Section 15378(b) (5), as it is an administrative activity that will not result in direct or indirect changes in the environment, and direct staff on that basis. (See **Attachment D**).

Summary Text:

Today's report will provide the Board with an update on the work performed by Roy Jorgensen Associates as well as an update on various maintenance activities in both the Community Services Department (Parks Division) and the General Services Department.

Background: Work Performed by Jorgensen

In October 2013, Roy Jorgensen Associates (Consultant) was awarded a contract by the County of Santa Barbara (County) for a Facility Condition Assessment (FCA) of County owned and operated buildings and parks, as well as for the development of a Maintenance Management Plan. The work was completed in 2 phases.

Phase I

In Phase I, The Consultant evaluated approximately 8.5 million square feet of buildings, structures, and developed space, and approximately 310 acres of park facilities. This represents about 70% of the County's facilities. It is important to note this process **did not** include an evaluation of County roads maintained by the Public Works Department. From the data collected, the Consultant provided detailed information on maintenance needs for each facility inspected.

Phase II

In Phase II of the project, the consultant used the baseline data collected in Phase 1 to develop a Maintenance Management Plan, which included the following tasks:

- **Task 1:** Estimates of long and short term maintenance needs for identified County property. Maintenance needs were further identified as being deferred, preventative, and prospective maintenance and repair and replacement.
- **Task 2:** A 20 year planning horizon for short and long term maintenance needs, using age cohorts of 5,10, 15 and 20 years.
- **Task 3:** A prioritized list of maintenance needs.
- **Task 4:** Life cycle cost modeling for facilities.
- **Task 5:** Econometric model assumptions.
- **Task 6:** Maintenance Management Software.

Summary of Phase I Findings

A report on the Consultants Phase I findings was presented to your Board on May 20, 2014 and the Executive Summary for Phase I is included with this Board letter as **Attachment A**. The entire Phase I report is available on the County's website at the following link:

<http://www.countyofsb.org/ceo/facility-reports.sbc>

The salient findings from the Consultants Phase I report are as follows:

- The observed portion of the County's total facility portfolio has an estimated Current Replacement Value (CRV) of \$965 million, with the entire portfolio having an estimated CRV of \$1.1 billion.
- The Consultant estimates the County's accumulated deferred maintenance of the observed facility portfolio is \$83.6 million.
- The overall Facility Condition Index (FCI) of the County's observed facility portfolio is rated at 8.7%, which is considered "Fair" on the "FCI" scale. The FCI is calculated by taking the total amount of estimated accumulated deferred maintenance and dividing it by the CRV of the

portfolio. As part of the overall aggregate, the facilities maintained by General Services (GS) represented an FCI of 5.5% (Good) and the facilities maintained by the Community Services Department (CSD) represented a score of 17.5 % (Poor).

- The combined funding needed to operate, maintain and “renew” the total portfolio is between 2-4% of the CRV or \$22 and \$44 million annually. “Renew” means the replacement of worn out facilities or facility components.
- If current levels of annual spending to operate, maintain and renew the County portfolio are continued, in 20 years the FCI rating for the County portfolio will rise to 50% (very poor), and the accumulated deferred maintenance will rise to an estimated \$1 billion.
- Jorgensen identifies \$10.9 million (\$7.3 million GS, and \$3.6 million CSD) of priority projects be completed within the next 5 years. (These projects are deemed “currently critical”, have “accelerated deterioration,” or are a “safety concern.”)

Staff Evaluation of Phase I Findings

Although the Consultant’s FCA, resulting in an estimate of accumulated deferred maintenance totaling \$83.6 million, provides a valuable baseline number, several factors indicate the actual cost for addressing the actual accumulated deferred maintenance backlog for County facilities will be significantly higher. These factors include:

- The FCA conducted by the Consultant was, by design, a non-destructive, subjective evaluation of building systems, relying on visual observations for identifying deferred maintenance items. A more precise assessment of the County’s facility assets would come from an evaluation made at the building component level, leading to a more comprehensive assessment of overall facility condition and a likely increase in the number and associated cost of deficiencies identified.
- As staff completes deferred maintenance projects, particularly projects associated with structural building elements, it is likely additional unseen deficiencies will be identified, raising the overall final cost of individual projects.
- During the past 12 months, GS and CSD staff have completed several deferred maintenance projects identified in the FCA. When comparing the actual costs for the projects with the estimates provided in the FCA, the actual costs on the majority of the projects have exceeded the estimates.

Summary of Phase II Findings

The Consultant completed Phase II in late September 2014. The Executive Summary and introductory section of the resulting report are included in this Board Letter as **Attachment B**. The entire Phase II report is available on the County website at the following link:

<http://www.countyofsb.org/ceo/facility-reports.sbc>

Utilizing the data collected in Phase I of their work, the Consultant completed a Maintenance Management Plan (MMP) related to County owned facilities. In addition to greatly expanding on the econometric model outlined in Phase I, the MMP provides an in-depth analysis of current management practices in both GS and CSD, as well as a detailed discussion surrounding the use of Computerized Maintenance Management Systems to identify, assign and track a wide variety of maintenance activities. The MMP developed by the Consultant provides a series of recommendations in the following areas:

- Comprehensive asset inventory

- County owned property maintained by departments other than GS and CSD
- Workload balancing
- Centers of Excellence for existing portfolio
- Staffing level deficiencies, particularly in CSD (Parks Division). A subsection of the Phase II report, entitled ‘*Santa Barbara County Parks and Recreation Department, Maintenance Management Plan*’, is included with this Board letter as **Attachment C**. Based on standards and rating system (Mode I (High) – Mode IV (Low)), developed by the National Recreation and Parks Association, the Consultant rated the maintenance of Santa Barbara County Parks system as operating in lower range of Mode III to IV. This is considered a low level of operating standard, generally caused by significant budget restrictions. In order to have the system operating in Mode I, the Consultant estimates the County would need to provide an additional 72,234 productive labor hours, the equivalent of 46 full-time employees.

Staff Evaluation of Phase II Findings

Staff generally agrees with the Consultant’s assessment of the County’s facility maintenance management capability and performance. Staff also agrees additional personnel resources, additional funding and a fundamental change in the way the County manages its facility assets is needed to begin minimizing the long term cost of facility ownership, while ensuring effective facilities are provided.

Current Status of Preventative and Deferred Maintenance Funding

Preventative Maintenance Funding

In the FY 2014-15 Budget, your Board approved \$1.4 million for Preventative Maintenance needs for Community Services Department Parks Division and General Services, which was split evenly between the departments. Each department identified facilities and projects across the County where we had the highest need to address infrastructure on small scoped projects. Staff is working both from items identified in the Jorgensen report and what staff knows first-hand of needed maintenance. The intent of the funding was to augment maintenance staff resources, supplies and projects to much needed facilities. These small projects address numerous issues on a limited number of facilities, such as addressing health and safety issues, improving ADA access, extending the life of facilities systems, paving minor parking lots, and replacing or repairing antiquated infrastructure. The preventative maintenance teams also look to improve the appearance of the facilities, reduce energy and water consumption, and improve the functionality for the public and our employees utilizing these facilities. This funding does not address the large deferred maintenance items or capital projects such as repaving major parking lots/roads, replacing large roofs or main utility systems such as water supply systems and sewer systems.

Based upon the highest maintenance need, visitation counts and geographic location, Parks focused this allocation of funding on:

- Nojoqui Falls Park: Underground utilities/repair septic, parking lot slurry seal/ADA Access, restroom paint
- Ocean Beach Park: Restroom renovation, replace 11 picnic tables, restripe parking lot
- Goleta Beach: Restroom renovation, parking lot #1 resurface, sign repair and replacement
- Manning Park: Restroom renovation, Group Area #6 renovation/ADA access, sign repair and replacement

Based upon the highest maintenance need, nexus with extending the life of systems and facilities, ability to also address energy and plumbing efficient fixtures, and geographic disbursement of the preventative maintenance funding, General Services has been working on the following facilities:

- Santa Barbara
 - Administration building lobby/stairwell painting, restroom renovations,
 - Human Resources building roof preservation, painting, cracked wall and stairway repairs
- Santa Maria
 - Agriculture Commissioner Office; flooring, painting, signage, energy efficient lighting, countertops
 - Planning and Development Office; painting, light electrical work, facility signage, patching of walls,
 - Fire Station 22; slurry, painting, energy efficient fixtures, shower replacements, flooring
- Central Area
 - Solvang D3/SO/Library; painting, light electrical work, facility signage, patching of walls,
 - Fire Station 23; painting,

Both Parks and General Services expect to complete all of the projects this fiscal year.

Deferred Maintenance / Emergency Projects

In addition to the one time preventative maintenance funding allocated by your Board this fiscal year, both departments receive a nominal amount for deferred maintenance projects annually; Parks - \$500K and General Services \$1.3M. As your Board is aware, the costs associated with the deferred maintenance backlog exceed the current allocation. For instance, Parks has expended its \$500,000 on damaged equipment replacement and tree trimming throughout various County parks, reinforcing the Goleta Beach pier after significant storm damage, as well as major maintenance projects at Lake Cachuma, including re-roofing of the general store, replacement of failing equipment at the wastewater treatment plant and replacement of retaining walls near the marina.

General Services maintains a priority list for the deferred maintenance allocation of \$1.35M. Annually, staff attempts to expend the allocation on these important planned projects. In reality, a portion of the projects are typically postponed due to unplanned “emergency” projects that arise every week across the County’s facilities. Each of these unplanned projects impact departments and avoiding facility closures is of utmost importance. General Services had approximately \$600,000 in “unplanned emergency repairs” from July 1, 2014 to January 1, 2015. The funding allocation that is used to mitigate these emergency items is our deferred maintenance allocation of \$1.35M. It should be noted the majority of these unplanned emergency projects are listed on the deferred maintenance lists. The emergency projects that are not on our deferred maintenance lists are usually attributed to vandalism, natural or manmade emergencies. The typical emergencies are usually associated with water line breaks, electrical failures or failures in HVAC systems.

Future Maintenance Funding

It is clear there has been a renewed focus on the facility maintenance issues faced by the County. This is evidenced by completion of both phases of the Consultants work, one time allocation of preventative maintenance funding in FY 2014-2015, continued allocation of deferred maintenance funding, and

finally, your Board's recently approved policy to allocate a portion of future unallocated discretionary General Fund revenue to address maintenance needs. Staff also recognizes the language used to describe various maintenance activities can be confusing. The terms preventative maintenance, deferred maintenance, corrective maintenance, emergency maintenance and unplanned maintenance are not clearly defined and are often interpreted differently depending on the individual. This is particularly evident when the terms are used in relation to the allocation and expenditure of fiscal resources associated with various maintenance activities. In an effort to minimize this issue as the fiscal year 2015-2016 budget process progresses, General Services and Community Services staff will begin to refer to the various maintenance activities as 'maintenance' and the various maintenance funding streams as 'maintenance funding'. Staff looks forward to continue working with the BOS in identifying sustainable funding sources to address the long term maintenance needs associated with County owned facilities.

Fiscal and Facilities Impacts: NA

Fiscal Analysis:

Narrative:

The Board approved policy to set aside 18% of unallocated discretionary general Fund revenue toward maintenance is estimated to yield \$1M in FY 2015-2016. This total amount will be divided amongst Public Works, General Services and Community Services (Parks Division).

Key Contract Risks: NA

Staffing Impacts: NA

Special Instructions:

Direct the Clerk of the Board to forward a copy of the Minute Order to Greg Chanis, General Services and Paddy Langlands, CSD/Parks Division

Attachments:

1. **Attachment A:** Jorgensen Associates, Phase I Executive Summary
2. **Attachment B:** Jorgensen Associates, Phase II Executive Summary
3. **Attachment C:** Jorgensen Associates, Parks and Recreation Department, Maintenance Management Plan Executive Summary/Introduction
4. **Attachment D:** CEQA Notice of Exemption

Authored by:

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Grady Williams, Manager, Capital Facilities Planning