



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: County Executive
Office
Department No.: 012
For Agenda Of: April 16, 2013
Placement: Departmental
Estimated Time: 30 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Chandra L. Wallar, County Executive Officer
Director(s)
Contact Info: Tom Alvarez, Budget Director, 568-3432

SUBJECT: Five Year Capital Improvement Program, Fiscal Years Ending 2014-18

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

Recommended Actions:

It is recommended that the Board of Supervisors:

- a) Receive the Five Year Capital Improvement Program (CIP), and
- b) Review and approve in concept the new projects contained in the New Project Update and
- c) Refer the New Project Update list to the Planning Commission and request analysis of these projects recommended for planning, initiation, or construction in future fiscal years for conformity with the County Comprehensive Plan as per Government Code 65401 and G.C. 65402 and
- d) Receive and file the Preliminary Overview of Countywide Deferred Maintenance Unmet Needs

Summary Text:

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 element 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 FY 2013-

2014 to FY 2017-18 (FY 2014-18). In line with the Operating Budget, the CIP presents projects grouped by department within each function.

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 FY 2014-18 CIP contains 185 projects, including 27 projects that are new this year. The attached report 'New Project Index' (Attachment B) identifies, by title and page number, the 27 new projects in the CIP. The listing of new projects can also be found on the last page of the CIP under New Project Index. Of the total 185 projects, 90 projects are fully funded, 38 are partially funded, and 57 are currently unfunded. A funded project is one that has identified specific funding to implement the project. An unfunded project is one that has been identified in the CIP as a need but has no funding secured to implement the project. The total cost of the Five Year CIP is \$880.1 million; of this, total 40.1%, \$353.2 million, is funded. The CIP identifies a need of \$119.6 million for FY 2013-2014; of this amount, 47.4%, \$56.7 million, is for funded projects and 52.6% or \$62.9 million is for unfunded projects (\$58.0 million is unfunded deferred maintenance).

Five Year CIP through Fiscal Year Ending June 30, 2018
(In thousands of dollars)

Fiscal Year	Funded	Unfunded	Total
2013-14	56,714	62,868	119,582
2014-15	42,303	74,774	117,077
2015-16	65,103	105,182	170,285
2016-17	94,163	117,448	211,611
2017-18	94,890	166,616	261,506
Five Year Total	\$353,173	\$526,888	\$880,060

Five Year CIP through Fiscal Year Ending June 30, 2018
Class Summary Funded and Unfunded
(In thousands of dollars)

Class Summary	2013-14	2014-15	2015-16	2016-17	2017-18	Total
Land	536	1,308	9,470	15,282	11,630	38,226
Land Improvements	5,197	3,250	5,303	3,672	3,650	21,072
Building & Building Improvements	9,950	11,693	36,138	72,407	107,896	238,083
Equipment	4,925	3,039	3,172	5,487	6,173	22,796
IT Hardware/Software	2,344	1,558	120	-	-	4,022
Infrastructure	15,071	15,322	25,197	18,624	43,795	118,009
Construction in Progress	18,356	17,451	24,004	33,228	24,494	117,533
Maintenance projects	63,203	63,456	66,881	62,911	63,868	320,319
Five Year Total	\$119,582	\$117,077	\$170,285	\$211,611	\$261,506	880,060

The Table of Contents, CIP Introduction, Project Index and Summary Tables are included as Attachment A to this Board Letter and are also located on our website at <http://www.countyofsb.org/ceo/budget>. A detailed Project Supplement with specifics of each project can be located on our website. The Summary Tables include the following:

- I. Summary of Departments: This table shows totals by Function/Department for Funded (F), Unfunded (U) and Partially Funded (P) projects in the CIP.
- II. Summary of Projects: Listing of Projects by Function/Department with cost data and funding status.
- III. Summary of Funding Sources: Listing of project funding sources the CIP amounts.
- IV. Summary of Project Completed: Listing of projects completed in FY 2012-13.
- V. Capital Projects Budget: Estimated budget for projects listed for FY 2013-14

New Projects:

There are 27 new projects in the FY 2014-2018 CIP totaling \$167.6 million; \$156.3 million are funded and \$11.3 million are unfunded (see Attachment B). These 27 new projects will be referred to the Planning Commission for analysis and review for conformity with the County's Comprehensive Plan, as required by State Planning Law (Government Code Section 65401). The Board will be advised in June 2013 of the Planning Commission's findings as to whether proposed projects are generally consistent with the Plan and appropriate for orderly implementation.

CIP Planned Improvements FY 2013-14:

Once the revised Operating Plan (Budget Book) format was completed in FY 2013-14, we would begin in FY 2013-14 to set out an improvement plan for the CIP. Planned enhancements include:

- Continue to refine the deferred maintenance projects added in FY 2012-13 and develop a long term funding proposal to address this issue.
- Segregate the 100% unfunded projects and re-evaluate current necessity based on funding limitations.
- Establish criteria for adding new projects and review of existing projects.
- Consider simplification, clarification, ease of use and accessibility of the CIP document similar to the Budget Book

Deferred Maintenance:

In prior year's, only Public Works had included a comprehensive list of deferred maintenance projects in the CIP. This year, we have asked General Services and Parks to also include their complete list of deferred maintenance projects. We have included all identified deferred maintenance needs but need to caution that these are only known needs at this time and there may be other projects that have not yet been identified. It is expected that these initial listing will be refined over time and may require assistance from consultants to thoroughly evaluate. The main purpose was to fully identify the magnitude of deferred maintenance and to begin to develop a funding strategy.

The chart below displays the unfunded deferred maintenance needs identified by department and cost for projects included in the CIP.

Departmental Estimated Unfunded Deferred Maintenance Backlog
As of April 5, 2013 as submitted in CIP Database
(\$'s in millions)

Project Summary	2013-14	2014-15	2015-16	2016-17	2017-18	Total
Public Works:						
Prev. Maint- 5 year Countywide Surface Treatment	22.0	22.0	22.0	22.0	22.0	110.0
Prev. Maint - 5 Year Countywide Concrete	7.8	7.8	7.8	7.8	7.8	39.0
Prev. Maint- 5 Year Repair/Replace Traffic Devices	0.8	0.8	0.8	0.8	0.8	4.0
Prev. Maint- 5 year Bridge Repair & Rehabilitation	11.6	11.6	11.6	11.6	11.6	58.0
Prev. Maint- 5 Year Culvert Repair & Rehabilitation	7.8	7.8	7.8	7.8	7.8	39.0
LHMP-Relocate the Hearts Adaptive Riding Center	-	0.0	0.0	0.0	0.0	0.1
Total Public Works	50.0	50.0	50.0	50.0	50.0	250.1
General Services						
FM- 5 Year Maintenance Program (Major)	4.5	4.5	4.5	4.5	4.5	22.6
FM- 5 Year Maintenance Program (Minor)	1.1	1.1	1.1	1.1	1.1	5.3
FM-Facility Lighting and Control Retrofits	0.6	-	-	-	-	0.6
FM-Main Jail Sewer Infrastructure Replacement	0.4	1.0	1.0	0.6	-	2.9
FM-SBCH HVAC System Replacement	-	0.2	3.6	-	-	3.7
Total General Services	6.6	6.7	10.2	6.1	5.6	35.2
Parks						
Park 5 Year Infrastructure Maintenance Program	0.8	0.8	0.8	0.8	0.8	3.8
Park 5 year Repaving/Restriping Maint. Program	0.6	0.6	0.6	0.6	0.6	3.1
Total Parks	1.4	1.4	1.4	1.4	1.4	6.9
Total	\$ 58.0	\$ 58.2	\$ 61.6	\$ 57.5	\$ 57.0	\$292.2

Actions Recommended:

- a) Receive the Five Year Capital Improvement Program (CIP), and
- b) Review and approve in concept the new projects contained in the New Project Update and
- c) Refer the New Project Update list to the Planning Commission and request analysis of these projects recommended for planning, initiation, or construction in future fiscal years for conformity with the County Comprehensive Plan as per Government Code 65401 and G.C. 65402 and
- d) Receive and file the Preliminary Overview of Countywide Deferred Maintenance Unmet Needs

In addition, staff will return to the Board with a final FY 2013-2014 Capital Budget, recommended for adoption during budget hearings in June, 2013, as part of the annual budget adoption process.

Fiscal and Facilities Impacts:

General Fund Contribution

In accordance with adopted Budget Principles, the proposed FY 2013-14 Operating Plan contains General Fund contributions of \$3.0 million for capital maintenance and infrastructure needs. Additionally, the CEO will be recommending increased funding of \$1.0 million to partially address the unmet deferred

maintenance needs. The specific allocation of these additional funds will be presented during the Budget Hearings.

There are no fiscal or facility impacts resulting from the above actions requested at this time. However, significant short and long term fiscal and facility impacts would result from the adoption of the projects in the FY 2013-2014 recommended Capital Budget in June.

Special Instructions:

None

Attachments:

(A) Five Year Capital Improvement Program, Fiscal Years 2014-2018

(B) New Project Index

Authored by:

Richard Morgantini, Fiscal and Policy Analyst, County Executive Office (568-3551)

cc:

Department Directors