

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency, Public Works, and Administrative Office	(2) MEETING DATE 2/18/2014	(3) CONTACT/PHONE Janette Pell, General Service Agency Director, (805) 781-5200 Paavo Ogren, Public Works Director, (805) 781-5252 Guy Savage, Assistant County Administrative Officer, (805) 781-5011	
(4) SUBJECT Consideration of the Five Year Infrastructure and Facilities Capital Improvement Plan. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board review and accept the proposed Five Year Infrastructure and Facilities Capital Improvement Plan, FY 2014-15 through FY 2018-19.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. 60 min)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? Yes	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 2/16/10, #B-1; 3/13/12, #9, 2/19/13, #3	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

Reference: 14FEB18-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Janette Pell, Director - General Service Agency
Dave Flynn, Deputy Director - Department of Public Works
Guy Savage, Assistant County Administrative Officer

DATE: 2/18/2014

SUBJECT: Consideration of the Five Year Infrastructure and Facilities Capital Improvement Plan.
All Districts.

RECOMMENDATION

It is recommended that the Board review and accept the proposed Five Year Infrastructure and Facilities Capital Improvement Plan, FY 2014-15 through FY 2018-19.

DISCUSSION

This item presents the proposed Five Year Infrastructure and Facilities Capital Improvement Plan (CIP). The Five Year CIP is a consolidated look at the facilities and infrastructure improvements that are planned to be implemented during the next five fiscal years beginning in FY 2014-15. At the end of each year, the plan is revised to add a new fiscal year.

All County departments contribute to the development of the Five Year CIP. The primary staff and oversight of this plan was provided by the General Services Agency, the Department of Public Works, the Department of Planning and Building, and the County Administrative Office.

Background

At the direction of the Board, staff has worked to develop a more comprehensive CIP to be contained within one document. Previous efforts, before 2012, involved separate processes and were found through various documents. In compiling the CIP, staff utilizes a systematic process for determining, estimating, and selecting projects for inclusion in the CIP. Selection criteria provides for continuity in advancing major project types based on need and potential project outcomes. Moreover, the process incorporates greater consideration of land use plans and goals as well as providing a means to identify proposed projects by function and community.

The development process is managed under the Infrastructure and Facilities Coordinating Committee (IFCC) consisting of department heads and managers from County Administrative Office, General Services Agency, Department of Public Works, and the Department of Planning and Building. A final CIP has been prepared for each of the past three years which has provided an opportunity to fine-tune the report and coordination.

As a further process enhancement, the IFCC developed an improved “call for projects” management system internal to the County departments in order to manage facility needs which include assisting departments on approach and estimating. The process is reviewed by an executive steering committee composed of various department heads. Infrastructure needs are identified through various planning and system operation documents which are then prioritized for inclusion in the CIP. The majority of individual projects are dependent on having an outside funding source or grant to gain status in the CIP for implementation.

Overview of the Five Year CIP

Facility projects include the construction or improvements to libraries, correctional facilities, parks, County offices, and airport facilities. Infrastructure projects include the construction or improvements to roads, bridges, water and wastewater systems, and community drainage. The CIP lists those projects expected to cost in excess of \$100,000.

In all, there are 103 projects in the plan spread over 25 communities and rural areas. The plan includes 55 facility projects identified by the General Services Agency with a total estimated expense of \$100.6 million. Of these projects, 24 are expected to be implemented in FY 2014-15 at an estimated value of \$27.8 million. For infrastructure projects, the Department of Public Works lists a total of 48 projects with a total estimated value of \$257.3 million; 45 projects to be implemented in FY 2014-15 with a total cost of \$64.4 million.

Organization of the Five Year CIP

Information in the CIP is organized into six sections as identified below.

- Section 1 – Executive Summary
- Section 2 – Introduction and Background
- Section 3 – Summary of Completed Projects
- Section 4 – Recommended Projects
- Section 5 – Operational and Maintenance Costs
- Section 6 – Future Update Considerations

The identification of the projects in the plan incorporated the evaluation of essential needs, funding, and feasibility. Funding for projects may be allocated either through the annual process or brought to the Board individually. The CIP is a guide and is not a guarantee that all the projects will be developed or funded. Risks relative to each project need to be assessed in their implementation and evaluated in subsequent CIP preparation. The evaluation of priorities and emerging needs will result in changes to the plan. Changes to the plan will include the addition of new projects and the elimination of projects which have been completed or removed under reconsideration of the CIP. The plan provides a solid foundation for the planning and development of County facilities and infrastructure projects over the next five years and will help meet the demands related to growth in the unincorporated areas of the County.

Significant Projects Included in the CIP

Overall effort and financial value in the CIP remains driven by several significant projects which include:

- Los Osos Wastewater Project (\$183 million)
- Expansion of the Women’s Jail (\$40.7 million)

- Juvenile Hall Expansion (\$17 million)
- Co-located Emergency Dispatch Center (\$8.2 million)
- Price Canyon Road Widening Phase II (\$6.2 million)
- Arroyo Grande Channel Waterway Improvements (\$3.7 million)

Once these projects have been completed, the magnitude of the CIP will be reduced to a much lower annual investment level. The CIP report does list projects expected “Beyond Five Years” within Appendix 8. Significant planning and funding efforts are needed to realize the viability in placing these potential projects into future CIPs.

OTHER AGENCY INVOLVEMENT/IMPACT

Input on the proposed plan has been reviewed under an executive steering committee composed of the various County Department heads. Staff has received specific input from the Auditor-Controller – Treasurer - Tax Collector, as well as the Airport, Parks, Fire, Health Agency, Probation, Sheriff Department and Library.

The IFCC has continued outreach with Community Services Districts in order to incorporate their CIP’s into the County-wide process for future reference. The group continues to work to an ultimate goal of having one resource document to provide an overview of these plans for the County.

The CIP has been received by the Planning Commission at their February 6, 2014 meeting, in order to complete findings that the elements of the CIP are consistent with the adopted General Plan as required under the Government Code.

BUSINESS IMPACT STATEMENT

In preparing this year’s CIP package, County staff and members of the IFCC met with the San Luis Obispo Economic Vitality Corporation’s Building Design and Construction business cluster (BDC). The BDC sought to understand the parameters of project selection for the CIP and align priorities within the CIP with opportunities to identify and close gaps in public infrastructure. On-going review of the CIP will occur in the future with the BDC, and other stakeholders, in order to provide a long term vision for potential CIP investment. Providing continuity in developing key elements within individual communities as well as regional infrastructure links to support adopted County plans will provide for sustainable community development. The Department of Planning and Building seeks to conclude a “Complete Communities Survey Plan” in 2014 which will provide defined priorities for the communities of San Miguel, Templeton, Nipomo and Oceano, the results of which will be used for future CIP revisions.

The trails, parks and pedestrian walkways identified in the plan are consistent with the wellness/prevention/active lifestyle vision identified in the Health Service Cluster.

FINANCIAL CONSIDERATIONS

The projects on the Five Year Capital Improvement Plan have a total estimated cost of \$357.9 million. Facilities projects comprise \$100.6 million of the total estimate while Infrastructure projects make up \$257.3 million. Approximately \$346.1 million in funding has been secured from a variety of sources to these projects leaving a remaining unallocated budget of \$11.8 million.

Key outside agencies which provide funding for County projects by way of direct funding or grants

include SLOCOG, Caltrans, USDA, and FEMA. In addition, funding is provided under existing development mitigation accounts from the County's Public Facility Fees and various Road Improvement Fee programs.

The Governor's Office has recently released their FY 2014-15 proposed budget which includes several statewide CIP strategies and funding opportunities. The budget includes:

- Continued funding toward implementation of AB 109 realignment efforts.
- Over \$618 million towards a California Water Action Plan including several million towards groundwater stabilization efforts and Integrated Regional Water Management (IRWM) implementation.
- Additional transportation funding to Counties, to meet increased road maintenance demands, in the amount of \$50 million.
- Distribution under the Cap & Trade Program of \$100 million for development of sustainable communities.

The County may have the ability to tap into these additional funds in the near future which would allow the County to bolster or advance elements of the CIP. In addition, the Governor's Budget promotes the use of Infrastructure Finance Districts (IFD) as a funding mechanism for critical infrastructure components. These IFDs are similar to previous Redevelopment Agency funding mechanisms but with a much narrower focus on project application and may be a tool for advancing large scale projects within a community in the future.

RESULTS

The Five Year Capital Improvement Plan is intended to guide the planning and development of larger capital and major maintenance projects developed through the General Services Agency and the Department of Public Works. The projects identified in the plan will improve existing and construct new buildings, maintain existing public facilities and provide for new infrastructure which will contribute to the County's Vision of a safe, healthy, livable, prosperous and well governed community.

File: CF 650.10.10 Programs (New)

Reference: 14FEB18-BB-1

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ATTACHMENTS

1. Infrastructure and Facilities Capital Improvement Program Five Year Plan FY 2014-15 through 2018-19. Appendices 1 through 9
2. Capital Improvement Plan with Link to Appendix 10 – Individual Project Summary Sheets (Clerk's File)