

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

(1) DEPARTMENT Public Works	(2) MEETING DATE 2/16/2016	(3) CONTACT/PHONE Dave Flynn, Deputy Director of Public Works (805) 781-4463	
(4) SUBJECT Adoption 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 2016-17 through FY 2020-21 and, acting in the capacity of the County planning agency pursuant to Government Code 65401, find that the Capital Improvement Plan conforms to the adopted County General Plan.			
(6) FUNDING SOURCE(S) Various	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? No
(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. <u>30 Min</u>)			
(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? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 2/16/10, #B-1; 3/13/12, #9; 2/19/13, #3; 2/18/14, #3; 2/17/15, #3	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 16FEB16-BB-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Dave Flynn, Deputy Director of Public Works

David Grim, County Administrative Office

VIA: Jim Bergman, Director of Planning and Building

Nick Franco, Director of Parks and Recreation

Wade Horton, Director of Public Works

DATE: 2/16/2016

SUBJECT: Adoption 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 2016-17 through FY 2020-21 and, acting in the capacity of the County planning agency pursuant to Government Code 65401, find that the Capital Improvement Plan conforms to the adopted County General Plan.

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 2016-17. At the end of each year, the plan is revised to add a new fiscal year.

Within the context of the CIP, "facilities" is defined primarily as buildings, and "infrastructure" is defined primarily as roads, bridges, utilities and flood control systems.

Many departments contribute to the development of the Five Year CIP. The primary staff and oversight of this plan was provided by the Department of Public Works, the Department of Planning and Building, and the County Administrative Office. The Departments of Parks and Recreation and Airports have also contributed toward this effort.

Background

At the direction of the Board, staff has worked to develop a more comprehensive CIP to be contained within one document. 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) primarily consisting of department heads and managers from the County Administrative Office, Department of Public Works, and Department of Planning and Building. A final CIP has been prepared each of the past five years which has provided an opportunity to fine-tune the report and coordination. As part of process enhancement, the IFCC has used a “call for projects” management system internal to County departments in order to manage facility needs which includes assisting departments on project approach and estimating. The process is also reviewed by an executive steering committee composed of various department heads.

This year, the process was supplemented by information on specific facility conditions for a select group of County buildings. This Facility Condition Assessment (FCA) process began with an initial pilot program-based evaluation of three County buildings, and will expand over the next four years to complete a FCA on all significant County facilities. By undertaking this systematic approach to facility management, it is expected that future facility CIP work will be done proactively by identifying and balancing our most important needs. As this system develops, departments would not need to submit maintenance and upgrade requests but focus on new facility needs related to their programs, staff capacity, and service delivery.

In this way, building maintenance and replacement costs can be managed more effectively and proactively. This revised approach will align the County’s facility management with best practices for large institutions. However, it should be emphasized that it will take approximately four more years in order to gather all of the pertinent data on facility condition to enable the most efficient long-term use of County funds to maintain and replace assets. Once the initial set of information on facilities is completed, the FCA data-gathering will continue on a rolling basis so that resources can be most effectively matched to program requirements.

The majority of infrastructure projects are dependent on having an outside funding source or grants in order to proceed with the project for implementation and be included in the CIP. These include utility system maintenance and improvement projects funded through rates and charges; road safety and capacity improvements funded through Road Improvement Fee programs and Federal Safety grants; and flood control projects typically covered with State/Federal grants and assessments. The one exception being the road pavement management program which is supported largely by General Fund contributions.

Overview of the Five Year CIP

In general, 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 105 projects valued at \$297.8 M in the five year plan spread over 24 communities and rural areas. The plan includes 56 facilities projects identified in the plan with a total estimated expense of \$180.9 M. Of these projects, 32 are expected to be completed in FY 2016-17 at an estimated value of \$53.5 M. For infrastructure projects, 49 projects are planned with a total estimated value of \$116.9 M. It is projected that 14 projects will be completed in FY 2016-17 with a total cost of \$28.3 M.

Needs assessments for facilities and infrastructure will continue through the five year CIP cycle to help identify future project requirements. A major emphasis is on the implementation of a Facility Condition Assessment process which seeks to define deferred maintenance needs of our County facilities and then initiate a program to budget and pursue needed upgrades and repairs under a prioritized and balanced approach. This effort will be done with involvement from building users.

Organization of the Five Year CIP

The CIP is organized into the following six sections:

- Section 1 – Executive Summary
- Section 2 – CIP Development Process
- Section 3 – Recommended Projects for the CIP
- Section 4 – Operational and Maintenance Costs
- Section 5 – Future Update Considerations

The identification of 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 by departments. The CIP is a guide and is not a guarantee that all 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 that have been completed or removed under reconsideration. 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

Work in the past year has seen the completion of the Cayucos Pier reconstruction, while the Los Osos Wastewater project construction is winding down to begin operations later this summer. The Juvenile Hall expansion is also moving forward for completion and commissioning this summer. The new Airport Terminal began construction in October 2015 with a planned completion for the summer of 2017.

Overall effort and financial value of the current CIP remains at a very high level for a County of our size and is driven by several significant on-going and planned projects which include:

- Continued construction for the expansion of the Women’s Jail (\$40.7 M)
- Continued construction of the New Airport Terminal Building (\$34 M)
- Implementation of Energy Efficiency Projects, Various Location (\$4.7 M)
- Animal Shelter replacement (\$14 M estimate)
- Co-located Emergency Dispatch Center (\$13 M estimate)
- Arroyo Grande Channel Waterway Improvements (\$9.2 M)
- State Route 1 at 13th Street Drainage Improvements, Oceano (\$2.9 M)
- Price Canyon Road Widening Phase II (\$6.2 M)
- Tefft Street Interchange operation improvements (\$5 M)
- Avila Beach Drive Interchange operation improvements (\$6 M)
- Main Street Interchange, Templeton capacity improvements (\$12 M estimate)

The CIP report does list projects for future consideration within Appendix 8. Significant planning and funding efforts are needed to assess the viability of placing these potential projects into a future CIP.

OTHER AGENCY INVOLVEMENT/IMPACT

All County departments were presented with the opportunity to submit projects for consideration. 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 from Airports, Parks, Fire, Health Agency, Probation, Sheriff, and Library.

For transportation enhancement projects in support of trails, bike facilities and walkable communities, the Departments of Parks, Planning and Building, and Public Works review the various community, trail and bike plans for projects on an annual basis. Based on the CIP ranking criteria, potential projects are advanced for grant funding through the San Luis Obispo Council of Governments (SLOCOG) or outside Federal/State active transportation grant programs.

The IFCC has continued outreach with various Community Services Districts in order to coordinate their CIPs into the countywide process for future reference. We continue to work toward an ultimate goal of having one resource document to provide an overview of these plans for the County.

California Government Code requires CIPs to be referred to the planning agency of each county for review as to its consistency with the General Plan. The Board serves as the Planning Agency for this process. To aid in this determination, the Planning and Building Department has reviewed each proposed project and has provided justification to find consistency with the General Plan.

In preparing the CIP package, members of the IFCC continued to meet 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 in aligning 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.

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 \$297.8 M. Facilities projects comprise \$180.9 M of the total estimate while infrastructure projects make up \$116.9 M. Of the infrastructure and facilities projects, \$83.8 M has been allocated in previous years from a variety of sources, leaving a remaining unallocated need of \$214.0 M.

Key outside agencies which provide funding for County projects by way of direct funding or grants include FAA, State of California AB 900 and SB 81, donations from various non-profit groups, California Coastal Commission, Wildlife Conservation Board, San Luis Obispo Council of Governments (SLOCOG), Caltrans, US Department of Agriculture (USDA), and the Federal Emergency Management Administration (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 2016-17 proposed budget which includes several statewide CIP strategies and infrastructure funding opportunities. The budget includes:

- Approximately \$3.1B in Cap and Trading Funding to be allocated.
- Drought Relief Funding of \$32 M including Protecting Water Supplies, Conservation and Emergency Response efforts
- The second year appropriation of Proposition 1 Water Bond

The County will need to compete for those funds based on criteria established through the Department of Water Resources.

Transportation funding remains unresolved from the Governor's special session of the legislature of last July. Action will be taken by the Board of Equalization this month to further reduce the gas tax, by formula, by 2.2 cents per gallon. For the County, that would result in the loss of an additional \$1.3M to the Road Fund.

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 Department of Airports, Department of Parks and Recreation and the Department of Public Works. The projects identified in the plan will improve existing buildings, 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.

ATTACHMENTS

1. Infrastructure and Facilities Capital Improvement Program Five Year Plan FY 2016-17 through FY 2020-21. Appendices 1 through 9.
2. Capital Improvement Plan Appendix 10 – Individual Project Summary Sheets (Clerk's File)

File: CF 650.50.01 Programs – Capital Improvement Plans (CIP)

Reference: 16FEB16-BB-1

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