

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
September 8, 2004
2:00 p.m.

To: Board of Supervisors

From: County Executive Office

Subject: Fiscal Year 2004-05 Five-Year Capital Improvement Plan

Contact: Geoffrey B. Davey, Chief Financial/Operations Officer, Extension 4-5803

Overview:

Under the provisions of County Ordinance 21.15, approved by the Board of Supervisors on March 15, 1979, the County Executive is responsible for the preparation of a long-range capital improvement plan and the submission of the plan to the Board of Supervisors for review and adoption. As part of the procedure, the Board of Supervisors submits the plan as recommended by the County Executive to the Policy Planning Commission for their review. The Policy Planning Commission is to provide recommendations regarding consistency of the projects with the General Plan.

Recommendation:

It is recommended that your Board conceptually approve the Capital Improvement Plan (CIP) as an adjunct to the 2004-05 Fiscal Year Budget and instruct the Director of the Department of General Services submit the 2004-05 CIP to the Policy Planning Commission for their recommendations and request a report back regarding the consistency of the projects with the General Plan.

Fiscal Impact:

None

BACKGROUND:

Under the provisions of County Ordinance 21.15, approved by the Board of Supervisors on March 15, 1979, the County Executive is responsible for the preparation of a long-range capital improvement plan and the submission of the plan to the Board of Supervisors for review and adoption. As part of the procedure, the Board of Supervisors directs the Director of General Services to submit the plan as recommended by the County Executive to the Policy Planning Commission for their review. The Policy Planning Commission is to provide recommendations regarding consistency of the projects with the General Plan.

DISCUSSION:

Attached is the Fiscal Year 2004-05 Five-Year Capital Improvement Plan for Sacramento County, which cumulatively totals \$1.35 billion. Due to current financial limitations and uncertainties, it is

not possible to determine or recommend specific project implementation and funding for each fiscal year at this time. The inclusion of projects in this Five-Year CIP should not be interpreted as a firm recommendation to implement a project in some future fiscal year. Projects will only be recommended for implementation when it is considered that they are essential and when they may be funded within available resources. The recommendation is that project implementation and cost data for each fiscal year be approved for planning purposes only, and that the approval of the specific annual project implementation and funding be determined during the annual budget hearing process, at which time additional information should be available; thereby, making specific recommendations to your Board.

Prior to your Board's final approval of the attached Fiscal Year 2004-05 Five-Year CIP, state code requires the CIP to be reviewed by the Policy Planning Commission for a determination as to the consistency of the projects with the General Plan and a report back to your Board with their recommendations.

NEW FACILITIES PLANNED IN THE CIP AND ASSOCIATED OPERATING COSTS

Airports

The new terminal at International Airport will not come on line for five to six years so there will be no increase in operations and maintenance (O & M) expense associated with that project for some time. In regards to other projects in the CIP, especially those in 2005, the Airport System assesses the O & M budget implications when a project is first defined in the CIP process. This action facilitates our internal discussion of project implications and allows the budget to reflect the implications of new capital projects coming on line.

County Facilities

The Fiscal Year 2004-05 Capital Improvement Plan includes projects for several new facilities. This memo will address the linkage between operating costs and the following new facilities:

- Animal Care – Planned completion by close of Fiscal Year 2005-06.
- Fleet Maintenance Facility - Planned completion by close of Fiscal Year 2005-06.
- New Juvenile Courthouse - Planned completion by close of Fiscal Year 2004-05.
- Juvenile Hall Expansion (multiphase, with 90 new beds in Phase 1) and Modification- Planned completion of all phases by close of Fiscal Year 2007-08.
- 60-bed Expansion of Warren E. Thornton Youth Center (WETYC) - Planned completion by close of Fiscal Year 2004-05.

In the case of the Animal Care Facility and the Fleet Maintenance Facility, aging facilities are being replaced by new facilities set to come on line by the end of Fiscal Year 2005-06. In both cases the new facility will add additional square footage as well as additional functionality. Animal Care will be incorporating new programs sponsored by neighboring educational institutions (University of California, Davis [UCD]) as well as expanded adoption outreach. Fleet Maintenance will be upgrading their technical equipment and abilities to match the higher technical requirements of the county fleet. Engine diagnostic equipment will be superior to the

current equipment being used. The expansion of fledgling programs, as well as the addition of new programs, will increase the operating budgets (for staff and equipment) of Animal Care and Fleet Services by amounts yet to be determined. Additionally, the maintenance and operations (M & O) aspect of the facilities will require additional skilled craft persons. The additional M & O staff and equipment costs will be included in the General Services' budgets for the appropriate fiscal year.

The remaining three new facilities (New Juvenile Courthouse, Juvenile Hall Expansion (multiphase including an adjacent Visitor's Center) and WETYC expansion 60-beds) will bring on new additional square footage. In each case this will require appropriate support/operational staff to carry out the mission of each organization. Juvenile Hall and WETYC are operated by the Probation Department. The California State Board of Corrections mandates that new institutional space be accompanied by an operational plan and a commitment to provide staffing.

For each juvenile institution they operate, the Department of Probation develops an approved staffing and operating plan that is incorporated in their annual budget request. The Visitors Center is scheduled to open in January of 2005 and Phase 1 (90 new beds) is scheduled to be ready by September 2006. California State Board of Corrections, Code of Regulations, Title 15, Article 6, Section 1374, dictates that the facility administrator shall provide for visitation "subject only to the limitations necessary to maintain order and security." Juveniles must be classified, segregated, and supervised. Historically, the Probation Department has struggled to meet the State Board of Correction standards due to outdated, inadequate accommodations. The additional costs of staffing (in amounts yet to be determined) for the Visitors Center and Phase 1 (90 new beds) will be reflected in Probation Department's annual budget requests for the appropriate fiscal year.

The addition of 60 new beds in the WETYC is reflected in the Probation Department's approved Fiscal Year 2004-05 budget.

Regional Parks, Recreation And Open Space

Parks' capital improvements are for the most part enhancements, renovations and improvements to existing facilities and lands and predominantly cost neutral, since the facilities are already being maintained. The boat launch at Elk Horn will actually provide a reduction in cost because the new boat launch will not require the continuous dredging as done currently and revenue will be generated at the site. Improvements/enhancements to park entry locations will include the addition of "iron rangers" which will produce increased revenue.

The development of the Dry Creek Parkway, renovation of the Old Florin Town School and the Mather Regional Dog Park will require increased outlays for operations.

- § Parks Therapeutic Recreation Services will inhabit Florin Town School and provide programs at this location. Additional annual operating costs of \$50,000 are anticipated.
- § The Mather Dog Park, which may be relocated, will require an additional \$25,000 to \$30,000 in annual operating costs. The department anticipates that Park fees should offset about 30.0 percent to 40.0 percent of those costs.

§ Dry Creek Parkway development, which includes acquisitions, bike trail and the Hayer dam and bridge, will eventually provide a smaller version of the American River Parkway to the north and northeast portions of the County. Parks anticipates approximately \$750,000 in annual operating costs with an offset of about 30.0 percent in revenue.

CONCLUSION:

If the Policy Planning Commission finds the projects are consistent with the General Plan, the Director of General Services in conjunction with our Office will recommend that your Board confirm the findings that the projects are consistent with the General Plan and approve the Fiscal Year 2004-05 Five-Year Capital Improvement Plan for planning purposes only. Approval of specific project implementation and funding occurs during the annual budget hearings.

Respectfully submitted,

APPROVED:

GEOFFREY B. DAVEY
Chief Financial/Operations Officer

TERRY SCHUTTEN
County Executive

Attachment

cc: Planning and Community Development Department
Policy Planning Commission
All Departments with Projects