



Monterey County

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

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Adopt a resolution approving the County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years 2022/23 through 2026/27.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution approving the County of Monterey Capital Improvement Program Five-Year Plan (CIP) for Fiscal Years 2022/23 through 2026/27.

SUMMARY:

The draft County of Monterey Capital Improvement Program Five-Year Plan for Fiscal Years (FYs) 2022/23 through 2026/27 (CIP) is presented annually to the Board of Supervisors to review proposed funded and unfunded capital projects for the upcoming fiscal year. The CIP sets forth public projects essential to maintain and improve County public facilities and facilitate the orderly implementation of the County General Plan. Public facilities include buildings, major equipment, telecommunications infrastructure, parks and open spaces, and transportation systems. CIP projects are those with an estimated cost of more than \$100,000 and which provide long-term assets to Monterey County.

DISCUSSION:

The CIP includes capital projects planned as part of the capital budgets managed by the Public Works, Facilities and Parks Department (PWFP), Natividad Medical Center (NMC) and Information Technology Department (ITD). Monterey County Water Resources Agency (MCWRA) is not considered a department of the County, so the CIP does not include MCWRA projects. A long-term CIP provides several benefits:

- ◆ Prioritizes needs and establishes an orderly basis for sound budgetary decisions
- ◆ Focuses attention on both mandated and community goals, needs, and capabilities for best use of public funds and establishes a long-term plan to address future needs
- ◆ Improves the likelihood of obtaining State and Federal financing assistance for projects
- ◆ Encourages project coordination between the County and public agencies which serves to reduce scheduling conflicts
- ◆ Permits private enterprise to relate and/or align their projects to the CIP

Each year, PWFP coordinates project submittals and develops the CIP document which considers County needs, priorities, and available funding. PWFP conducts a standard project review and

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scoring for unfunded project requests based on life/health/safety criteria which were initiated in FY 2017/18. Additionally, unfunded projects are ranked utilizing the Government Alliance on Race and Equity (GARE) Racial Equity Tool. In FY 2018/19, the Capital Improvement Committee (CIC) encouraged GARE cohorts to meet with department heads and evaluate the benefit of racial-equity-focused projects against the impact of delaying or replacing current identified needs. PWWP does not review or rank NMC projects which are included for informational purposes only. Road and bridge projects are not scored since these projects are primarily funded with Road Fund revenue.

The FY 2022/23 CIP project list is summarized as follows:

FY 2022/23 CIP Project Overview

<u># of Projects</u>	<u>Total Project Cost</u>	<u>Funding Status</u>
98	\$527 Million	Fully Funded in FY 23*
2	\$ 76 Million	Partially Funded in FY 23^
72	\$ 70 Million	Unfunded in FY 23

FYs 2023-24 through 2026/27 CIP Projects

<u># of Projects</u>	<u>Total Project Cost</u>	<u>Funding Status</u>
69	\$264 Million	N/A

**Project that are Fully Funded in FY 2022/23 may have funding shortfalls in future years, which are noted in each project as applicable.*

^Includes Davis Road Bridge Replacement, which is seeking federal funds to cover shortfall.

Capital projects are funded through capital funds budgeted in Funds 002 and 404, and by individual department budgets. Budgeted costs include design, environmental, construction, equipment, land purchase, and project administration of new, improved, or replacement infrastructure. The costs identified in FY 2022/23 are appropriated as a part of the operating and capital budget process.

The FY 22/23 CIP funded projects were presented to the CIC and Budget Committee (BC) for review. The CIC and BC also reviewed unfunded project requests for recommendation to the Board on additional funding priorities. Attachment B includes a list of all projects recommended by the CIC and BC for funding consideration. Unfunded Projects may be considered for capital funding based on the recommendation of the CIC and BC, or they may utilize other funding sources as the FY 2022/23 budget is developed.

OTHER AGENCY INVOLVEMENT:

PWWP worked closely with County departments to identify capital needs, related costs, and funding sources. The Departments were encouraged to attend the committee meetings to speak on behalf of

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their projects.

On April 11, 2022, the CIC reviewed the proposed CIP and unfunded priority rankings.

On April 25, 2022, the BC reviewed the proposed CIP and provided recommendations for funding the list of unfunded projects, as prioritized by the CIC, with potential funding sources.

On May 25, 2022, the PC adopted a resolution determining that the list of major public works projects in the proposed CIP conforms to and is consistent with the 2010 Monterey County General Plan, Local Coastal Program, and 1982 General Plan, as applicable. The PC also requested the Board consider public facility deficiencies and priorities noted in the General Plans, and programs that augment existing services (e.g. Vegetation management for fire along County Roads) whenever budget priorities are being determined.

Following review and support of all these bodies, a Final CIP is submitted to the Board of Supervisors for approval and direction as part of the budget hearings in June 2022. Projects approved by the Board of Supervisors for capital funds are incorporated into the Annual Adopted Budget, and the first year's Project funds are appropriated.

FINANCING:

The CIP is funded by multiple funding sources including local, state, and federal grants, Highway Users Tax Account (HUTA, or Gas Tax), SB 1, Measure X, impact fees, and capital funds. PWFP staff costs allocated to prepare the CIP this FY are budgeted in Fund 404. No financial impacts result from receiving this report or referring the recommended capital projects for FY 2022/23 to the Annual Recommended Budget process for consideration by the Board of Supervisors. Available cash flow is considered when determining the timing and implementation of individual projects.

The list of unfunded projects, as prioritized by the Board, will be used to identify and recommend projects to receive any available discretionary funding for capital projects. Funds that have been identified and allocated from the Budget Hearings of June 1 and June 2, 2022, have been incorporated into the list.

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Director of Public Works, Facilities and Parks

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Attachments:

Attachment A - Draft Resolution

Attachment B - Unfunded Projects FY 23

Attachment C - Draft County of Monterey Capital Improvement Program Five-Year Plan
FYs 2022/23 through 2026/27

Attachment D - Planning Commission Resolution to Board