Exhibit B

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Exhibit B – CIP Development Overview

CIP Development

The Capital Improvement Program 5-Year Plan (CIP) sets forth the public projects necessary to maintain and improve the County's public facilities and contribute to an orderly implementation of the County General Plan. Public facilities include buildings, major equipment, telecommunication infrastructure, parks, and transportation systems. Projects listed in the CIP cost over $100,000 and provide long-term assets to the community. Development of the CIP is divided into phases: Project Development, Capital Improvement Committee (CIC) review, Budget Committee (BC) review, Budget Workshop, Planning Commission review, Budget Hearings, and adoption by the Board of Supervisors.

Project Development

Per Monterey County Code §2.28.010, Public Works, Facilities & Parks (PWFP) is charged with providing capital planning services, including development of the annual CIP. PWFP works with county departments to develop their capital project requests for inclusion in the CIP. Departments may submit either funded or unfunded projects.

Projects with funding identified in the upcoming fiscal year are included in the County proposed budget for adoption. All other projects, including unfunded projects and those planned for future years (regardless of funding status) are included for planning purposes only and demonstrate the magnitude of work expected to be completed over the next five years.

Capital Improvement Committee (CIC)

The CIC was established in 2005 to plan for future capital projects and make recommendations to the Board on major capital projects and expenditures, including review and recommendations concerning the annual update for the CIP. The CIC also establishes priorities between competing capital project needs.

Each year the CIC reviews the proposed list of funded projects for the annual CIP update and provides recommendations for prioritizing unfunded and partially funded projects, should additional funding become available. The CIC recommendations are incorporated into the subsequent report to the BC. The CIC places an emphasis on projects in targeted geographical areas with disadvantaged communities, which may qualify the County to leverage grant funding. Projects that address immediate health and safety needs, impact larger portions of the County population or add/improve a major County service are also considered in these recommendations.

Budget Committee (BC)

The BC reviews the CIP for fiscal matters, including proposed funding sources for projects in the upcoming fiscal year. The BC may make recommendations to the Board of Supervisors on funding for currently unfunded projects or adjustments to funding sources for budgeted projects.

Planning Commission (PC)
Pursuant to the 2010 General Plan Policy PS-1.2, the County shall develop and adopt a Capital Improvement and Financing Plan and implement ordinances that define the benefit areas, identify and prioritize the improvements for those areas, estimate the cost of improvements, identify the funding sources and provide an anticipated schedule for completion.

The CIP projects list for the upcoming fiscal year is submitted to the PC for review and report to PWFP on the CIP's conformity with the applicable adopted Area Plan or Land Use Plan as stated in Planning and Zoning Law, Government Code Section 65401.

To facilitate ease of use in reviewing the report, projects submitted to the PC are separated by new projects requiring review, and projects reviewed by the PC in previous years. New projects are categorized by geographic area.

Board of Supervisors
The final draft CIP is presented to the Board of Supervisors for adoption with the budget in June of each year.