



Legislation Details (With Board Report)

**File #:** 17-0231      **Name:** FY2017-18 CIP Process Report  
**Type:** General Agenda Item      **Status:** Agenda Ready  
**File created:** 3/2/2017      **In control:** Capital Improvement Committee  
**On agenda:** 3/6/2017      **Final action:**  
**Title:** a. Receive a report on the County of Monterey Capital Improvement Program Five Year Plan FY 2017-18 through 2021-22 process; and  
b. Provide direction regarding unfunded Capital Improvement projects based on priority ranking.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. CIC Report, 2. Attachment A - FY1718 CIP Process Report

Date	Ver.	Action By	Action	Result
3/6/2017	1	Capital Improvement Committee		

- a. Receive a report on the County of Monterey Capital Improvement Program Five Year Plan FY 2017-18 through 2021-22 process; and
- b. Provide direction regarding unfunded Capital Improvement projects based on priority ranking.

**RECOMMENDATION:**

It is recommended that the Capital Improvement Committee:

- a. Receive a report on the County of Monterey Capital Improvement Program Five Year Plan FY 2017-18 through 2021-22 process; and
- b. Provide direction regarding unfunded Capital Improvement projects based on priority ranking.

**SUMMARY:**

RMA is seeking Capital Improvement Committee direction and support for the draft County of Monterey Capital Improvement Program Five-Year Plan (Attachment A). This report includes lists reflecting projects that are fully funded, partially funded, and unfunded. Projects listed include what RMA is planning as part of the capital budgets (including 002, 401, 402, 404) that RMA manages, as well as projects identified by other County departments funding through their budgets. The CIP includes summary lists followed by detailed descriptions of each project and project budget.

Primary focus is given to projects with funding in the upcoming Fiscal Year (FY 2017/18). FY 2017-18 through FY 2021-22 includes sixty-six (66) fully funded projects with a five-year total value of \$330.9 million and twelve (12) partially funded active projects with a five-year total value of \$123.5 million for a combined total of \$454.4 million. Staff is also seeking direction for critical unfunded projects. This list identifies sixty-six (66) projects with an unfunded need for FY 2017-18 of \$49.1 million and a total estimated cost of \$144 million.

**DISCUSSION**

Resource Management Agency is lead for developing the County’s Capital Improvement Program Five Year Plan (CIP). The purpose is to summarize the County’s overall capital project needs and illustrate how available capital funds are allocated to assist with budgeting for the next Fiscal Year, as well as forecasting capital needs

in future Fiscal Years.

Development of the CIP started in October 2016 when RMA began a process to update the Capital Improvement Program. RMA and CAO staff were consulted and asked to provide their input on the process. Based on their suggestions the CIP procedures were updated and implemented in development of the FY 2017-18 through 2021-22 CIP and include:

- One-on-one meetings with departments to discuss the CIP process, and any projects the department is considering for inclusion in the CIP.
- Initial project review by RMA - Architectural Services staff to verify cost estimates and project details.
- Standardized scoring criteria for projects competing for Capital funds.
- Ranking of scored projects to match available funds with highest County priorities.

In December 2016 RMA Staff contacted County Departments to request capital needs, related costs, and funding sources and in January met with County Departments to clarify the process, review the requested information and answer any questions associated with the process. RMA then received the project information requested that was used in the development of the Draft CIP Summary.

In addition to the funded CIP projects is a list of unfunded needs. This list includes projects that County Departments have identified as a priority to receive funding for FY 2017-18, however no funding source has been identified at this time. This list identifies sixty-six (66) projects with an unfunded need for FY 2017-18 of \$49.1 million and a total estimated cost of \$144 million (see page 97 of Attachment A).

The following five (5) projects are considered critical to County operations by RMA Staff and are listed here as priorities for funding:

- Facilities Unscheduled Repairs,
- Facilities Scheduled Repair,
- Capital Projects Administration,
- ADA Improvements - Phase 4 and
- Energy Efficiency Measures - Phase 4.

These projects must compete for funds each year, but are necessary to perform the function of the RMA and have historically received some level of funding. Staff recommends allocating funds to these projects.

#### OTHER AGENCY INVOLVEMENT:

RMA has worked with County departments and the County Administrative Office to identify capital needs, related costs, and funding sources. Departments have been encouraged to attend the special CIC meeting to speak on behalf of their projects. Since the Water Resources Agency (WRA) is not considered a department of the County, the Five-Year CIP does not include WRA projects.

This year's updated CIP process allows for greater communication and collaboration between RMA and County departments. RMA staff met one-on-one with departments to discuss their projects and provide input on cost and scope. RMA provided information on the CIP process and how project review would be conducted. A single RMA point of contact was available to answer questions and assist departments. Departments were provided with facilities assessments and ADA studies to help determine project priorities. Projects submitted to RMA were reviewed by RMA staff and scored based on the department's project description and justification.

#### FINANCING:

FY 2017-18 through FY 2021-22 includes sixty-six (66) fully funded projects with a five-year total value of

\$330.9 million and twelve (12) partially funded active projects with a five-year total value of \$123.5 million for a combined total of \$454.4 million. Fully and partially funded projects with funding identified in FY 2017-18 will be recommended to the Board of Supervisors for inclusion into the FY 2017-18 Recommended Budget (See page 8 of Attachment A). If additional capital funds are available during the Development, RMA requests that the Capital Improvement Committee provide recommendations on projects to be considered for funding.

Consistent with the Board of Supervisor's guidelines, the projects included in the first year of the CIP (FY 2017-18) requiring County capital funds will be reflected in the FY 2017-18 Annual Recommended Budget for the consideration and action by the Board of Supervisor's. The CAO Budget and Analysis division will use the CIP to evaluate funding within the associated department budget. Due to the late submission of this report, the CAO Budget and Analysis division was not provided adequate time to review the draft CIP for potential fiscal, organizational, policy or other implications to the County of Monterey.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Capital Improvement Program is a critical part of County infrastructure planning and administration. The updated review and prioritization process allows critical county needs to be identified in a standardized, efficient way. A well planned CIP is a key part of developing and maintaining County infrastructure.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Attachments:

Attachment A - FY1718 CIP Process Report