

# COUNTY OF MENDOCINO

## **2013-2017 COUNTY OF MENDOCINO CAPITAL IMPROVEMENT PLAN/ FACILITY NEEDS ASSESSMENT**



***Presented by:  
General Services Agency***

PRESENTED TO THE BOARD OF SUPERVISORS • JUNE 10, 2013

## CIP Overview

The Capital Improvement Plan/Facility Needs Assessment (CIP) is a strategic planning tool, which focuses on County-owned infrastructure under the control of the Board of Supervisors and, as such, summarizes in one document the County's overall capital projects and associated funding requirements during a five-year period. The projects may include: new construction, major maintenance, major equipment and large software system acquisitions or enhancements. This document is intended to provide the Board of Supervisors with an understanding of the overall condition of the County's capital facilities and an insight into the County's unmet facility needs.

The CIP is not a budget document but rather a planning tool to be used in the budget process. The selection of projects are based on meeting criteria, which helps determine when a project may be implemented and if necessary, funded. Inclusion of projects in the CIP does not mean that a project has been approved for implementing and funding, but it does provide reference information to facilitate informed decision-making.

The capital projects represent the requirement to maintain and improve the County's existing capital asset infrastructure, replace obsolescent equipment, provide for new and renovated facilities that will promote efficient service delivery, overcome technological obsolescence and ensure health and safety.

During the annual budget process, County departments submit to the General Services Agency and the County Executive Office Facility Modification Forms. These forms, if approved, are included in the CEO's recommended budget for Board of Supervisor consideration. Projects that are approved by the Board of Supervisors for funding during the June budget hearings are incorporated into the County's Capital Improvement Projects budget (BU 1710). These projects are separate and aside from the projects listed in the CIP.

## Introduction

The CIP is developed with information from a variety of sources, including professional planning documents, department heads' comments about their respective facility needs and input from the County GSA Director.

Additional source documents include:

- *March 10, 1999 Mendocino County Health & Human Services Facility Master Plan*
- *March 10, 1999 Mendocino County Criminal Justice Master Plan*
- *March, 2006 Mendocino County Jail Needs Assessment and Criminal Justice Master Plan Update*
- *September 26, 2002 Superior Courts of California County of Mendocino Facilities Master Plan*
- *2003 Capital Improvement Plan Update*
- *2006 Capital Improvement Plan Update*

## Background

Capital facility decisions are far-reaching and long-term. They represent a significant short and long term investment, and have an impact on service delivery and budget planning far into the future. They can also have an impact on the community in which new facilities are built.

In 1999 the Board of Supervisors accepted two facility master plans, one pertaining to Criminal Justice facilities and the other to Health & Human Services facilities. On the basis of those master plans, and its perception of the urgency and priority of the unmet needs the plans described, in June 2000 the Board approved an ambitious program of new facility development, and authorized the issuance of Certificates of Participation (COP) in the amount of \$14,200,000 to finance the projects. The COP's

were used to fund new facilities for Social Services, Public Health and Animal Control in Ukiah, and an Integrated Health & Human Services Agency facility (WISC) and Museum Artifacts Storage building in Willits, as well as a storage facility at the County Administration Center.

In 2011 and 2012, the County of Mendocino underwent an extensive facility consolidation wherein 13 departmental consolidations were achieved which resulted in the elimination of five (5) leased facilities. The General Services Agency continues to implement the Board of Supervisors directive in 2011 to eliminate all leased facilities where practical.

Since the 2006 CIP update, the County has completed the following Capital Improvement Projects:

- The County's public safety and communication microwave system was replaced almost in its entirety. The Board of Supervisors utilized funds from various outside agencies, as well as approving capital financing for the project
- Remodeling of the booking and 24-hour holding areas of the Jail facility, which was required to address deficiencies found by the Superior Court in response to an inmate writ
- The County Parks System has received significant structural enhancements through Park 2000 and 2002 Park Bond Act funds and those projects have been completed
- Mill Creek Dam EIR
- Remodeling of the Fort Bragg Library Branch Interior
- Jail Replacement/Criminal Justice Facility Feasibility Study
- New Probation Department Offices which eliminated one leased facility
- New Public Defender and Alternate Defender Offices which eliminated two leased facilities
- Consolidation of the Sheriff's Headquarters in Ukiah
- New Covelo Library Branch
- Energy Retrofitting of County facilities

#### UNMET GENERAL FUND CAPITAL FACILITY NEEDS

The following have been identified as unmet General Fund Capital facility needs:

##### • County Roofs



There are several County facilities that are in critical condition as it pertains to the roofs. The condition of these roofs are the result of many factors, including end of life as well as deferring maintenance resulting in increased damage from normal wear and tear. The following County facilities have been identified as the top priority for roof replacement within the next five years at a minimum:

• County Administration Center, Low Gap Road, Ukiah	\$3,000,000
• County Museum, Willits	\$350,000
• Ukiah Public Health and Mental Health Facility	\$1,000,000
• Sheriff Training Center, Low Gap Road, Ukiah	\$300,000
• Yokayo Center (Social Services), State Street, Ukiah	\$700,000
• Ukiah Veterans Administration Building and Shed	\$25,000
• Willits Integrated Services Center (WISC), Willits	\$400,000

These roofing projects are estimated to cost approximately \$6,000,000 over the next five years. GSA anticipates scheduling prioritized roofing projects beginning in FY 13/14.



- **County's Property System**

Since 1995, the County of Mendocino has used property system software acquired for 'at no cost' from Sutter County. The property system is used to send and track property tax bills, maintain information regarding parcels, record current and historical property assessments, log unsecured assets for billing, and many other functions. The property system is necessary for the collection of well over 100 million dollars of tax revenue per year.

The County's current software system, titled the "Mendocino County Property System", is obsolete; it features a system code base/language that dates back to the 1970's, and represents a significant risk of catastrophic failure.

The property system was created by a County development support staff; which no longer exists within the County system. The County has no available staffing resources to utilize, no dedicated vendor maintaining the system, no user documentation and we have extremely limited developer documentation. Recent County staffing retirements and relocations has left the property system without support resources. Soliciting staff to support this outdated system and technology would not be effective or efficient.

Currently, County GSA/IS staff expends a great deal of resources attempting to address the performance shortcomings of the current software and continually experiences issues with providing adequate support.

Due to the risks involved with maintaining the current software system, coupled with the costs associated with maintaining its platform, it is recommended that the Board of Supervisors authorize staff to begin a review and analysis associated with the replacement of the Mendocino County Property System.

The project is estimated to cost up to \$1,000,000 with an annual maintenance cost of \$100,000. This project is anticipated to be rolled out during FY 14/15.

- **Facilities Retrofitting For Compliance With Americans With Disabilities Act (ADA)**

In 2005 the Board of Supervisors approved the County's Self-evaluation and Transition Plans for compliance with ADA requirements for public access to County facilities and services. In 2006, the Board of Supervisors began its 10 year commitment of \$100,000 per fiscal year to complete the necessary ADA facility modifications. While approximately \$721,890 has been expended on ADA retrofit projects over the past several years, the Transition Plan for the



removal of barriers to access in County buildings details and prioritizes approximately \$500,000 of remaining projects. Due to various resource deficiencies, the County is two years

behind schedule on the completion of all ADA projects that originally were scheduled for completion within 10 years (year 2014).

These projects are scheduled to be budgeted at \$100,000 annually for the next five fiscal years beginning in FY 13/14.

- **Jail Control Panels**

The County Jail currently has two control panels; one in each of the two Jail buildings. These control panels operate the correctional facilities doors, intercoms, CCTV, and lights. Jail staff is currently investigating the possibility of replacing both control panels with one centrally located PLC Touchscreen control panel. The current configuration of the two control panels requires eight personnel to cover these panels on 24/7 basis. By combining the two panels into the one PLC Touchscreen control panel, it would enable a safe redeployment of four personnel for a more efficient and effective overall operation of the correctional facility. An RFP was issued for this project on April 3, 2013 and the results were received April 29, 2013.

The project is estimated to cost up to \$300,000. \$150,000 of which would be a General Fund cost.

- **HVAC Efficiency Retrofitting and Replacement**

GSA applied for an Energy Efficient Conservation Block Grant on January 5, 2010 and received approval on July 2, 2010. As a result, the County issued an RFP for lighting retrofit on various County owned facilities on January 1, 2011 and awarded the contract on March 10, 2011. The County also issued a RFP for HVAC replacement on February 22, 2011 and awarded the contract on May 27, 2011. GSA completed the following energy retrofits associated with the Energy Efficient Conservation Block Grant:

- Lighting at the Jail, Vets Halls, Courthouse Annex, Mental Health and Modular, Admin Center, Ag facility
- HVAC replacement in the Main Jail

Due to the final costs of the above energy retrofits, the following HVAC projects were not able to be completed within the allocated block grant funds:

- Admin Center, Adult Detention Facility, and Jail Kitchen

The County currently has 250+ HVAC units. There are approximately 60 units that are over 25 years old that are still currently in use. The industry standard for the useful economic life expectancy of a rooftop HVAC unit is 12 to 15 years. The County needs to begin the replacement of units that are over 25 years old. Restoring performance saves energy, ensures equipment up-time, improves budgeting by reducing the number of units at risk, and keeps occupants comfortable and productive. These units are the cause for higher utility bills as HVAC systems average 30 percent of a building's energy consumption. Poor performance can increase energy consumption above the optimum by anywhere from 20 to 50 percent.

This project will cost approximately \$100,000 annually over the next five years.



- **Facility – Reserve for Major Repairs and Maintenance (BU 1710)**

The Capital Improvement Fund provides monies for facility enhancements and large-scale maintenance projects. These projects include items such as roof repair, parking lot repairs, and heating and cooling (HVAC) upgrades, as well as any other significant facility preventative maintenance costs or repairs. In accordance with County Policy 33 - *Reserve for Major Repair and Maintenance of Facilities*, the County has historically funded a Reserve for Major Repair and Maintenance of Facilities in the amount of seventy cents (\$0.70) per square foot of County owned and maintained buildings. This standard in industry has changed to (\$0.90) per square foot. The County has 726,465 square feet in owned facilities that must be maintained. Of this square footage



514,342 can be attributed to the General Fund and the remaining 212,123 square feet can be attributed to Non-General Fund based on which facilities house which departments. This amount was dependent upon available funding. The Executive Office has provided guidance to and works cooperatively with GSA by monitoring and approving projects throughout the year and to ensure a timely work plan and to maintain the funding allocated to this budget. During the budget conferences, GSA provides a list of proposed projects which are then reviewed for recommendation by the CEO and are presented to the Board of Supervisors during the Recommended Budget based on available funding. Projects may be continued from year to year with the funding carried forward and designated for these ongoing projects. This budget also provides funding for any miscellaneous or emergency projects unidentified each year and funding for the continued Americans with Disabilities Act (ADA) retrofits for the removal of barriers to disabled access in County facilities.

The Board of Supervisors has deferred and suspended the funding of this reserve since FY 07/08 with FY 12/13 being the fifth fiscal year of its suspension. This deferral has subsequently resulted in significant deferred facility maintenance needs. At present, the County has approximately \$600,000 in deferred maintenance projects, repair needs, and upkeep of County facilities. In addition, there are approximately \$2,500,000 of known necessary facility maintenance, improvements and repairs that must be addressed within the next five years on all County facilities. If these critical facility issues are not addressed, they will be added to the deferred maintenance list and will likely result in higher costs due to further deterioration.

It is recommended that the Board of Supervisors reinstitute funding the reserve in accordance with Policy 33 at an increased level of ninety cents (\$0.90) per square foot for a total amount of approximately \$462,907 annually for General Fund facilities beginning in FY 13/14.

**Deferred Capital Facilities Maintenance**

The Capital Maintenance Reserve Fund (CMRF) is essential to the timely, and therefore cost-effective, capital maintenance of County facilities. Because the Board suspended that fund in FY 07/08 the list of deferred maintenance on facilities has grown to \$600,000 in maintenance, repair and upkeep of County facilities.



There is approximately \$2,500,000 of known maintenance, improvements and repairs that need to be addressed within the next 5 years on all County facilities. If these issues are not addressed, they will be added to the deferred maintenance list.



Deferred maintenance needs to be funded at \$120,000 annually for the next five fiscal years beginning in FY 12/13 in order to adequately address the deferred projects.

- **IT Reserve**

The IT reserve was established in FY 00/01 and was to provide the funding for the replacement of multi-departmental computer systems. The total annual on-going appropriation in this replacement fund is \$240,000 per County Policy No. 35. The funding is capped with a total accrual not to exceed \$850,000 unless further Board of Supervisor action is taken. The Board of Supervisors has suspended the IT Reserve funding for approximately seven (7) years. This fund also provides start up financing that may be necessary in the event of a multi-departmental system acquisition or upgrade. An example of this financing was the replacement of the County's Financial System (MUNIS) which was the last project financed with IT Reserve funding. This fund allows multi-departmental projects to be considered without adversely impacting departmental budgets and provides stability in addressing unanticipated costs surrounding the technology deployed in the County.

The General Services Agency has recently acquired one time unanticipated revenues to contribute to the funding of the IT Reserve in order to complete the Computer Replacement and Microsoft Licensing priority projects. The other two priority projects which funding is currently NOT available for are as follows:

- **Wan Upgrades**

GSA/IS has replaced numerous T1 data transfer links with more efficient and cost effective wireless point-to-point systems in an effort to reduce the monthly fees the County pays to AT&T for the T1 lines. This effort reduced the County's maintenance costs annually by an estimated \$50,000. The existing data transfer links have reached end of life and are in need of replacement. As data needs continue to increase, the County must plan to replace them and transition to newer, faster, more capable, enterprise grade hardware systems.

The costs to replace the links are approximately \$5,000 per link. The County currently has 10 links operating in Ukiah. With the installation of new hardware to replace the outdated links, the County would eliminate the fiber that now serves the majority of the buildings in Ukiah, and would result in an additional annual savings of \$50,000.

If the County delays the link replacements, it is anticipated that more frequent downtime will be experienced and hardware performance will not meet current data requirements. The County is heavily reliant on data networks to provide services related to voice, video and data; the County must be proactive and ensure that the infrastructure is capable of supporting it.

This project is estimated to cost between \$75,000 - \$100,000. Funds contributed to IT Reserve as discussed above would be utilized to fund Wan Upgrades.

- **Offsite IT Data Center Replication**

Offsite IT replication will allow the County to institute a necessary robust and safe data recovery system to assist in protecting the County's data center in the event of failures due to natural disasters such as flood, earthquake, and fire. If the County experienced a catastrophic failure and did not have an offsite replication system in place, the County would be unable to recover data pertaining to the County's core operating systems, including the finance system (Munis), property system, payroll, taxes, criminal justice system, purchasing, Clerk Recorder, Assessor, telephones, and numerous other services that rely on the data center to operate. With the implementation of an off-site replication system, the County would be able to efficiently and effectively re-establish these essential services in the event of a disruption. The replication system would also provide the County with an essential method of backup and recovery due to accidental data loss.



This project is estimated to cost \$150,000 with an estimated \$5,000 annual maintenance costs. Funds contributed to IT Reserve as discussed above would be utilized for the Offsite IT Data Replication.

It is recommended that the Board of Supervisors reinstitute the annual financing of the IT Reserve fund pursuant to policy number 35. This is estimated to cost \$240,000 annually over the next five years.

- **Public Safety Information and Communication Microwave System Maintenance**

The maintenance agreement the County has with Alcatel for the County's Public Safety Information and Communication Microwave System expires in January of 2015. The renewal



of the contract is estimated to cost up to \$100,000 for a five year period. This maintenance contract allows GSA to maintain the entire microwave system and obtain technical support from Alcatel when needed. Without this support, GSA would be seriously reduced in its ability to trouble shoot and make affective repairs on the system in a timely manner. This contract will also extend the warranty on the microwave system hardware at all of the County's sixteen locations that contain Alcatel microwave equipment.

The project is estimated to cost approximately \$100,000 for a five year period.

- **County Vehicle Replacement**

The County Vehicle Replacement Fund, Budget Unit 0711, was historically replenished throughout the fiscal year from per mile charges for the use of virtually all vehicles maintained by GSA. Mileage costs were based on vehicle category and were intended to generate sufficient funds to replace vehicles.

Previous targeted replacement guidelines were as follows:

Description	Mileage/Age
Mid-Size Sedan	120,000 miles or 10 years
Full-Size Sedan	120,000 miles or 10 years
Police Cruiser	100,000 miles or 48 months
4x4, ½ ton Pickup, vans, 1-ton dumps	120,000 miles or 10 years

The Board has deferred and suspended the vehicle replacement fund since FY 07/08 with FY 12/13 being the fifth fiscal year of the suspension. This funding deferral has resulted in the replacement of vehicles purchased with non general funds only.

- Out of the 230 vehicles in the County's fleet, a total of 20 vehicles are over 120,000 miles and are in need of replacement immediately
  - The Total cost for the replacement of these 20 vehicles is approximately \$800,000. The majority of these 20 vehicles are 4-wheel drives and SUV's
- There are a total of 29 vehicles that will be due for replacement in the first year of the CIP totaling approximately \$870,000
- There are a total of 18 vehicles that will be due for replacement in the second year of the CIP totaling approximately \$540,000
- There are a total of 7 vehicles that will be due for replacement in the third year of the CIP totaling approximately \$210,000
- There are a total of 9 vehicles that will be due for replacement in the fourth year of the CIP totaling approximately \$270,000
- There are a total of 19 vehicles that will be due for replacement in the last year of the CIP totaling approximately \$570,000

The total cost for all 102 non patrol vehicles scheduled for replacement during the next five years is approximately \$3,260,000. Approximately 60% of these vehicles are non-general fund vehicles. Therefore the general fund cost is approximately \$1,304,000 and the non-general fund cost is approximately \$1,956,000.

**Patrol Vehicles:**

In addition to the above listed vehicles, the following patrol vehicles are scheduled for replacement. Although the Sheriff has been utilizing non-general funds to purchase replacement vehicles, this would be considered a general fund expense if the Sheriff did not

have those outside funds to utilize. Costs for patrol vehicles are calculated at a different replacement rate, as well as higher replacement costs per vehicle:

- Patrol Vehicles – Year 1 \$135,000 (3)
- Patrol Vehicles – Year 2 \$180,000 (4)
- Patrol Vehicles – Year 4 \$135,000 (3)
- Patrol Vehicles – Year 5 \$ 45,000 (1)

The total cost for all patrol vehicles scheduled for replacement during the next five years is approximately \$495,000. The Sheriff is planning to purchase eight replacement vehicles in FY 13/14 utilizing non-general funds.

The general fund vehicle replacement project is estimated to cost a total of \$1,304,000. This does not include patrol vehicles.

Non-general fund departments will budget for the replacement of their vehicles on an annual basis through the budget process beginning in June 2013.

- **Animal Care Projects**

The following are projects submitted by HHSA Animal Care:

- **Winterize Kennels**

In the existing animal shelter, more than half of the dog kennels are located in a covered area outside the main building, where they are exposed to the ambient temperatures. In the summer months, misters protect the dogs from excessive heat. In the winter, heaters and walls of plastic sheeting offer protection from freezing temperatures. Unfortunately the plastic sheeting must be replaced on a regular basis, and it provides relatively inefficient closure, resulting in excess heating costs.

Over time, the purchase and fitting of removable Plexiglas panels are expected to reduce the shelter's operational costs due to reduced heating costs, ease of annual installation, decreased maintenance, and the elimination of replacement costs.

The project is estimated to cost up to \$20,000.

- **Animal Care – Storage Facility**

When using strong cleaning agents and biocides to disinfect the kennel areas, it is sometimes necessary to remove dogs from the area to be treated. The existing shelter provides insufficient holding space for staff to efficiently evacuate the kennel areas when deep disinfection is necessary. This lack of space makes it more difficult to prevent the outbreak of disease within the shelter despite the dedicated efforts of kennel staff. The shelter needs additional temporary kennel space to house the constant influx of temporary boarders, which includes dogs, goats, sheep and other animals. The current overflow is inadequate for anticipated future needs.

A fenced and covered area located directly north of the animal shelter includes structures adjacent to the shelter that are currently not in use. These covered and fenced structures are proposed to be converted for use as a temporary holding area with exercise and socialization areas that would greatly enhance the existing animal shelter and allow staff and volunteers to better fulfill the shelter's mission. It also will provide the flexibility needed as the shelter enters its second decade of operation.

The project is estimated to cost up to \$35,000.

The total Animal Care projects are estimated to cost approximately \$55,000.

- **Jail Painting**



Building 1 at the Mendocino County Jail has been painted once in 28 years and the type of paint utilized only lasted one month due to inmates causing damage. There is extensive rust damage which will require inordinate amount of preparation work prior to painting. Building 2 in the jail was built in 1992 and has been painted partially in various areas. Being a concrete building, there will be less preparation work prior to painting building 2.

This project is estimated to cost up to \$150,000.

- **Museum Storage Structure**

The Museum storage structure that was built to house museum artifacts and archives, does not have adequate environmental temperature controls needed for this type of use. This facility was built in 2002 and did not include the needed environmental temperature controls in the initial design and specifications.

The project is estimated to cost up to \$40,000.

- **Museum – Sinking Foundation**

The foundation situated near the southeast corner of the Main Gallery/Original building is sinking. Work was completed in early 2000 in an attempt to repair and remediate the situation; however, it has continued to worsen through the years and is a threat to the structural integrity of the facility.

The project is estimated to cost up to \$60,000.

- **Countywide Document Imaging System**

The County's existing document imaging system solution is approximately 15 years old. Although the system serves the Assessor/Clerk-Recorder and Auditor's Offices current document imaging needs, the system lacks the functionality that other departments require (e.g. enhanced indexing and search capability). Additionally, several county departments have acquired other independent document imaging systems, and while these have served the County well, it does present support and return on investment issues (i.e. departmental staff time reduction, space cost reduction, efficiency and effectiveness).

Currently, several County departments lease storage facilities in order to store documentation that would likely be managed by a countywide document imaging system. Departments are also utilizing valuable office space to store their documents and records.

GSA has submitted to the CEO and obtained approval to proceed with a project to assess County wide document imaging needs, as well as compiling information on what other counties utilize for their document imaging needs. The results will be compiled and provided to the CEO for consideration in FY 14/15.

The project is estimated to cost up to \$1,500,000.

- **Jail Remodel/Replacement**

The most challenging facility need facing Mendocino County is the County Jail. As outlined in the 2006 Mendocino County Jail Needs Assessment and Criminal Justice Master Plan, the greatest need is the Adult Detention Facility. Building One which poses the most challenges as there are insufficient number of beds and the type of beds require an extraordinary amount of maintenance.

To address these issues and the additional needs identified by the Sheriff's Department, District Attorney, Public Defender, and Probation Departments, the Board of Supervisors entered into a contract with Beverly Prior Architects to conduct a Feasibility Study and Site Assessment which was completed in 2009.

The Governor signed AB 900 (the Public Safety and Offender Rehabilitation Act of 2007). This reform package contains infrastructure funding for approximately 13,000 jail beds to address overcrowding issues in local detention facilities, in addition to resources for 40,000 state beds. The County of Mendocino did not participate in this RFP.

On June 27, 2012, SB1022 (a follow up bill to AB900) became law authorizing State lease revenue bond financing of up to \$500,000,000 for construction of criminal justice facilities. The construction finance program may include custodial housing, reentry, programming space, mental health, or treatment space.

SB 1022 specifies that consideration shall be given to counties that are seeking to replace existing compacted, outdated, or unsafe housing capacity or are seeking to renovate existing buildings, or build new facilities that provide adequate space for the provision of treatment and rehabilitation services, including mental health treatment. There is a set aside for each level depending on the size of the county. There is \$100,000,000 to be shared amongst all smaller counties. The maximum allowable for any one small county is \$20,000,000.

The Jail and the CEO's office are working together on this project to respond to the RFP, which is due in out in May of 2013.

The project is estimated to cost up to \$20,000,000. This would be a general fund expense if outside funds are not acquired. If this grant is received under SB 1022 the County would have a mandatory 5% match which could be given in the way of funds (up to \$1,000,000) or in kind services.

#### **UNMET NON-GENERAL FUND CAPITAL FACILITY NEEDS**

- **Public Safety Information and Communication Microwave System Replacement Phase III**

The County's microwave system is the critical public safety information and communication system.

The Board of Supervisors authorized the CEO and GSA Director to move forward and purchase the County's new microwave system on November 20, 2007. GSA presented a final report for Phase I of the Microwave System on December 16, 2008. Subsequently, the Sheriff's Department obtained additional grant funding, as well as Congressman Thompson earmarking additional funds for the completion of Phases II and III of the System. Phase II of the project further expanded the system in the following locations: Spanish Mountain, the Courthouse Annex, Cold Springs and Sanel Mountain. Phase II of the project was completed in 2009. Phase III is planned to upgrade and expand the system to include a tower in Laytonville and enhanced services in Covelo. Phase III is planned to begin in the summer of 2013.



The project is estimated to cost up to \$250,000. Approval for this project has previously been obtained by the Board of Supervisors, and the completion is scheduled for the fall of 2013. Funding for this upgrade is currently included in the FY 12/13 budget and will also be included in the FY 13/14 Proposed Budget. Grant funds will be utilized for this project.

- **Various County Parks Enhancements through 2002 Park Bond Act funds**

The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Prop 40) was intended to acquire and develop properties of the State Park System, to acquire and develop neighborhood, community, and regional parks and recreational areas, for land, air, and water conservation programs, including acquisition for those purposes, and to acquire, restore, preserve and interpret California's historical and cultural resources. Reference: California Public



Resources Code 5096.300. The County of Mendocino was allotted \$1,200,000 in Prop 40 funding. To date, the County has completed several Prop 40 Projects in FY 11/12 in the amount of \$659,989 and passed through \$450,000 to various Cities and local entities throughout the county to use towards approved Prop 40 projects. The remaining grant funds have been allotted for use at several County Parks.

This project is estimated to cost up to \$90,411. Approval for this project has previously been obtained and the completion is scheduled for the fall of 2015. Funding for this project is currently included in the FY 12/13 budget and will also be included in the FY 13/14 Proposed Budget.

- **Round Valley Airport**

The Round Valley Airport currently has a water well without electrical power and no sewer system on the property. It is recommended that a precast product be installed that includes a single vault toilet which is designed to be handicap accessible. The restroom facilities will serve pilots, passengers and personnel working at the airport.

The project is estimated to cost up to \$25,000.

- **Little River Airport Office Structure Replacement**

The Little River Airport office structure was built in the early 1950's and has suffered significant damage due to the harsh coastal environment and is in need of replacement. This office houses the Airport Manager along with computers and an aviation fuel "card-lock" system.

The project is estimated to cost up to \$50,000.

- **Road Maintenance and Administration**

The road maintenance yards and administration facility for DOT are in need of a security system. Theft and vandalism continue to cost the department in repairs and equipment down time. Recent camera installation in the Covelo yard has proven to reduce these problems. The road yards include Ukiah, Laytonville, Willits, Point Arena, Fort Bragg and Boonville.

The project is estimated to cost up to \$140,000. Funding for two of the six sites at \$60,000 will be included in the FY 13/14 Proposed Budget, within DOT with two road yards per FY following through FY 16/17 at \$40,000 per fiscal year.

- **New Roof for DOT Ukiah Yard**

The DOT Ukiah yard is in need of a new roof over the main building and shop building. The metal structure was built in the 1950s and has the original metal roof which currently has heavy rust and is developing holes.

The project is estimated to cost up to \$90,000. Funding for this project will be included in the FY 17/18 Proposed Budget for DOT.

- **DOT Road Yard Material Storage Covers**

DOT has several material storage areas in seven different yards across the County, wherein road asphalt materials are kept. The materials being stored at these locations are in need of permanent coverings (awnings) to prevent storm water runoff from the materials.

This project is estimated to cost up to \$45,000. The Department has budgeted \$25,000 to cover for four of the seven road yards in FY 12/13 and will be rolled over into FY 13/14 for completion. The costs to cover the remaining three road yards are estimated to cost up to \$20,000. Funding for this project will be included in the FY 13/14 Proposed Budget for DOT.

- **DOT Re-sealing Parking Areas of Ukiah Road Yard**

The Ukiah DOT road yard parking area is in need of re-sealing due to deterioration and wear and tear.

The project is estimated to cost up to \$85,000. Funding for this project will be included in the FY 16/17 Proposed Budget for DOT.

- C. DEPARTMENT HEAD IDENTIFIED FACILITY NEEDS:** As funding and Facilities and Fleet resources permit, the County should prioritize and address the numerous, relatively minor and small-dollar facility needs identified by department heads in their responses to County Executive Office's Questionnaire during the mid year budget process. These needs are in addition to the large-scale needs itemized and described in this CIP. The majority of these needs will be able to be met over time if sufficient funds can be allocated to the Capital Maintenance Reserve Fund, or as departments are able to pay for them through their respective annual operating budgets.

## **ISSUES AFFECTING PROJECT PRIORITIZATION AND IMPLEMENTATION**

- *Organizational Restructuring*
- *Funding/Debt Level*
- *Marketplace Opportunities*
- *Post-Construction Staffing and Operating Costs*

### **A. Organizational Restructuring**

The County Board of Supervisors underwent a major organizational restructuring in 2011-2012 wherein the Board directed staff to eliminate all leased facilities where practical. In doing so, this led to the opportunity for all Departments to rethink the way they conduct their operations and look for ways of streamlining their business practices. This will continue to be an ongoing effort as we move forward with capital facility needs.

### **B. Funding**

- 1) Grants: As noted above, capital project prioritization may be influenced by the availability of outside funding. Grant funds, however, may come with conditions the County will find difficult to accept. An example was the high priority need to address the problem of overcrowding at the County Jail. In 2002, the Board of Corrections awarded Mendocino County a \$1.56 million grant for a 64-bed jail expansion. A condition of the grant was that

the jail be staffed to the Board of Corrections' minimum standard within 90 days of the project's completion and notice of occupancy. The Board of Supervisors accepted the grant and approved approximately \$250,000 of County matching funds for the project. After the development of plans and specifications, the project went to bid three separate times, each time with the result that the low bid was considerably higher than the amount of available funding. Following the third bid, the Board determined that it could afford neither the construction project costs, nor the staffing and operating costs once the project was completed. As a consequence, the project was discontinued and the bids – and grant funds – rejected. Currently, the Jail has the opportunity to apply for grant funds for its facility as noted in the Jail Remodel section listed above.

- 2) Donations: The Covelo Library is a perfect example of a community donating to the County resulting in the development of a new library.

The donation by a number of private citizens of their time, energy and expertise has been invaluable in maintaining the pathways and hiking trails, picnic tables, dog parks, and archery range at Low Gap and Mill Creek Parks.

- 3) Certificates of Participation: Certificates of Participation (COPs) have been used over the past thirty years to finance millions of dollars of County facilities. Currently, there is one outstanding COP issuance, with outstanding balances (principal and interest) at the end of FY 12/13 as follows:

2012 COPs	\$32,768,277.50
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In FY 13/14, the annual debt service for the three COPs will be nearly \$1,900,000. (Note: There will be a one year "spike" in the COPS debt service of approximately \$800,000 in FY 23/24. Together with Pension Obligation Bond payments and financing for energy retrofit projects, the County's current total annual debt service cost is approximately \$9,800,000.)

The Board of Supervisors must make a decision regarding the amount of annual debt service the County can reasonably afford and still meet its service delivery responsibilities and priorities.

- 4) General Obligation (GO) Bonds: Generally Obligation Bonds are secured by a pledge of the full faith and credit of the issuer or by a promise to levy taxes in an unlimited amount necessary to pay debt service or both. Since the passage of Proposition 13 setting a limit on the ad valorem tax on real property at 1%, this type of financing has declined in use. Use of GO bonds requires a two-thirds voter approval and the proceeds may only be used for the acquisition or improvement of real property.
- 5) Lease Purchase: Generally used to finance major equipment/software purchases. The loan period approximates the useful life of the asset purchased. Ownership of the asset is often transferred to the purchaser for zero to a nominal cost at the end of the lease term.
- 6) Impact Fees: One consequence of new development – housing development, in particular – is an increase in population and a corresponding increase in the demand for public services. While new development generates taxes and other revenues for local government, the increase in revenue is unlikely to fund the full impact on County programs and facilities. Recognizing the effect of Proposition 13 in limiting discretionary revenue, development impact fees are one avenue by which the state has empowered counties to mitigate the effects of new development and population growth.

Impact fee revenue can be used for new capital facilities and assets such as vehicles, equipment, computers, library books, office space, jail beds, parks, playgrounds, and roads. If the County expands a facility to accommodate population growth, the portion of the facility cost related to growth can also be recouped from development impact fees.

- 7) **Capital Maintenance Reserve Fund:** Mendocino County Policy No. 33 established a Reserve Fund for capital facilities maintenance. Capital maintenance projects may include maintenance, replacement or repair of roofs, heating and air conditioning system (HVAC) components, floor coverings, parking lots, major mechanical and electrical systems and other large-scale facility maintenance needs. Capital Maintenance Reserve funds are allocated in Budget Unit 1710. The amount of funding is intended to reflect the “industry standard” average cost of \$.90 per square foot of building space per year. With a County owned building inventory of approximately 726,465 square feet (514,342 General Fund facilities and 212,123 non General Fund facilities) the Fund should be allocated at \$462,907 for general fund facilities. Non General Fund facilities will budget for their maintenance through the annual budget process. The Reserve Fund has never been fully funded and for the previous 5 Fiscal Year’s, the Board of Supervisors has deferred funding Capital Maintenance Reserve entirely.

**C. Post-construction staffing and operating costs:**

In making decisions about the expansion of facilities or construction or acquisition of new facilities, it is imperative that the Board of Supervisors weigh the ongoing costs associated with the facilities’ operations. These costs include utilities, routine and capital maintenance and repair, custodial service and grounds keeping, and may include additional staffing by the occupying department (for example, minimum staffing level requirements for detention facilities) and/or by Facilities Division. Unlike construction costs, which are either one-time (e.g., architects fees, project management) or on-going/fixed (e.g., project financing) such operating costs increase over time; and will likely increase annually. Detailed “life-cycle costs” should be prepared for any proposed new facility. Such “life-cycle cost” projections should include consideration of energy-efficient design elements and/or building systems.

**SUMMARY/COSTS**

**A. GENERAL FUND PROJECTS WHICH SHOULD BE FUNDED IN FY 13/14**

<b>Project</b>	<b>Amount</b>
County Roof Projects	\$1,000,000
County’s Property System Program	\$500,000
ADA retrofitting for various facilities as prioritized in the County’s Transition Plan	\$100,000
Capital Maintenance Projects (Recommend funding Capital Maintenance Reserve Fund)	\$462,907
Deferred Maintenance Projects	\$120,000
HVAC Efficiency Retrofitting and Replacement	\$100,000
IT Reserve	\$240,000
County Vehicle Replacement	\$264,000
Jail Control Panels	\$150,000
Countywide Document Imaging	\$300,000
<b>Total FY 13/14 Funding Needed</b>	<b>\$3,236,907</b>



**B. GENERAL FUND PROJECTS WHICH SHOULD BE FUNDED BY 17/18 OR SOONER**

<b>Project</b>	<b>Amount</b>
County Roof Projects	\$5,000,000
County's Property System Program	\$500,000
County's Property System Program Maintenance	\$300,000
ADA retrofitting for various facilities as prioritized in the County's Transition Plan	\$400,000
Capital Maintenance Projects (Recommend funding Capital Maintenance Reserve Fund)	\$1,851,628
Deferred Maintenance Projects	\$480,000
HVAC Efficiency Retrofitting and Replacement	\$400,000
IT Reserve	\$960,000
Microwave Maintenance	\$100,000
County Vehicle Replacement	\$1,040,000
Animal Care Projects	\$55,000
Jail Painting	\$150,000
Museum Storage Structure	\$40,000
Museum Sinking Foundation	\$60,000
Countywide Document Imaging	\$1,200,000
Jail Remodel	\$1,000,000
<b>Total Funding Needed</b>	<b>\$13,536,628</b>

**C. NON GENERAL FUND PROJECTS FOR WHICH FUNDS MAY BE AVAILABLE BY FY 17/18 OR SOONER**

<b>Project</b>	<b>Amount</b>
Jail Control Panels	\$150,000
Microwave System Replacement – Grant Funds	\$250,000
Parks enhancements from 2002 (Proposition 40) State Parks Bond Acts Per Capita Grant Funds	\$90,411
Round Valley Airport	\$25,000
Little River Airport Office Structure Replacement	\$50,000
Road Maintenance and Administration	\$140,000
New Roof for DOT Ukiah Yard	\$90,000
DOT Road Yard Material Storage Covers	\$45,000
DOT Re-Sealing Parking Areas of Ukiah Road Yard	\$85,000
Jail Remodel	\$20,000,000
<b>Total Funding</b>	<b>\$20,925,411</b>

<b>Total All Projects Through FY 17/18</b>	<b>\$37,698,946</b>
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**SUMMARY OF FACILITY NEEDS AND CONDITIONS ASCERTAINED FROM CEO QUESTION TO DEPARTMENT HEADS**

The CEO requested Department Heads submit as part of their Mid Year Budget Reports any/all Capital Improvement Projects to be included in the County's 5 year CIP. The information presented by Departments was reviewed and analyzed by the GSA Director as to whether or not the requests fell under the CIP criteria or whether those requests were considered routine maintenance and would be handled through the normal budgetary process.

**CONCLUSION/RECOMMENDATIONS**

It is recommended that the Board of Supervisors review and provide input regarding the content of the Capital Improvement Plan and priorities and approve the County of Mendocino 2013-2017 Capital Improvement Plan. Review of this plan does not authorize appropriations or finalize funding decisions. Such decisions will be made by the Board of Supervisors as part of each fiscal year's budget process and as each project is brought to the Board for contract award.