

CAPITAL BUDGET SUMMARY

CAPITAL IMPROVEMENT PROGRAM FISCAL YEARS 2009- 2014

The Recommended Five Year Capital Improvement Program (CIP) for fiscal years 2009-2010 through 2013-2014, including the proposed Capital Budget for fiscal year 2009-2010, is hereby submitted for your review pursuant to Sections 2-71 (k) of the Santa Barbara County Code.

The CIP is a compilation of projects intended to implement various plans including community plans, facilities plans, and the County Comprehensive (General) Plan. Projects in the CIP quantify current and future capital needs. Accordingly, it includes projects for new and improved roads and bridges, county buildings and clinics, parks and other facilities. Because the CIP includes estimates of all capital needs, it provides the basis for setting priorities, reviewing schedules, developing funding policy for proposed improvements, monitoring and evaluating the progress of capital projects, and informing the public of projected capital improvements and unfunded needs.

Projects included in the CIP are non-recurring, have a long service life, are generally over \$100,000 and will be underway (or should be underway, but are partially or entirely unfunded) during fiscal year 2009-2010 through fiscal year 2013-2014. Although the CIP covers a five year planning period, it is updated annually to reflect on-going changes as new projects are added, existing projects are modified, and completed projects are removed from the program document.

The CIP does not appropriate funds; rather, it serves as a budgeting tool, proposing Capital Budget appropriations to be recommended for adoption within the County's fiscal year 2009-2010 Operating Budget. The individual projects presented in this document serve to support the six goals of the County's Strategic Plan.

OVERVIEW OF THE PROPOSED CIP

The Budget and Research Division of the County Executive Office (CEO) prepares the CIP based on capital project submittals by each department. The CEO conducts an internal review and a comprehensive review of the CIP through the Capital Advisory Committee (CAC), which is comprised of department representatives.

The fiscal year 2009-2014 CIP contains 209 projects including 27 projects that are new this year. Of this total, 93 projects are fully funded, 59 are partially funded, and 57 are currently unfunded. A funded project is one that has identified specific funding to implement the program. An unfunded project is one that has been identified in the CIP as a need but has no funding secured to implement the program. The full five year program is summarized below according to funding status.

Five Year CIP through Fiscal Year Ending June 30, 2014
(In thousands of dollars)

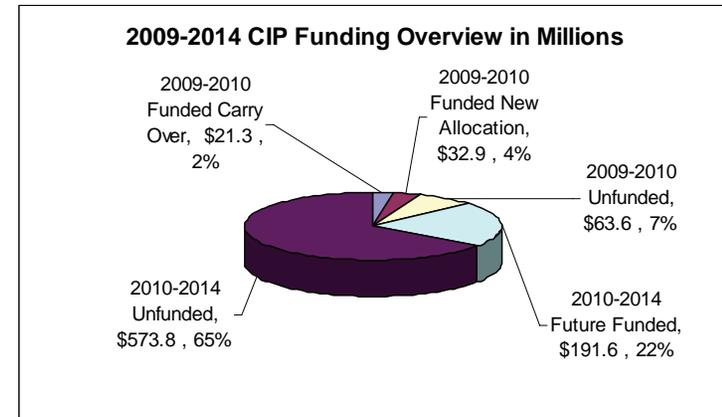
Fiscal Year	Funded	Unfunded	Total
2009-10	54,252	63,611	117,863
2010-11	61,559	124,788	186,347
2011-12	37,678	160,767	198,445
2012-13	35,026	141,203	176,229
2013-14	57,298	147,068	204,366
Five Year Total	\$245,813	\$637,437	\$883,250

This year's total Recommended Five Year CIP of \$883.3 million is \$118.6 million, or 12% less than last year's total. This is due in large part to the decrease in the unfunded amount for projects (-\$149.1 million) and some growth of the funded amount (+\$30.4 million) for projects. Partially accounting for this decrease in unfunded amounts is the CAC's review of capital projects. The CAC, in line with best financial practices, has a goal of working with departments to eliminate capital projects from the five year plan that are not feasible. Another contributing factor to the decrease in unfunded projects is the Budget Advisory Committee's efforts to link the Capital Improvement Program Recommended budget to the Recommended Operating Plan budget by department.

A major portion of the total CIP is made up of \$181.2 million for Preventive Maintenance - 5 Year Countywide Concrete and Surface Treatment (Road) Programs and \$70.9 million for Preventive Maintenance - Bridge and Culvert Repair and Rehabilitation programs. Other large projects include the New County Jail (\$82.1 million), Mission Creek Flood Control project (\$60.8 million), Santa Maria Levee Reinforcement project (\$48 million), and the Betteravia Expansion Phase II project (\$36 million).

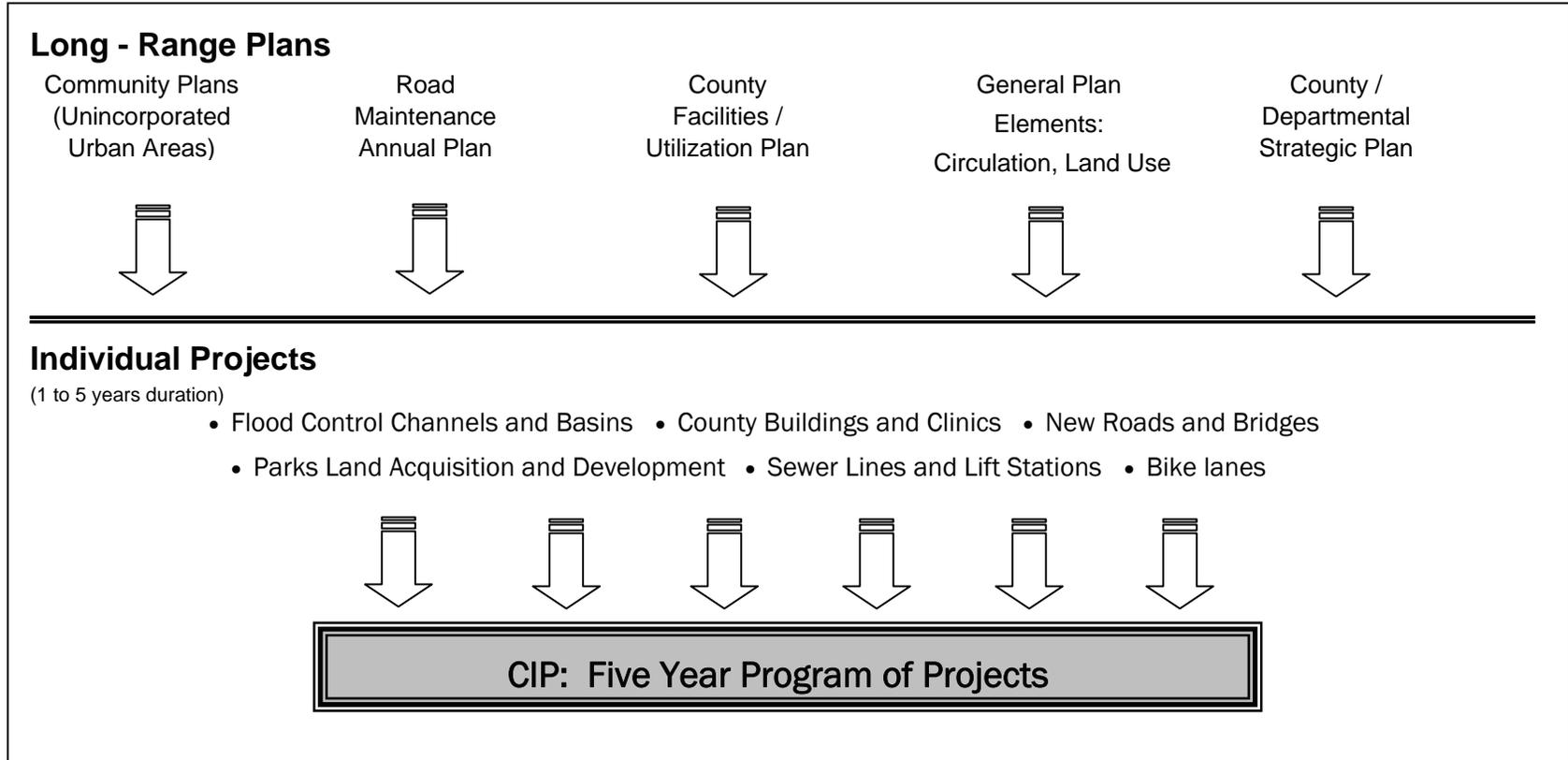
Of the County's \$883.3 million five year need, \$245.8 million or 29% is funded. Some fiscal year 2009-2010 funded projects are highlighted within the Project Highlights section of this document (see pages E-8, E-9). Funded amounts are \$30.4 million or 14% more than the fiscal year 2008-2013 CIP recommended funded amounts.

Of the County's \$117.9 million in proposed projects in fiscal year 2009-2010, 46% are funded (\$54.3 million) and 54% are unfunded (\$63.6 million).



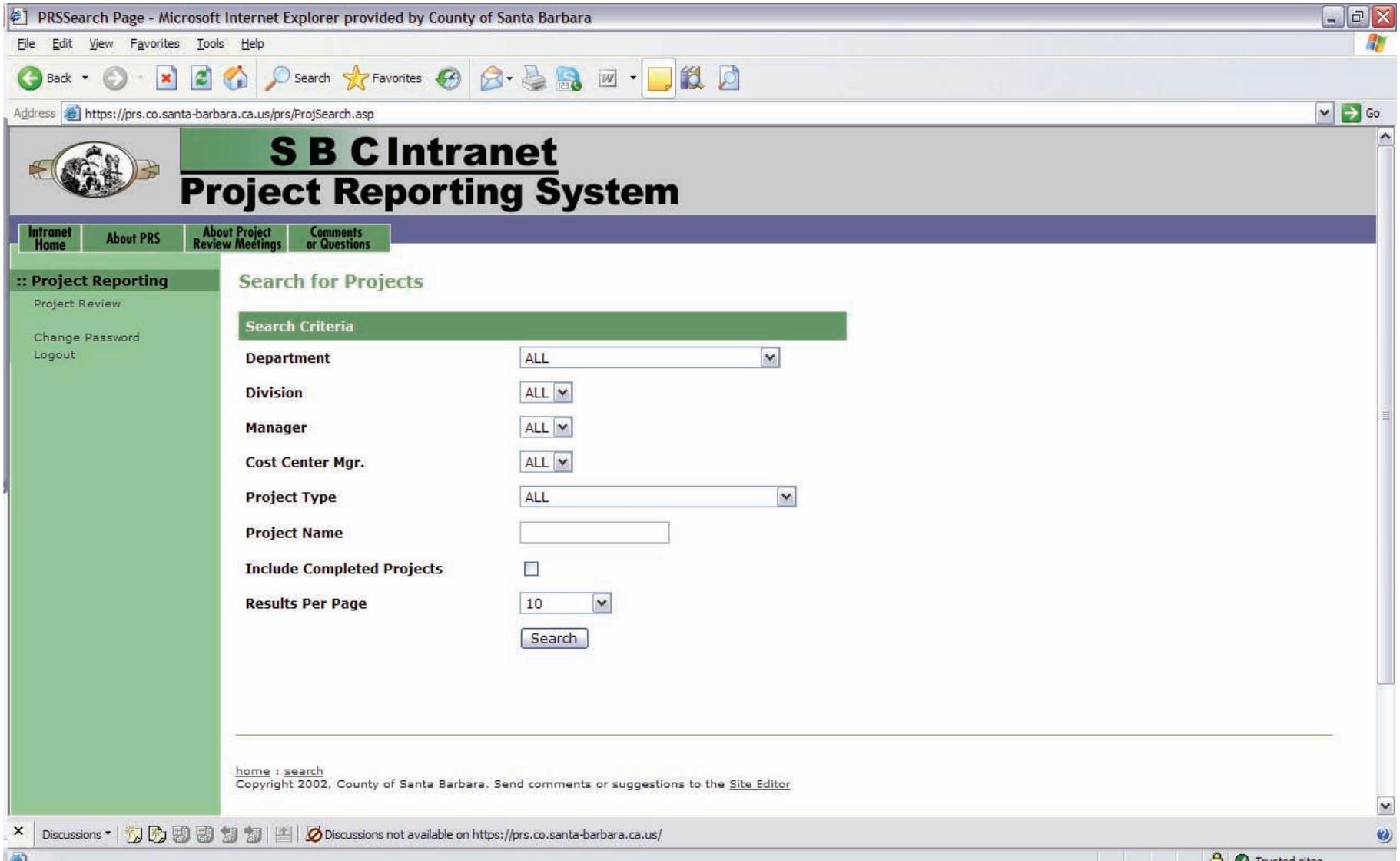
CIP COMPILATION

The CIP is a compilation of County-initiated capital projects planned during the next five fiscal years. While the CIP may be considered a short-range plan, the individual projects are the result of efforts by the County to address needs and implement strategies identified in a variety of long-range planning documents. The make up of the CIP is illustrated below.



PROJECT MANAGEMENT

Design and construction progress for approved and funded CIP projects is tracked through the County's Project Reporting System. Monthly Project Review Meetings allow departments to highlight projects, solicit assistance, and provide an opportunity for County executives to oversee progress and detect and correct problems early.



CAPITAL BUDGET SUMMARY

The CIP by Department

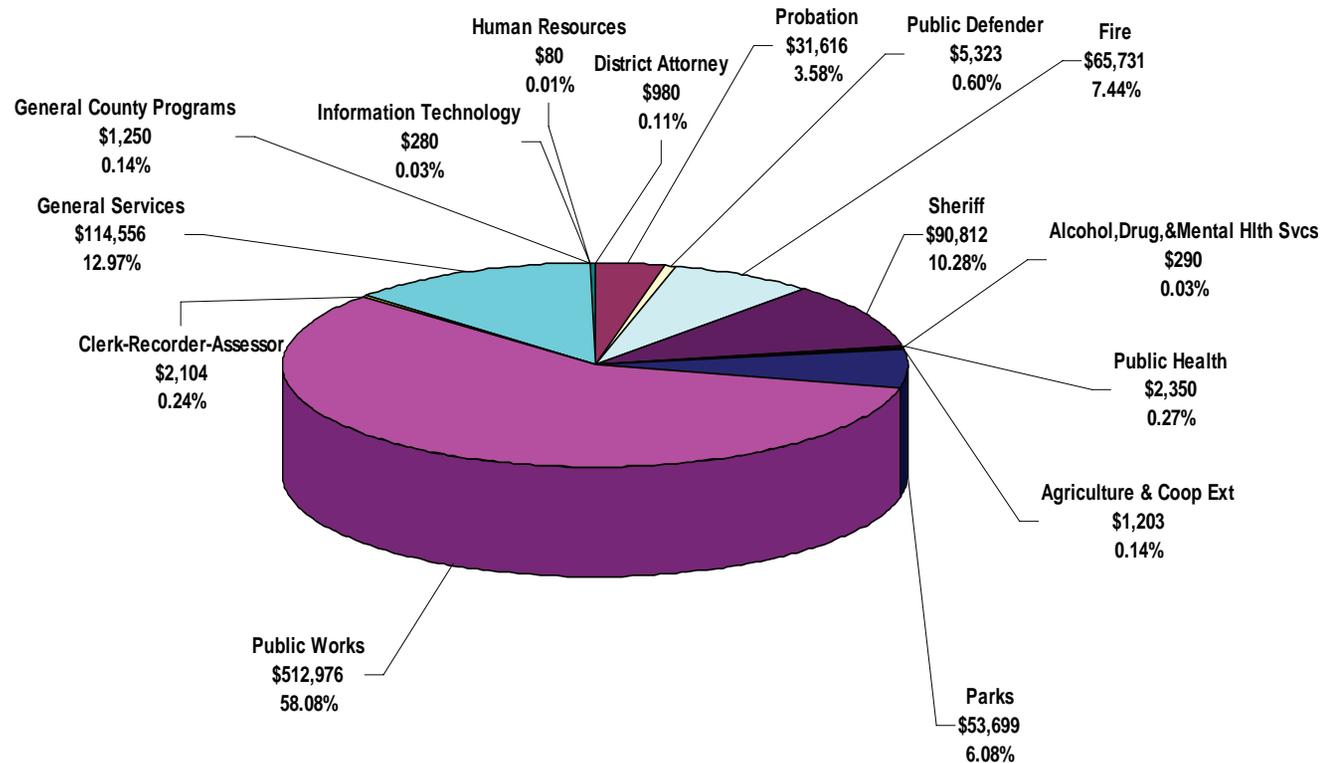
THE CIP BY DEPARTMENT

Presentation of the CIP is by function and department. This structure is consistent with the Operating Budget organization. Within each department, projects are grouped by project class, funded, partially funded, and unfunded. The five summary tables, which follow this introduction, adhere to this described form of organization.

The following chart shows the fiscal year 2009-2014 CIP by department. Public Works projects are over 58% of the Five Year CIP projects totaling \$513 million. The next largest portion is the General Services Department with \$114.6 million or 13% of the Five Year CIP total.

Five Year CIP through Fiscal Year Ending June 30, 2014, by Department

(In thousands of dollars)



OPERATING COST IMPACTS

An integral part of planning for a capital project is to ensure that funding is available for any additional, ongoing operating and maintenance costs that will be incurred once a project is complete.

The CIP addresses this issue by including project narratives describing anticipated County operating budget impacts, and schedules of estimated operating and maintenance costs for the duration of the five year capital program.

Project estimates including operating costs are recorded for each project at gross cost. Costs are categorized and calculated based on the following rates issued for fiscal year 2009-2010:

Average Costs for Building Renovation and Construction		
Service	Cost for Office Space Per sq. ft.	Cost for 24-Hour/Essential Service Facility Per sq. ft.
Renovation	\$190.00 to \$250.00 <i>(excludes voice & data lines, movable furniture, equipment, etc.)</i>	\$290.00 to \$320.00
New Construction	\$270.00 to \$400.00 <i>(excludes voice & data lines, movable furniture, equipment, etc.)</i>	\$330.00 to \$500.00
Construction Contingency	10% of construction cost <i>(only used during construction, does not cover user requested upgrades outside original scope of work)</i>	10% of construction cost
All Other Costs (Soft Costs) <i>(Includes General Services Admin, Professional design fees, utilities, data, telephone, CEQA, etc)</i>	Construction < \$2M: 1.30* Construction > \$2M: 1.25* *Multiplier on Construction or Renovation Cost	Construction < \$2M: 1.32* Construction > \$2M: 1.27* *Multiplier on Construction or Renovation Cost
Project Contingency	10% of total project cost <i>(used to take care of general project cost, but not construction)</i>	10% of total project cost
Maintenance & Operations <i>(including utilities)</i>	Maintenance - \$3.45 Utilities - \$2.70	Maintenance - \$3.62 Utilities - \$4.67
Landscape Maintenance	North County Building Grounds - \$0.36/s.f. South County Grounds - \$0.94/s.f.	

CAPITAL BUDGET SUMMARY

Operating Cost Impacts

Personnel – Estimated cost of required personnel labor costs resulting from ongoing operations of the completed project (either increase or decrease).

Other Services – All operating and maintenance costs not specific to the individual project and are not utilities, maintenance, personnel or long-term costs. ‘Other services’ would include Information Technology costs.

Estimated Operating Costs Attributable to Capital Projects

(In thousands of dollars)

Costs	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Total
Utility	\$69	\$28	\$222	\$393	\$722	\$1,434
Maintenance	\$330	\$534	\$811	\$1,100	\$1,400	\$4,175
Personnel	\$3	\$357	\$514	\$5,284	\$13,233	\$19,390
Other	\$198	\$433	\$904	\$3,293	\$6,508	\$11,336
Total	\$600	\$1,352	\$2,451	\$10,070	\$21,863	\$36,335

* New County Jail staffing is estimated at \$17.4 million per year in FY 2013-2014, with partial staffing expected in FY 2012-2013.

Fiscal Year 2009-10 Significant Gross Operating Costs

(In thousands of dollars)

Project Name	Operating Cost	Amount
Benefit Services Center	Utility	\$51
	Maintenance	\$71
	Personnel	\$0
	Other (Lease Costs)	\$450
Landfill – Tajiguas Reconfigure/Baron Ranch Restoration	Utility	\$0
	Maintenance	\$217
	Personnel	\$0
	Other	\$0

CAPITAL BUDGET SUMMARY

The CIP by Project Class

THE CIP BY PROJECT CLASS

The CIP is a countywide program covering all capital needs. Project classes are as follows:

1. **Land, Buildings and Facilities –**

All construction and acquisition associated with new infrastructure, including buildings, trails, parks, etc. (Public Works projects are included under a separate category). All costs incurred to prepare the asset for use, including planning, design, land acquisition, etc. is included. No cost thresholds apply.

2. **Major Equipment –**

Equipment with a cost of \$100 thousand or more and an estimated useful service life of five years or more. This includes new software systems and significant replacement systems. This also includes the first-time purchase of significant pieces of small equipment (e.g., PCs and other office equipment, when such items are purchased as part of a larger project (e.g., to furnish or equip a new facility) and in the aggregate total of \$100 thousand or more.

3. **Major Improvements to Existing Building and Facilities –**

Improvements to and renovations of existing buildings and facilities that cost \$100 thousand or more and materially extend the life of the asset. This includes significant remodeling projects (e.g., tenant improvements and additions) and outlays that extend the useful life of an existing building or facility (e.g., re-roofing, repaving), and excludes repairs (e.g., roof and pavement patching) and routine maintenance (e.g., slurry sealing, painting and carpeting). A non-Water Resource storm damage project totaling \$100 thousand or more may also be included in this category, if the project includes Federal Emergency Management Agency (FEMA) reimbursement.

4. **Transportation Projects –**

This category is reserved for road rehabilitation and reconstruction, bridge improvements and replacements, safety and circulation improvements, bikeway and transit improvements, storm emergency repairs and other transportation projects in the Public Works Department costing \$100 thousand or more.

5. **Water Resources Projects –**

This category is reserved for channel improvements, storm drains, retention basins, sediment and debris basins and equipment replacement costing \$100 thousand or more.

6. **Resource Recovery & Waste Management –**

This category is reserved for construction projects relating to landfills, wastewater treatment, transfer stations and related facilities costing \$100 thousand or more.

7. **Major Maintenance Projects –**

These \$100 thousand or more projects maintain, but do not appreciably extend, the useful life of a road, building, or asset. Examples include carpet and flooring replacement; roof replacement and repair; electrical systems upgrades; heating/ventilation/air conditioning systems; interior/exterior painting and paint repair; parking lot/sidewalks/fence replacement/repairs; plumbing repair and replacement; and, signs/door hardware/cabinets/window repair/replacement. This project class has been added to implement the Government Accounting Standards Board Statement 34 (GASB 34) accounting requirements for capital assets.

SIGNIFICANT PROJECTS COMPLETED IN FISCAL YEAR 2008-2009 BY PROJECT CLASS

Major Improvement to Building Facilities

Benefit Services Center – To meet growing demands and streamline service delivery, Social Services established a Benefit Services Center in Santa Maria to serve Medi-Cal and Food Stamp clients served by employees who currently work in the three different regions of Santa Barbara County. The Center will house 100 workers and will enable client caseloads to be pooled and shared through technical innovations. Automatic phone call distribution and document imaging will provide the supporting infrastructure for the Center. These new systems will improve the efficiency for the delivery of services to clients. Additionally, the location of the Center in Santa Maria will enable a growing number of employees to work in the community in which they live.

Total Project Cost - \$2.5 Million

Land Buildings and Facilities

Isla Vista Foot Patrol Building - This public safety project replaced a rented facility with a County owned structure. The new space is within the business core of Isla Vista and was needed to house the Isla Vista Foot Patrol in a permanent and cost-effective location. Since 1970, the Isla Vista Foot Patrol has been staffed by deputies and officers from the Sheriff's Department, the University of California at Santa Barbara (UCSB) Police Department, and the California Highway Patrol in a combined and co-operative setting as a community policing effort.

Total Project Cost - \$4.5 Million

Transportation

Preventive Maintenance: Zaca Fire Paving East Camino Cielo and Santa Barbara Canyon Roads – California's second largest wildfire in history, the Zaca fire, happened during 2007 and burned approximately 240,207 acres in Santa Barbara County. During 60 days of fire control efforts and subsequent demobilization and clean up, East Camino Cielo and Santa Barbara Canyon Roads sustained significant road damage from fire control traffic including heavy equipment, bulldozers, water trucks, fire engines and transportation of personnel around the clock. This road is a primary entry point into the Los Padres National Forest as well as the primary entry for area residents. This project rehabilitated East Camino Cielo and Santa Barbara Canyon Roads utilizing State Office of Emergency Services (OES) funds in combination with a match from local Measure D funds.

Total Project Cost - \$1.4 Million

CAPITAL BUDGET SUMMARY

Significant Completed Projects

Roadway Improvement: Hummel Drive Extension – The County completed neighborhood improvements during fiscal year 2008-2009 including an extension of 1,000 feet of roadway to complete Hummel Drive between Hobbs Lane and Mooncrest Lane in the Orcutt area. The completed project is enhancing local circulation and reducing travel time for local residents.

Total Project Cost - \$1.9 Million

Water Resources

Basin - Gobernador Debris Basin Modification – Public Works modified the Gobernador Debris Basin by replacing the earthen embankment, grouted rock spillway and concrete low flow discharge pipe with a natural bottom open channel and concrete restrictor walls. The earthen embankment and low flow pipe are not conducive to fish passage. This project is intended to improve the basin's function by passing sediment through the basin while retaining the more critical, larger debris as well as improve fish passage. Carpinteria Creek and its tributary Gobernador Creek have been identified by fish studies as having prime potential to re-establish habitat for steelhead trout.

Total Project Cost - \$1.4 Million

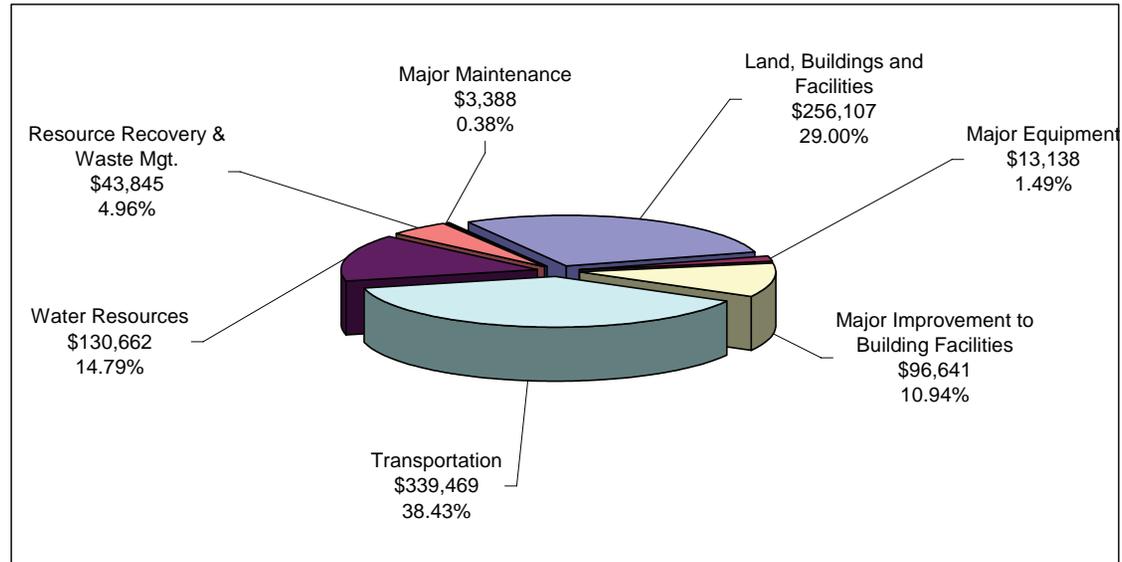
Resource Recovery & Waste Management

Landfill - Tajiguas Landfill Phase 2A Liner – Another phase was completed of this long term project and consists of the installation of a low permeability liner over approximately 12.5 acres into the back canyon in the second phase of the approved and permitted Tajiguas Landfill expansion. A private contractor will perform the final grading and installation of the liner and liquid collection system.

Total Project Cost - \$7.2 Million

CAPITAL BUDGET SUMMARY
Five-Year CIP

Five Year CIP through Fiscal Year Ending June 30, 2014, by Project Class
(\$883,250)
(In thousands of dollars)



Five Year CIP through Fiscal Year Ending June 30, 2014, by Project Class
(In thousands of dollars)

Project Class	FY 2009-2010 (Year 1) Funded	FY 2009-2010 (Year 1) Unfunded	FY 2010-2014 (Years 2-5) Funded and Unfunded	Total
Land, Buildings and Facilities	\$5,725	\$18,576	\$231,806	\$256,107
Major Equipment	\$3,013	\$1,194	\$8,931	\$13,138
Major Improvement to Building Facilities	\$5,817	\$3,927	\$86,897	\$96,641
Transportation	\$20,273	\$33,845	\$285,351	\$339,469
Water Resources	\$12,226	\$6,069	\$112,367	\$130,662
Resource Recovery & Waste Mgt.	\$6,948	\$0	\$36,897	\$43,845
Major Maintenance	\$250	\$0	\$3,138	\$3,388
Total	\$54,252	\$63,611	\$765,387	\$883,250

CAPITAL BUDGET SUMMARY

Project Highlights

FISCAL YEAR 2009-10 FUNDED/PARTIALLY FUNDED PROJECT HIGHLIGHTS

The proposed CIP continues to address the significant public infrastructure needs identified in various strategies and long range plans adopted by the County, including funding for the proposed new County jail, the maintenance and repair of public buildings and the transportation infrastructure system maintenance.

Santa Barbara Courthouse “Spirit of the Ocean” Fountain

The “Spirit of the Ocean” fountain was carved at the Santa Barbara Courthouse in 1928 of a brother and sister who were local residents. The images depict a man and woman holding a fish, whose mouth is the fountain's spout into the blue-tiled reflecting pool. The background depicts wavy seaweed. The entire sculpture is eighteen-feet wide, eight-feet tall and five-feet deep. This sandstone sculpture was created from one large block of Refugio Sandstone and sculpted on the front lawn near its current location on the Santa Barbara Courthouse. The large stone then was split in half and stacked to form the shape of the overall piece. Over the past eighty-years the piece has suffered from environmental damage and must be replaced.

This is the highest priority project of the Santa Barbara Courthouse Legacy Foundation, which has collected \$125,000 in cash contributions and \$100,000 of in-kind contributions; the total project is estimated to cost \$420,000. Once the new piece is ready, the existing piece will be removed and depending upon how it survives the removal process, will go on display in a future Santa Barbara Courthouse Visitor Center.

Main Jail All-Purpose Room & Sheriff Head Quarters Expansion

This project will convert the existing jail all-purpose room and a classroom to a housing unit containing up to 30 Corrections Standards Authority (CSA) rated beds, and will construct a 10,950 square foot, 2-story addition to Sheriff's headquarters. The \$7.6 million project, of which \$4.4 million is funded, is intended to solve several problems associated with jail overcrowding and department space needs. Schematic design of the headquarters addition was completed in 2008, but, due to limited available funding, the design team is executing programmatic and scope reductions to the Headquarter Expansion. Design development is underway on the All-purpose Conversion phase of the project.

Emergency Operations Center

The County will build a permanent Emergency Operations Center (EOC) on a county owned site on Cathedral Oaks Road adjacent to Fire Headquarters that would encompass approximately 10,500 square feet and which will serve projected needs for the next 20 years. The new EOC facility may also be used during non-emergency periods as a training center, particularly for disaster related training.

An EOC is the "Nerve Central" during local disasters serving as the official policy making and agency coordinating command post and serves as the hub for official disaster-related communications with the Federal Emergency Management Agency, State Office of Emergency Services, Coast Guard, Red Cross, fire districts, health care providers, utility companies, shelter providers, cities and local officials. As the County does not have a dedicated EOC, the Employee University (EU) Building is "transformed" into a makeshift EOC during disasters, displacing scheduled classes and meetings. The provided space for the makeshift EOC is inadequate and does not have appropriate automation and communications capacity. Apart from the current design and construction budget of \$7.4 million, the project will require approximately \$850,000 for communications equipment, furniture and computers. An alternative (backup) site design is currently underway in the North County Administration Building project with options coming back to the Board of Supervisors in the first quarter of FY 2009-10, in the hope that American Recovery Reinvestment Act money becomes available at some point in the future.

American Recovery And Reinvestment Act (ARRA)

The federal government has created ARRA to promote economic recovery. Although the funds that come from ARRA do not necessarily flow through the CIP, nor are they included in the proposed Operating Budget, these funding sources help alleviate pressure on local government infrastructure funding. US Army Corps of Engineers (ACOE) received funding for Lower Mission Creek to fully fund the Architect / Engineer contract to prepare plans and specifications for the construction on the lower half of the project for a cost of \$600,000 in FY2009-10.

The ACOE funding for the Santa Maria Levee totals \$40.2 million and Public Works Flood Control division has budgeted \$15 million for 2009-2010 and \$25.2 million for 2010-11. The starting phase is a construction contract for the first increment of the Santa Maria River project at \$9.0 million. The next phase is a construction contract at \$10.1 million, with the final phase construction contract at \$21.2 million. Lake Cachuma improvements through the Parks department received funding through the Bureau of Reclamation for \$487,000 for Americans with Disabilities Act compliance and \$3.3 million for water and sewer treatment plants.

Public Defender Courthouse Remodel

This project will increase public accessibility while ensuring greater safety and security for employees. The \$6.0 million project, of which \$1 million has been funded, includes pending debt financing recommended by the Debt Advisory Committee, approved by the Board of Supervisors in FY 2007-08, to be revisited in July 2009.

CAPITAL BUDGET SUMMARY

Project Highlights (Cont'd)

PROJECT HIGHLIGHTS (BY CLASS) FOR FISCAL YEAR 2009-2010 – **SOURCE TABLE V: FY 2009-10 CAPITAL PROJECTS BUDGET**

The projects listed below represent a significant amount of total funded project costs for fiscal year 2009-10, Year 1 of the CIP. Indicated with each project are the estimated funded costs to be incurred during Year 1, along with the Year 1 funded percent of the project total. For additional project information please see Table V at the end of Section E.

Land, Buildings and Facilities

Point Sal Coastal Access Improvements (Parks)

\$2.3 Million Year 1 (95% of \$2.4M Project Total)

Lompoc Veterans Building Renovation (General Services)

\$1.1 Million Year 1 (22% of \$4.8M Project Total)

Operations Complex Los Alamos (Fire)

\$1.1 Million Year 1 (25% of \$4.4M Project Total)

Major Equipment

Integrated HAVA Compliant Voting System (Clerk-Recorder-Assessor)

\$2.0 Million Year 1 (100% of \$2.0M Project Total)

Major Improvement to Building Facilities

Cachuma Lake Recreation Area Improvements (Parks)

\$0.4 Million Year 1 (2.3% of \$18.0M Project Total)

Santa Barbara Courthouse: Spirit of the Ocean Fountain (General Services)

\$0.42 Million Year 1 (100% of \$0.42M Project Total)

Major Maintenance

Santa Barbara County Parks Paving Program (Parks)

\$0.05 Million Year 1 (2.2% of total \$2.3M Project Total)

Resource Recovery & Waste Management

Landfill - Tajiguas Reconfig/Baron Ranch Restoration

\$0.6 Million Year 1 (20% of \$2.8M project total)

Landfill – Heavy Equipment Replacement Program

\$1.7 Million Year 1 (13.5% of \$12.8M Project Total)

Transportation Projects

Roadway Improvement – El Colegio Road Improvement Phase II (Public Works)

\$0.2 Million Year 1 (3% of \$5.6M Project Total)

Structure R&R - Tepusquet Road Bridge at Sisquoc River (Public Works)

\$3.7 Million Year 1 (54.7% of \$6.8M Project Total)

Preventive Maintenance – 5 Year Countywide Surface Treatment Program (Public Works)

\$5.8 Million Year 1 (4.3% of \$134.7M Project Total)

Preventive Maintenance – 5 Year Countywide Concrete Program (Public Works)

\$0.3 Million Year 1 (1% of \$46.5M Project Total)

Water Resource Projects

Channel – Mission Creek Flood Control Project, Santa Barbara (Public Works)

\$2.95 Million Year 1 (4.9% of \$60.8M Project Total)

Levee – Santa Maria River Levee Reinforcement (Public Works)

\$7.1 Million Year 1 (14.7% of \$48.0M Project Total)

CAPITAL BUDGET SUMMARY

CIP and Debt Financing

CIP AND DEBT FINANCING

The County of Santa Barbara has used Certificates of Participation (COPs) as a primary means of financing capital needs that are not Public Works infrastructure such as roads, bridges and flood control projects. COPs are lease-financing agreements in the form of securities that may be issued and marketed to investors as tax-exempt debt. Issuing COPs is a method of leveraging public assets in order to finance other new assets. By entering into tax-exempt lease financing agreements, the County is using its authority to acquire or dispose of property, rather than its authority to incur debt.

COPs are an obligation of the General Fund regardless of which funds are designated internally to pay the debt service. Therefore, if any funding source does not materialize in any given year of the debt term, the General Fund must make up the difference. On December 29, 2003, the Board substituted, reallocated, and re-appropriated \$4.3 million of Courthouse Construction Fund COP proceeds, approved for use to construct the Santa Maria Court Clerks and Garden Street

Parking Structure projects in 2001, to a new project, SB 1732 Court Facilities Deficiencies Program. The Court facilities were transferred to the State Administrative Office of the Courts on 12/31/2008 in accordance with SB 1732 and the remaining COP funds were transferred back to the Santa Maria Court Clerks' project.

On March 8, 2005, the Board authorized the issuance of COPs for the following projects: Fire Station 51 Lompoc-Mission Hills New Station (complete), Sheriff Isla Vista Foot Patrol Building (complete), New Sheriff Station Lompoc (complete), the County Elections-Recorder Office and Storage Building (August 2009), and the Alcohol Drug and Mental Health Services Children's Assessment and Transition Center (complete). This action resulted in issuance of the 2005 COPs on April 21, 2005. Due to low interest rates, a true interest rate of 4.32% was realized.

On May 27th, 2008, the Board authorized the 2008 COPs consisting of the following projects: Tajiguas Landfill Liner Project and the Isla Vista Project not to exceed \$30 million, a yield of 5.5% and with a term not to exceed 21 years.

Projects Funded by Certificates of Participation (COP), Related Revenue Sources to Pay Debt Service, and Project Status

		Status
Fire – Station 51 (Lompoc-Mission Hills) Rebuild – Lompoc	2005 COP General Fund	Complete
Sheriff – Isla Vista Foot Patrol Building – Isla Vista	2005 COP General Fund	Complete
Sheriff – New Sheriff Station – Lompoc	2005 COP General Fund	Complete
Sheriff – Sheriff HQ Expansion & Remodel – Santa Barbara	2005 COP General Fund	Architect hired November 2005 The schematic design phase is complete. Project funding and scope was increased and shifted from other major project by the Board of Supervisors in January 2009.
CRA – County Elections Facility – Location TBD	2005 COP General Fund	Scheduled to be complete August 2009.
SB 1732 Court Facilities Deficiencies Program – Countywide	2005 COP General Fund	COP funds were transferred to the Santa Maria Court Clerks' project. Court facilities transferred in accordance with the State deadline on 12/31/2008.
ADMHS – Children's Clinic	2005 COP General Fund	Complete
Public Works – Tajiguas Landfill Liner Project	2008 COP Other Funds	Board of Supervisors authorized Treasurer-Tax Collector to issue 2008 COP, May 27 th , 2008.
Redevelopment Agency – Isla Vista Project Area	2008 COP Other Funds	Board of Supervisors authorized Treasurer-Tax Collector to issue 2008 COP, May 27 th , 2008.

CAPITAL BUDGET SUMMARY
Significant Public Infrastructure Needs

SIGNIFICANT PUBLIC INFRASTRUCTURE NEEDS

The proposed CIP continues to address the significant public infrastructure needs identified in various strategies and long range plans adopted by the County, including funding for the proposed new County jail, the maintenance and repair of public buildings and transportation infrastructure system maintenance.

New County Jail

The need for a new County jail facility was documented over 20 years ago and Grand Jury reports have subsequently reiterated that need. Efforts to build a North County Jail can be traced back to the 1991 North Santa Barbara County Correctional Master Plan. In Fiscal Year 2007-2008, the Blue Ribbon Commission on Jail Overcrowding was convened. The commission recommended that the need for additional jail bed space is acute, and that a 304-bed jail facility be built in conjunction with a broader overarching approach of rehabilitative and preventive methods to prevent further jail population growth. Given Constitutional requirements and current Court orders to keep the jail population level and within legal requirements, lack of bed space necessitates early releases. Due to jail overcrowding, the early release program has sent thousands of incarcerated offenders back into the community without serving a full sentence. The New County Jail is the largest single project in the CIP with a total estimated project cost of \$82.1 million.

Project Status

In fiscal year 2007-2008, the County acquired a land site for the project at a cost of \$3.3 million, leaving \$76.9 million unfunded in construction costs. The building site is located just outside the City of Santa Maria's southwest corner and California Environmental Quality Act (CEQA) documentation has been completed. The additional cost for operation of the jail facility is estimated at \$13.2 million per year in today's dollars which is currently unfunded. The unfunded amount could be substantially reduced, when first open for operation, if the new jail's additional beds are incrementally absorbed in the total jail system capacity. This would require temporarily closing space in the Main Jail or leasing it to other jurisdictions.

The new County Jail project has been selected to receive state grant funding. The County was selected to receive a \$56.3 million grant to fund the jail project through AB 900. Design of the facility will begin once the County and the State Corrections Standard Authority sign a Project Delivery agreement in the spring of 2009. The scope of the proposed project includes a 304-bed facility to address immediate jail overcrowding. Population growth studies show continuing increased bed space needs unless a comprehensive strategy involving various prevention and rehabilitation techniques is employed. The facility will be more than 100,000 square feet; will house 304 inmates and a staff of about 100. Please see Figure A.

Currently, the project is at a stand still awaiting resolution by the State action in continuing with the AB 900 grant program, due to the State Budget considerations. The project also requires identification of funding for the additional operational costs.

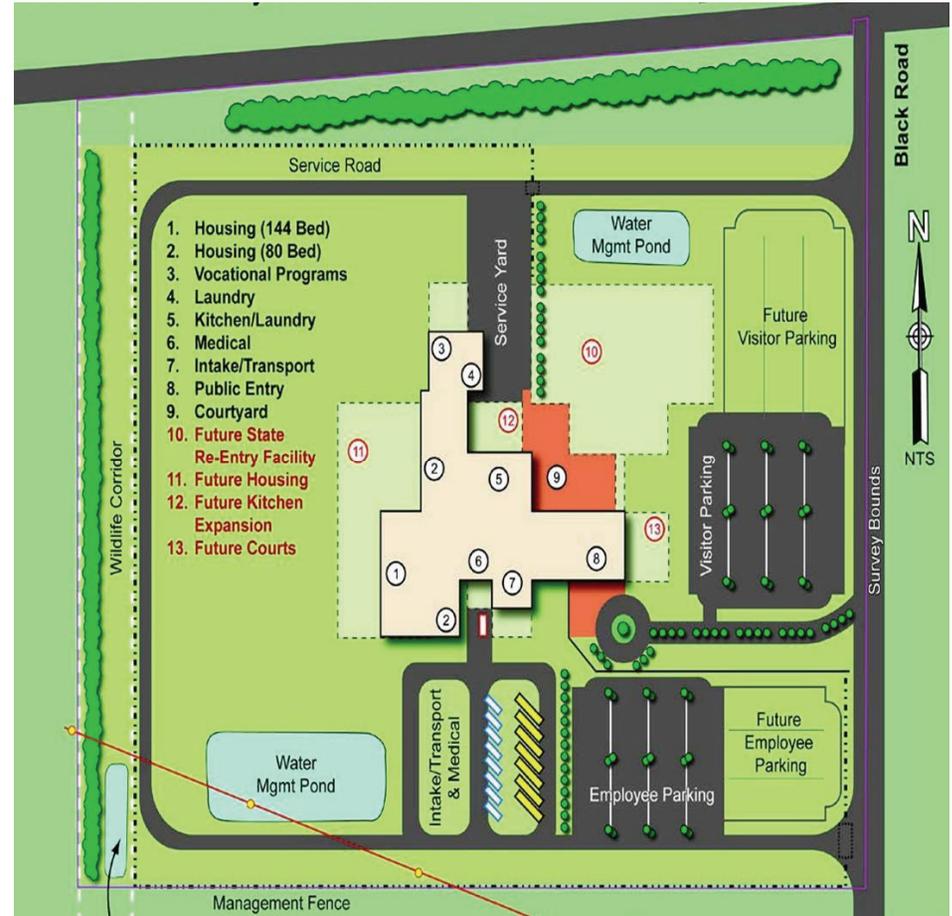


Figure A: Preliminary schematic of the new County Jail

CAPITAL BUDGET SUMMARY
Significant Public Infrastructure Needs (Cont'd)

Progress on Facilities Repair and Maintenance

In fiscal year 2008 General Services compiled a project list which identified \$36 million of maintenance needs for the 2009-2014 CIP in public building maintenance and repair projects. The County is addressing these projects with General Fund contributions totaling \$3 million per year in fiscal year 2009-2010.

Changes in maintenance backlog is dependent on a number of factors including; yearly funding, new facilities brought on line, the ability of staff to keep up with the rate of deterioration of County infrastructure and the cost of labor and materials. Even though the project list has been a living document with frequent additions and deletions, between fiscal year 1999-2000 and 2008-2009 the County spent \$6.9 million over this time period and will continually asses the County's infrastructure needs.

In fiscal year 2006-2007 a new Master Facilities Plan Assessment Survey re-evaluated all County public buildings to determine the cost benefit of repair verses replacement. The Survey results are being integrated into the Capital Maintenance Plan to ensure a more accurate, up to date, compilation of Capital Maintenance projects needed to maintain the County facilities infrastructure and the expected cost of these projects in current dollars.

County Facility and Space Needs

In fiscal year 1996-1997, the Office of the County Architect began a process to document, through space utilization studies, the use of county buildings and a listing of those departments housed in these buildings. The table below reflects the 2006 Space Utilization Report. The update reports all the space the departments occupy regardless of its use, location or future use and represents a "snap-shot" in time of utilized space, as space utilization is constantly fluctuating. The table excludes space for the Courts in anticipation of the transfer of the Courts' facilities to the State of California. The square feet allocation for the Courts is: Current Occupied: 86,455, Current Need: 145,654, Additional Need from Space Plan: 59,199, and 2009-14 CIP: 28,757.

The 2009-2014 CIP addresses some of the County's space needs. The total CIP space request includes 912,795 square feet; however, this figure includes space that will replace existing occupied space in some cases. Therefore, the CIP square footage figure is an expression of gross square footage, not the net result of existing office space and new office space.

Summary of Space Study Results, Completed in 2006

(Square Feet)

Function	Current Occupied	Current Need	Additional Need from Space Plan	2009-14 CIP
Policy & Executive	23,673	36,551	36,551	-
Law & Justice	65,404	79,183	13,779	19,600
Public Safety *	426,304	951,333	590,776	566,901
Health & Public Assistance	514,431	565,300	604,970	101,450
Community Resources & Public Facilities	129,285	143,160	162,739	4,913
Support Services	123,009	132,688	138,566	189,947
Total Space Needed	1,282,106	1,908,215	1,547,381	882,811

*The CIP assumes an 800 jail bed facility, which accounts for 329,000 square feet of the 2009-2014 CIP figure and Current Need for Public Safety. This need was excluded in the 2006 Space Need Plan.

Some projects that are managed by General Services appear in the Support Services Function, but are actually projects belonging to departments in the Policy and Executive function.

In December 2001, the Board adopted the *Facility Policy Framework*, a document that outlines how the County will develop future buildings and allocate its vacant lands (i.e. Calle Real (300 acres), Foster Road (90 acres), Betteravia (25 acres)) for public or private development. These plans and studies are being updated now for future Capital Improvement Program processes.

Since fiscal year 2003-2004, the County has added 172,471 square feet of space, including 61,800 square feet for the Santa Maria Juvenile Hall and 11,050 square feet for a new Fire/Sheriff station in Lompoc. Currently under development is an additional 71,636 square feet, including: 10,000 square feet for an Emergency Operations Center, 30,000 square feet for a proposed centralized elections facility, 9,700 square feet for North County mental health crisis center, and a number of small additions totaling 21,936 square feet.

County long-range facility planning is implemented in phases as follows:

Phase 1: Project Initiation/Determining Current Space Needs – Define parameters of space utilization and create a graphic catalog of all existing office space.

Phase 2: Standards and Operations – Establish standards of space allocation through use of ergonomic guidelines, industry standards, and comparisons with benchmark counties.

Phase 3: Projections – Assess quantity and location of space by department to determine the total current space, total space needed and whether a surplus or deficit of space exists.

CAPITAL BUDGET SUMMARY

Significant Public Infrastructure Needs (Cont'd)

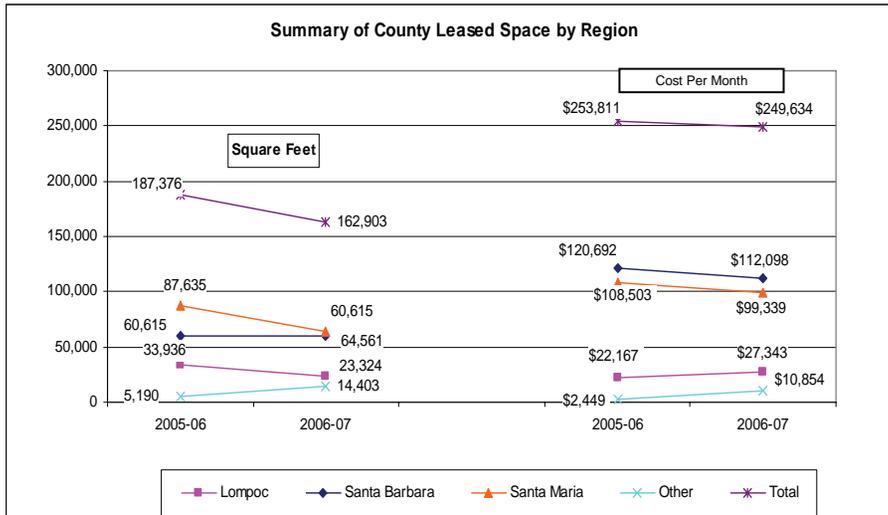
Phase 4: Facility Evaluations – Evaluate current and future space needs based on adopted space allocation guidelines. The challenge is to solve space needs based on the existing floor plans of the County’s building inventory. This phase of the project will be on-going as alterations, remodels, and additions are needed.

Phase 5: Transition Planning/Financing Strategies – Solving space needs takes time and money. The Capital Improvement Program is the mechanism for departments to request projects, present costs and propose solutions.

Underutilized Buildings and Leased Facilities

Overcrowded County-owned buildings have made it necessary to lease space from the private sector to house staff. The County currently leases 187,376 square feet of commercial space at a monthly cost of \$253,811 or \$3.1 million per year.

Leasing space is inefficient for government as lease prices include profit margins for the property owner, property taxes, and commercial interest rates. Funding for needed space is not always a case of affordability, but of cash flow and the need for authorization to incur debt necessary to cover capital requirements.



A potential mitigation for the space shortage is the renovation of underutilized County-owned buildings. The County currently has one underutilized building on the Calle Real Campus, located in the Goleta area known as the Archives Building, which could be renovated for use, at a total estimated cost of \$2.0 million. The building has approximately 13,000 square feet of potential office space, and is currently used for storage. In downtown Santa Barbara, there are approximately 12,000 square feet in the east wing of the County Courthouse, formerly the County Jail. While conversion to office space is possible, it will nevertheless be challenging due to the National Historic Landmark status of the complex; the estimated cost is \$7.3 million.

Floors four through six would be converted to office space, but a portion of the old jail on the third floor would remain as mitigation to the loss of remaining jail, which is contributing historic resources to the National Historic Landmark designation of the Courthouse. Currently both of these potential projects are unfunded.

In the Santa Maria area the county has the Foster Road Campus with available area to construct future buildings; however, because of the current environmental restrictions, facility development must be delayed. There is also development potential on the Betteravia Government Center Campus. A number of future buildings have been proposed at this location.

Transportation Infrastructure System

The Transportation Division maintains over 1,668 lane miles of major roads and local streets in the unincorporated areas of Santa Barbara County. This includes over 120 bridges, 15,000 street trees, 48 signalized intersections and 20,000 street signs as well as pavement markings, painted curbs, raised traffic markers, and drainage facilities.

As the backlog of unfunded pavement, drainage structure, and bridge maintenance needs continues to increase the County’s transportation infrastructure continues to deteriorate. This deterioration is seen in the condition of local road pavement conditions, drainage facilities and bridge structures. This deterioration of transportation infrastructure can be attributed to declining gas tax revenues. This is a result of more people utilizing more gas efficient vehicles such as hybrids, delays in payments from Federal Emergency Management Association and Office of Emergency Services for storm damage suffered in 2005, delays in receiving \$4.9 million in Proposition 1B funds which the voters approved for local road repairs in November of 2006, the State withholding payment of Proposition 42 payments for fiscal year 2008-2009, and the sharp increase in construction costs.

While dedicated to preserving the integrity of County roads during Federal and State disasters, Transportation staff continues to focus on completing on-going CIP projects. In fiscal year 2008-2009 ten Transportation projects were completed. There are five new projects

and the division is maintaining forty-three on-going projects, which represents \$338.5 million in funding for roads, bridges, culverts, traffic systems, pedestrian bike-paths, bike-bridges, bike-lanes, and upgrading the transportation system for the disabled for fiscal year’s 2009-2014.

New transportation related improvements, such as bridge replacements, bike paths, and traffic signals, as well as major road maintenance projects, activities categorized as preventive maintenance (i.e., overlays, slurry seals, etc.), are included in the CIP. All maintenance activities are planned in detail with site-specific locations determined on an annual basis through our nationally recognized Road Maintenance Annual Plan (RdMAP) process.

CAPITAL BUDGET SUMMARY
Significant Public Infrastructure Needs (Cont'd)

A significant local revenue source for Transportation CIP's has been Measure D, a ½ cent sales tax which was voter approved in 1989. This sales tax is scheduled to sunset in Fiscal Year 2009-10. A revised Measure D, or Measure A, was passed during the November 2008 election securing funding for current and future needs.



CAPITAL BUDGET SUMMARY
Proposed FY 2009-10 Capital Budget

PROPOSED FISCAL YEAR 2009-10 CAPITAL BUDGET

The following table summarizes by function and department the recommended fiscal year 2009-2010 allocations, totaling \$54.3 million. Of the total, there is \$32.9 million of new funding and \$21.3 million of carry-over funding (approved in prior years but not yet executed) for capital improvement projects in the capital budget. The recommended appropriation of \$54.3 million is funded by 65 sources.

In accordance with adopted Budget Principles, the CIP recommends General Fund contributions of \$0.2 million for department projects, \$3 million to the Capital Maintenance Designation, and \$1.2 million to the Capital Designation to be recommended for inclusion in the fiscal year 2009-2010 Operating Budget. There is also a total carry over of General Fund amounts from FY 2008-2009 to FY 2009-2010 of \$1.1 million. As of this writing, the budget climate may not allow for this contribution

Fiscal Year 2009-2010 Proposed Capital Budget - Funded
(In thousands of dollars)

Functional Group – Department	Total
Law and Justice	
Public Defender	\$273
Function Total	\$273
Public Safety	
Fire	\$1,305
Sheriff	\$184
Function Total	\$1,489
Health and Public Assistance	
Public Health	\$300
Function Total	\$300
Community Resources and Public Facilities	
Parks	\$2,141
Public Works	\$38,947
Function Total	\$41,088
Support Services	
Clerk-Recorder-Assessor	\$2,104
General Services	\$7,888
Human Resources	\$80
Information Technology	\$280
Function Total	\$7,958
General County Programs	\$750
Function Total	\$750
Total	\$54,252