



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: David Boesch, County Executive Officer
By: Graham Knaus, Finance and Budget Operations Manager
Gretchen Nedved, Senior Management Analyst

DATE: July 10, 2012

SUBJECT: County Infrastructure

REQUEST

The Board is requested to take the following actions:

1. Receive a presentation on county infrastructure related needs;
2. Authorize the County Executive Officer to form a County Infrastructure Investment Committee to include departments responsible for planning, building, and maintaining County infrastructure; and for identification and planning of economic development opportunities;
3. Direct staff to develop an infrastructure funding plan based upon criteria to be developed by the County Infrastructure Investment Committee and within the broader framework of the County Budget;
4. Provide other direction as may be required.

BACKGROUND

Defining County Infrastructure

County Infrastructure is a component of the greater County Budget, which sets the Board's priorities to balance available resources with the service needs of County residents. These priorities guide the principals used in planning for County Infrastructure needs and funding recommendations. County Infrastructure encompasses all stages of planning, design, and construction of information technology, safety systems including fire facilities and equipment, roads, bridges, buildings, Placer Legacy and open space, parks, trails, sewer, garbage, above ground and underground utilities supporting County facilities. The County's responsibilities related to infrastructure also include the annual required maintenance to maximize the use of county facilities and systems and meeting long-term liabilities for rehabilitation and replacement.

Infrastructure and support includes the above defined infrastructure categories plus the County staff support required to bring a project to fruition and for maintaining those projects into the future. The support component of infrastructure in the FY 2012-13 Proposed Budget includes \$23.5 million for approximately 276 staff and other costs supporting the delivery and management of infrastructure projects to meet community needs.

In addition to County owned facilities, there are infrastructure demands to serve current and future residents and businesses. Historically, approved development projects have constructed any required infrastructure, which is then dedicated to the County or a Special District to own, operate and maintain. In order to stimulate future economic development in areas such as Kings Beach Commercial Core and the Sunset Industrial Area, the County may consider investing in infrastructure projects. Similarly, the County has the opportunity to further develop the Placer County Government Center (PCGC) both to support County services and for commercial uses. This could lead to expanded economic activity to better meet the needs of County residents while fostering a strong economic foundation to deliver County services.

History

For more than 20 years, Placer County has been the second fastest growing county in the State in terms of population, building construction, employment, and business development. This robust growth drove increased service demands as well as increased revenues to support them. It also allowed the Board to plan for needed infrastructure investments within county facilities and among countywide responsibilities consistent with the framework outlined in the Budget and Financial Policy. The following table highlights some of the recently completed infrastructure projects.

RECENTLY COMPLETED PROJECTS
<u>Public Works</u>
Auburn-Folsom Widening Project (Middle Phase) Highway 65 / Sunset Boulevard Interchange Tahoe City and Lake Forest Erosion Control
<u>Facility Services</u>
Public Works Relocation to Cabin Creek Rocklin Library Auburn Justice Center Finance Administration Building Community Development Resource Center Children's Emergency Shelter Bill Santucci Justice Center
<u>Information Technology</u>
Enterprise Data Network Infrastructure Upgrade Payroll/Personnel System Implementation Criminal Justice System Upgrade Countywide Interoperable Radio Network Project (Phase 1 & 2) Health & Human Services Data Network Implementation Permitting System Implementation Library Data Network Upgrade e-Service Delivery (e-Government/e-Commerce) Countywide Document Management System Web/Video Conferencing Services Interactive Voice Response Services

The completion of these and other projects reflects the Board's long term planning to meet infrastructure related needs in tandem with changing service demands. When sharp declines in revenue occurred in FY 2007-08, the County constricted new *General Fund* contributions including those supporting infrastructure. *General Fund* contributions to capital facility projects declined from \$18 million in FY 2007-08 to \$4.5 million in FY 2012-13 as the Board suspended *General Fund* contributions to reserves, reduced capital infrastructure contributions, deferred building maintenance, and redirected funds for other county priorities to mitigate large fluctuations in funding and service levels. At the same time, *General Fund* support for Road Overlay was reduced from \$2.3 million to \$0, partially offset by infusion of limited term ARRA (American Recovery and Reinvestment Act) funds now depleted. In addition, Proposition 1B funds averaging \$2.7 million per year for road improvements became available to the County in FY 2008-09. This funding stream will be exhausted following the \$3.1 million road overlay contract approved by the Board June 5, 2012.

Discretionary revenue has historically been a critical component of meeting County infrastructure related needs. However, property tax revenues, the County largest discretionary revenue source, have declined 12.4% (\$16.4 million) since FY 2007-08.

The outlook over the next several years suggests slow and gradual growth rather than the robust growth that occurred prior to the economic downturn. Consistent with public and private organizations throughout the region, cost pressures continue to exist and the revenue outlook remains less certain than before the economic decline. As the economy slowly stabilizes heading into FY 2012-13, there remains an ongoing need to strategically prioritize infrastructure related funding to meet critical infrastructure demands within limited resources. Therefore, continuing the Board's long-term approach to infrastructure planning will best position the Board to work through the strategic prioritization of infrastructure projects.

The Board's historical approach to infrastructure has included the following:

- Long-term strategic planning impacting County infrastructure demands including Facilities, Roads, Information Technology, and Legacy/Open Space.
- Setting aside capital infrastructure reserves to meet short-term and long-term funding needs.
- Infrastructure needs for County Service Area's are generally supported within their fee structure and not an obligation of the *General Fund*.
- Implementation of the Capital Facilities Impact Fee in the mid 1990's to ensure developer responsibility for the impacts of new development growth on public services.
- Maximizing grant funding opportunities and leveraging non-County funds from Federal, State, and other local entities.

The Board's long-term approach has enabled the County to move forward with critical priorities while meeting service demands and retaining the County's financial health. Continued prioritization of infrastructure projects remains critical to balance infrastructure needs within limited resources and the broader context of County budget and operations.

Current State of County Infrastructure

A number of independent infrastructure projects and financing plans exist in the County. They include Facility Services Capital Projects, and Public Works Projects approved by the Board each budget year, Comprehensive Facilities Master Plan, Administrative Services Information Technology Strategic Plan approved by the Board November 8, 2011, and the County Executive Office's Capital Facility Financing Plan last affirmed by the Board on July 25, 2011.

The County's infrastructure needs and funding are currently addressed through multiple Board affirmed plans focused on each infrastructure related functional area (Public Works, Facilities, Information Technology, and Fire Protection). Over the past decade, these plans have reflected planned infrastructure projects based on available funding (Federal/State/Grant/User and Impact Fees) combined with Board allocated discretionary funding. The approach has enabled recognition of differing infrastructure needs and funding streams and was particularly successful in the early 2000's as economic development, the County population, and associated service demands grew rapidly. At the same time, discretionary revenue also increased the County's ability to meet service demands while developing and maintaining County infrastructure.

As the economy began to decline in FY 2007-08, associated reductions in revenue strained the County's ability to continue to meet service demands and infrastructure needs dependent upon County discretionary revenue. As such, discretionary revenue was reprioritized to preserve core services triggering a more limited approach within recently approved infrastructure plans.

Existing infrastructure plans include the following:

- ***Comprehensive Facilities Master Plan***

The Comprehensive Facilities Master Plan (CFMP) was originally approved by the Board in 1993 and provided a projection of County needs for space for various functions through 2011. On March 22, 2011, the Board received an update of continuing data collection and analysis needed to guide the county for the coming decades.

As discussed with the Board at the July 25, 2011 CFMP update, based on data from the master plan and population projections from Sacramento Area Council of Governments (SACOG), the entire Placer County Government Center (PCGC) site is not likely needed for County functions. Opportunities for development of the PCGC site for lease income, similar to Home Depot, are currently being explored and evaluated with the interest of greatest benefit to the community. This site presents an opportunity of investing locally to support businesses and growth in the economy. The existing infrastructure from the 1940s has been identified as a constraint for both County functions and economic development. Funding for improvements at this site has not yet been identified and is initially estimated to be \$10 million over the next few years. Work continues on the CFMP and staff will be providing an update on findings regarding infrastructure considerations in the upcoming months.

- ***Capital Facilities Financing Plan***

The Capital Facilities Financing Plan was created in 2006 to guide the development of a financing structure for major capital projects. The CFFP was last affirmed by the Board on July 25, 2011. This plan includes construction costs, funding needs, and delivery dates for the subject priority County facilities through FY 2020-21. Table 1.a reflects project expenditures currently scheduled in the CFFP with revenue sources to include Capital Facility Impact Fees, Courthouse Construction Fund, and General Fund. The South Placer Adult Correctional Facility cost reflects total project costs over the past few years plus the anticipated residual completion cost of \$5 million for FY 2012-13.

Table 1.a

Capital Facilities Financing Plan FY 2012-13 through FY 2015-16	
Capital Project	Estimated Cost
South Placer Adult Correctional Facility*	\$105 million
Tahoe Justice Center	\$18 million
Auburn Animal Shelter	\$13 million
Community Clinic / Lab	\$12 million
County Warehouse / Archives	\$5.5 million
Total	\$153.5 million

*Project to be completed in July 2012

The plan also reflects a reduction to the annual *General Fund* contribution from \$18 million in FY 2007-08 to \$4.5 million beginning in FY 2012-13. This amount is significantly scaled back from prior plans to reflect the wind-down of the South Placer Adult Correctional Facility project as well as alignment with reduced *General Fund* support and lower Capital Facility Impact Fees. The plan identifies a total of \$83 million in capital projects with a total *General Fund* contribution of \$63 million (76%) covering the time period of FY 2012-13 through FY 2017-18. Project delivery schedules depicted in the Capital Facilities Financing Plan reflect funding availability and the ability of Facility Services to deliver based on staffing and workload. Continuing analysis identifies capital facility needs as conditions evolve.

- **Facility Services Capital Project List**

The Facility Services Capital Project List (Capital Project List) was last approved by the Board on September 27, 2011 as part of Final Budget adoption. The FY 2012-13 Proposed Budget includes \$38 million of projects not already reflected in the Capital Facilities Financing Plan. Potential future additions to the Capital Project List include costs associated with various Environmental Engineering projects estimated at \$95 million from FY 2012-13 through FY 2014-15 and include the SMD 1 regional sewer. In addition to the capital project costs, State mandated Sewer System Management Plans (SSMPs) exist that detail the County's plans for maintenance, repair, and rehabilitation of the wastewater collection system (excludes treatment). When adopted by the Board in 2009, staff estimated the cost of SSMP associated activities combined for all of the sewer service areas would be \$1-\$1.2 million annually. As the existing infrastructure continues to age, it is anticipated that these costs will increase.

The Facility Services Capital Project List is the bridge between the Comprehensive Facilities Master Plan, Capital Facilities Financing Plan and other various planning processes. A sample of the types of projects included on the list is referenced in Table 1.b. The annually funded capital project list includes county buildings, sewer, utilities, water, parks, and trails, and identifies larger projects from the Capital Facilities Financing Plan as well as smaller projects each year. Projects are funded by a variety of sources such as non-General Fund reserves, State revenue, and General Fund.

Table 1.b

Facility Services Capital Projects FY 2012-13	
Capital Project	Estimated Cost
Sewer and Lift Station Improvements	\$12 million
Hidden Falls Park Improvements	\$1.5 million
Placer County Gov't Center Building Demo	\$1.4 million
Total	\$14.9 million

The Plan ties to the Capital Facilities Financing Plan when considering significant ongoing project funding in future years, but also includes smaller projects aimed at continuing the life and use of County facilities as well as one-time costs to open facilities such as the South Placer Adult Correctional Facility.

Historically, the annual Capital Project budget has identified and funded deferred building maintenance projects. However, due to the prolonged economic downturn, recent focus has been on critically needed or mandated building maintenance projects. Further analysis is needed to more fully identify deferred building maintenance needs to most effectively maximize the useful life of County facilities. The estimated annual cost of deferred building maintenance is \$2 million.

Based on direction from the Board at the July 25 2011 CFMP discussion, Facility Services is continuing the planning and analysis work necessary to determine the necessary infrastructure upgrades to support County facilities.

- **Information Technology Strategic Plan**

The Information Technology Strategic Plan was first approved by the Board on November 8, 2011 and outlines capital and ongoing maintenance priorities to continue to meet the infrastructure demands related to information technology. The strategic plan articulates priorities and projects by County functional area with a focus on meeting existing needs while identifying opportunities to streamline County service delivery through the use of information technology in the future. The components of the plan reflect costs and funding for ongoing maintenance that support existing Information Technology infrastructure within existing department budgets, and include a total maintenance cost of \$65 million from FY 2012-13 through FY 2016-17. A summary of ongoing FY 2012-13 projects are reflected in Table 1.c.

Table 1.c

Information Technology Strategic Plan FY 2012-13	
Maintenance Project	Estimated Cost
Hardware	\$3 million
Applications	\$3 million
Software	\$3 million
Leased Systems	\$1 million
Computers & Printers	\$600,000
Total	\$10.6 million

Many County departments fund ongoing information technology maintenance costs within their annually approved operating budget. Information technology projects that do not generally have an identified funding source are those for new technologies, and one-time major upgrades such as the interoperable radio project. Needed replacement of the County accounting and position management systems (PAS and ACORN) is also in the future with combined preliminary replacement costs of \$10 million. Other one-time estimated costs are imbedded in the Information Technology infrastructure and include a total of \$11 million for up-front interoperable radio costs, the public safety Apollo Criminal Justice Integration System and Regional Public Safety System. The strategic plan is focused on continued enhancement and streamlining of County government services through the use of information technology. The plan impacts the breadth of countywide operations and further analysis is needed to identify total costs as well as to develop a strategic timeline on moving forward with projects outlined in the plan.

- **Public Works Project List**

The Public Works Project List is approved each year as part of the annual budget. It was last approved by the Board on September 27, 2011. The FY 2012-13 Proposed Budget includes \$99 million plus additional estimated future projects of \$400 million for the period of FY 2013-14 through FY 2016-17. Some of the projects included in current and future years include those in Table 1.d and are mostly funded with Federal, State, and Traffic Impact Fee revenues with the Kings Beach Commercial Core project to include Redevelopment Agency Bond revenue.

Table 1.d

Public Works Capital Projects FY 2012-13 through FY 2015-16	
Capital Project	Estimated Cost
Foresthill Bridge Painting and Seismic Retrofit	\$31 million
Kings Beach Commercial Core Improvements	\$15 million
Auburn-Folsom Widening Project (North)	\$3 million
Highway 49 Beautification & Sidewalks	\$800,000
Total	\$49.8 million

The public works project list includes projects for roads and bridges and identifies available funding from Federal and State sources. Road overlays and resurfacing are mostly funded by Federal and State sources; however, effective FY 2013-14 an annual funding gap of \$5 million is anticipated due to exhausting Proposition 1B revenues in FY 2012-13. Funding for road projects reflects a reduction in the *General Fund* contribution from \$6.1 million in FY 2007-08 to \$3.8 million in FY 2012-13, mostly due to the elimination of the *General Fund* contribution for road overlay and chip and seal program.

The reduction in the *General Fund* contribution is a result of the prolonged economic downturn and reflects the shift towards increased leveraging of limited resources while providing Board flexibility to reprioritize discretionary revenue to maintain core services to the greatest degree possible. As such, further analysis is needed to more fully identify public works capital and maintenance needs to most effectively maximize the useful life of County roads and bridges.

- **Legacy Systems and Open Space**

Placer Legacy is an open space and habitat protection program, developed as an element of the Placer County General Plan, as a result of state mandates which require

local government general plans to address open space for: 1) the preservation of natural resources, 2) the managed production of resources, 3) outdoor recreation, and 4) public health and safety. Conservation of open space is made possible through fee acquisitions, conservation easements, public access/trail easements, agricultural conservation easements, and flood control easements.

On May 22, 2012, the Board of Supervisors received a presentation and status report on the Placer Legacy Program. The presentation mentioned implementation of program objectives requires substantial financial support and has been funded through a number of sources but the majority has come from matching grant funds from the State of California, outside contributors, and the County (Open Space Fund and mitigation payments). Due to economic decline and reductions in funding sources, reserve balances have declined and diminished capacity for future open space acquisitions.

While, the FY 2012-13 Proposed Budget does not reflect new *General Fund* contributions to open space for acquisition, staff remains engaged in the Placer Legacy Program. In the short term (next 1-2 years), we have emerging projects with total potential County acquisition expenditures between \$2 million to \$4 million. Beyond that period of time, absent identification of additional funding, program implementation will be adversely effected.

Strategic planning of Placer Legacy through 2019 can be difficult in that program implementation, for acquisitions, is based on variable factors associated with willing sellers, available funding, and program needs. Therefore, for this analysis, staff has assumed expenditures for acquisition and property development and open space revenues (mitigation fees) at a rate consistent with the past 12 years. The results of the analysis confirm that additional annual funding in the range of \$1.2 million to \$1.3 million is needed to sustain a similar level of acquisition and property development.

Identified and estimated Open Space Property Acquisition and maintenance costs include a total cost of \$10 million for the period of FY 2012-13 through FY 2016-17.

- ***Fire Protection Capital Facilities Mitigation Plan and Apparatus Replacement Schedule***

Placer County Fire provides year-round, all-hazard fire and emergency services to over 475 square miles of unincorporated Placer County. Approximately 166 firefighters, 60% of which are volunteers, are supported by an infrastructure collection of 11 fire stations, 50 response and support vehicles, and various fire fighting, rescue, hazardous materials and life safety equipment. The County has traditionally made a *General Fund* contribution of approximately \$1 million to the Fire Fund, which is one component of the County Fire System.

The County Fire System is structured through County Service Area (CSA) zones of benefit, each with independent, non-discretionary revenues that fund operations, maintenance, and capital replacement separate from the County *General Fund* or Fire Fund. The FY 2012-13 County Fire System infrastructure costs include \$1.7 million for new or newer-used fire fighting apparatus and equipment funded through the Fire Facility Impact Fee and Apparatus Replacement program.

The FY 2013-14 through FY 2016-17 County Fire System infrastructure replacement costs are approximately \$2.5 million with an estimated \$2.2 million in projected revenues. There are adequate reserves for capital replacement to cover the anticipated

shortfall. Where necessary, apparatus purchases may be delayed or expenditures may be extended through leases or loans.

New fire infrastructure related to growth is funded through a specific Capital Facilities Mitigation Plan (Mitigation Plan). The Mitigation Plan identifies future infrastructure in the amount of \$376,500 for the period of FY 2013-14 through FY 2014-15, which includes initial planning for a volunteer fire station. This plan was last updated and approved by the Board on January 10, 2012. The Mitigation Plan identifies anticipated development impacts, proposed usage of fees, establishment of a reasonable relationship between fees and type of development, accounting for funds separately, holding properly noticed public hearings, and conducting an annual program review and update. In 2007, the Plan reflected a current system deficit of \$13.4 million due to revenue projections that did not cover anticipated costs. A new Plan is created every five years and provides the framework for identifying funding for future infrastructure needs covering the next 25 years. The Plan covers all areas within the responsibility of the County Fire Fund and County Service Area zones of benefit.

In addition to the Mitigation Plan, an apparatus replacement schedule is updated annually through the budget development process. This schedule identifies the replacement of existing fire infrastructure in future years based on its expected useful life. Funding for infrastructure replacement is provided from reserves set aside for fixed asset replacement and is not included in the Mitigation Plan.

- ***North Lake Tahoe Resort Association Infrastructure and Transportation Development Integrated Work Plan and Long Range Funding Plan***

The North Lake Tahoe Resort Association Plans for infrastructure and transportation include various infrastructure projects funded by the 2% North Lake Tahoe portion of the Placer County Transient Occupancy Tax. Current plans reflect \$14 million of projects requiring funding from FY 2011-12 through FY 2015-16 and include categories such as transit, facilities, improvements, trails, beaches, maintenance, and parking. Each project is designed to help achieve economic and environmental stability while meeting current economic needs and minimizing impacts to natural resources and the environment. The North Lake Tahoe Resort Association is a strategic partner for the County in leveraging discretionary funding for public projects that provide economic development improvements and activity.

- ***Redevelopment***

Redevelopment funds have been used as a primary or supplemental fund source for a multitude of infrastructure related projects throughout the County. Redevelopment funds have successfully enabled long term economic development opportunities to better serve county residents. They have also fostered strategic leveraging opportunities among redevelopment and other available revenues. However, AB 1X 26 (Statutes of 2011), the Redevelopment Dissolution Act, effectively eliminates redevelopment as an available economic development and infrastructure tool for the county. As such, there are likely significant impacts to the funding and approach to meet infrastructure demands throughout the County over the coming years. Implications of the redevelopment dissolution continue to evolve and will be integrated in the approach to infrastructure as they become known.

Role of Economic Development

Economic development is an important criterion in infrastructure planning. It provides a roadmap to identify infrastructure investment opportunities that leverage the greatest economic return against meeting the county service needs of the community. It must also be balanced

with the responsibility of ensuring the workforce has the appropriate facilities to meet community service demands and expectations. Deciding which opportunities to pursue requires a delicate balance between meeting the facility needs to support services to the public with private use of County-owned land or buildings to meet broader community needs. The Placer County Government Center (PCGC) and Sunset Industrial Area (SIA) are two diverse examples of the opportunities and potential balance of infrastructure investments and economic development.

- ***Placer County Government Center (PCGC)***

The existing Placer County Government Center (PCGC) infrastructure includes utilities and roads, built in the 1940's to serve a military hospital. The original infrastructure of the campus was not constructed to meet current design standards or building and fire codes. For example, the aging water lines were not constructed to serve buildings with automatic fire suppression sprinklers as required by current codes. Without investment in improvements, the current water system cannot support further construction. Roads constructed as part of the hospital are narrow, rapidly aging and substandard in design. Any improvements to the road system must include repair or replacement of underground utilities including water, sanitary sewer, storm sewer, electrical, telecommunications and gas systems. The current infrastructure at the PCGC is a limiting factor when considering the capacity of the site for future uses; therefore, this site is a good example of a low-risk opportunity to fund upfront improvements in anticipation of good investment returns to support County operations and meet community needs.

Historically, funding the PCGC site improvements has been deferred due to other funding priorities. Strategically addressing the site needs now can ensure County use and private use of the site is integrated into promoting economic development. Infrastructure projects that resolve the water pressure limitations, road improvements, and underground utilities will provide support for the County workforce use as well as additional private uses of the PCGC site. By having the ability to offer leased facility space to private entities, the County is able to meet the community's needs by providing business lease options within a more competitive market. Attracting private leases to County-owned land strengthens the economic revenue base and provides broader choices to the greater community. For example, ground leases such as the current Home Depot agreement provide lease and tax revenue for the County. And, based on the Board's direction on November 8, 2011, staff is proceeding with negotiations with a developer for a potential Costco on one portion of the PCGC.

- ***Sunset Industrial Area***

The Sunset Industrial Area Plan was adopted in 1994 and last amended by the Board in May 2005. The Plan ultimately cleared the path for future industrial development opportunities in an effort to entice businesses to south Placer County and encourage economic growth. One of the objectives of the Plan includes improving the SIA infrastructure with an emphasis on circulation improvements, fire protection and the extension of public sewer and water into areas that currently do not have those services. Fire services have since been developed and include ladder and engine truck services, a fire station and associated apparatus. The developed fire protection services were designed to meet the needs of any future industrial community.

Other utilities, such as public sewer and water have yet to be developed or incorporated into a master plan. A lack of existing sewer infrastructure to facilitate development presents a significant financial and timing challenge. Planning, design, and construction for the sewer system infrastructure of the anticipated magnitude for this location are estimated to cost between \$20 million and \$40 million. Planning for new sewer

infrastructure includes selecting the most appropriate provider of wastewater treatment services for the area. Determining where the wastewater will be treated will guide the necessary steps for planning and engineering of the pipeline routes and facility needs to ensure economical system functionality. The SIA presents a unique set of circumstances with some infrastructure already available for development, but still limited by other infrastructure needs that have not yet been designed. Focusing on completing the infrastructure needs at this location would provide potential economic development opportunities, which would continue forward momentum toward the original goal of the Sunset Industrial Area.

Potential infrastructure improvements for the Placer County Government Center and Sunset Industrial Area are examples of dedicating a mix of County funds towards projects that provide the greatest opportunities for return on investment. While some of the infrastructure improvements at these sites can be phased for completion in conjunction with future capital projects and development, an initial phase of planning, design and construction of infrastructure improvements can be preliminarily budgeted at costs up to \$10 million over the next few years.

CONCLUSION/NEXT STEPS

The Board has consistently pursued long-term planning while recognizing immediate budget and operational challenges. This has fostered a balanced approach to meeting countywide budget, service, and infrastructure needs. It has prepared the County to withstand prolonged fluctuations in the economy such as the current economic downturn that began in 2007.

In total, existing identified infrastructure related projects from FY 2012-13 through FY 2016-17 include \$874 million in capital facilities, public works, open space, residual redevelopment projects, fire and information technology projects, maintenance, and deferred maintenance. Of this amount, \$720 million (82%) is Federal, State, Impact Fees, or other revenues, and \$94 million (11%) is General Fund. Identified unfunded projects for FY 2012-13 total \$4 million (0.5%) for deferred road and building maintenance. The estimated unfunded projects for the remaining period total \$56 million (6%), which includes an estimated \$10 million for Information Technology replacement systems, \$10 million for the development planning costs at the Placer County Government Site and Sunset Industrial Area, and additional out-year deferred maintenance costs to maximize the lifespan of county buildings and roads.

The plans referenced in this report were developed to meet various out-year horizons under different assumptions. Additional analysis is needed to update existing plans where appropriate to align out-year horizons and assumptions. In anticipation of the evolving uses of the PCGC, Facility Services, with consultation from the Department of Public Works and the Community Development Resource Agency, is developing a Specific Plan for the PCGC that incorporates infrastructure and road improvements into a framework for economic development opportunities. These efforts culminate in a comprehensive approach to infrastructure, clarifying targeted opportunities for broader Board prioritization of infrastructure related resources.

Staff recommends continuing to proceed in partnership with Departments to further identify infrastructure related demands and funding options. This includes working towards plans that are aligned to updated time horizons and assumptions. Facility Services will be presenting regular updates on the CFMP, including findings on infrastructure opportunities and constraints in the upcoming months. These efforts are intended to provide a comprehensive assessment of capital related infrastructure needs across county functions. Following this significant effort, staff will report back to the Board.

The County Executive Office continues to work in collaboration with departments. To formalize this collaborative approach, staff recommends formalizing an Infrastructure Investment

Committee to include CEO staff and departments responsible for planning, building and maintaining infrastructure; and for identification and planning of economic development opportunities. Departments would include Facilities, Public Works, Administrative Services, Fire, Community Development Resources Agency, and the CEO-Economic Development Division. The Infrastructure Investment Committee would be charged with analyzing infrastructure-related needs, opportunities, and funding options to be brought back to your Board. Financing related infrastructure plans such as the Capital Facilities Financing Plan would continue to be discussed with the Finance Committee which includes the County Executive Officer, Treasurer-Tax Collector, Auditor-Controller, and County Counsel.

FISCAL IMPACT

There is no fiscal impact as a result of this item.