

AGENDA

**ASSEMBLY BUDGET SUBCOMMITTEE NO. 5
PUBLIC SAFETY**

ASSEMBLYMEMBER NORA CAMPOS, CHAIR

**MONDAY, APRIL 18, 2016
2:30 P.M. – CALIFORNIA STATE CAPITOL, ROOM 437**

VOTE ONLY ITEMS		
ITEM	DESCRIPTION	
2720	CALIFORNIA HIGHWAY PATROL	1
ISSUE 1	CALIFORNIA MOTORCYCLIST SAFETY PROGRAM-MOTORCYCLE SAFETY OUTREACH AND EDUCATION	1
ISSUE 2	INTEGRATED DATABASE MANAGEMENT SYSTEM FUNDING	2
ISSUE 3	EXPANDED NETWORK INFRASTRUCTURE	3
8940	CALIFORNIA MILITARY DEPARTMENT	4
ISSUE 4	CALIFORNIA CADET CORPS UNIFORMS	4
ISSUE 5	FACILITIES OPERATIONS AND MAINTENANCE ACTIVITIES	5
ISSUE 6	SEARCH AND RESCUE	7
ISSUE 7	CYBER NETWORK DEFENSE TEAM (AB 670 – IRWIN)	8
ISSUE 8	ARMORY FUND: SANTA BARBARA ARMORY ASSET ENHANCEMENT	9
ISSUE 9	CALIFORNIA MILITARY DEPARTMENT SUPPORT FUND EXPENDITURE AUTHORITY INCREASE	10
ISSUE 10	UPDATE OF PROPOSED STATE ACTIVE DUTY COMPENSATION INCREASE	11

DISCUSSION ITEMS		
ITEM	DESCRIPTION	
2720	CALIFORNIA HIGHWAY PATROL	12
Issue 1	BODY WORN CAMERA PILOT PROGRAM	12
ISSUE 2	CAPITAL OUTLAY PROJECTS	14
8940	CALIFORNIA MILITARY DEPARTMENT	18
ISSUE 3	CAPITAL OUTLAY PROJECTS	18

VOTE ONLY ITEMS**(ALL VOTE ONLY ITEMS ARE SUBJECT TO FURTHER DISCUSSION WITHOUT NOTICE)****2720 California Highway Patrol**

VOTE ONLY ISSUE 1: CALIFORNIA MOTORCYCLIST SAFETY PROGRAM-MOTORCYCLE SAFETY OUTREACH AND EDUCATION

Request: The California Highway Patrol requests permanent funding of \$1.0 million from the California Motorcyclist Safety Fund to improve the effectiveness of the California Motorcyclist Safety Program.

The funding is being requested to provide for the development and dissemination of a large scale motorcycle safety public education effort. This proposal is intended to improve traffic safety for all Californians and ultimately reduce the number of motorcyclists killed and injured on California's roadways.

Background: The California Motorcyclist Safety Program was established in 1986 pursuant to California Vehicle Code Section 2900. The California Motorcyclist Safety Fund was established as a depository for a \$2 fee collected by the Department of Motor Vehicles for motorcycle registration and renewal. The fee is assessed on all initial and recurring motorcycle registrations. An additional \$250,000 is deposited annually into the California Motorcyclist Safety Fund from the State Penalty Fund under authority of California Penal Code Section 1464.2. The majority of authorized funding is reserved for motorcycle rider safety instruction.

The CHP contracts with a private entity to execute the program's curriculum throughout the state. The current contract is based on an expected level of 66,000 students and offers the contractor an administrative fee of \$25.00 per student. Recent expenditures from the fund have been reduced due to lower than expected rider participation.

In addition to the training contract, the Program engages in public outreach efforts. These include informational booths at motorcycling events and occasional media purchases to promote rider safety. As an example, last year's media effort was delivered to a limited number of major markets in the state. While the campaign reached approximately 300,000 people in these markets, the CHP was unable to disseminate important motorcycle safety information to all of California's 58 counties.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 2: INTEGRATED DATABASE MANAGEMENT SYSTEM FUNDING

Request: The California Highway Patrol requests one-time funding of \$894,000 from the Motor Vehicle Account to cover costs associated with the Department's use of the California Department of Technology's Integrated Database Management System.

The maintenance and support of existing information technology mainframe systems is essential to the continued support of current CHP departmental personnel and mission-critical public safety operations.

Background: The California Department of Technology manages a mainframe database platform known as the integrated Database Management System, which initially hosted applications (systems) for multiple departments. The cost for the California Department of Technology to provide mainframe services, such as database administration, file maintenance and back-up, systems administration, and systems monitoring, has been shared by the departments with systems hosted on the Integrated Database Management System. Over time, many of the departments with hosted systems on the Integrated Database Management System have upgraded and relocated their systems to more current platforms, leaving fewer departments to bear the cost to maintain the platform.

The CHP maintains several legacy applications on the Integrated Database Management System. Legacy systems are systems that have been in use by CHP for over 20 years. These systems, listed below, are critical to support key business processes for the Department:

- The Management Information System Timekeeping and Activity System supports attendance and activity tracking for uniformed employees and interfaces with the State Controller's Office for payroll processing.
- The Management Information System Terminal Evaluation of Records is a centralized database of information related to commercial vehicle highway incidents to assist with evaluating the safety records of motor carriers.
- The Parts Maintenance/Inventory Tracking System maintains the CHP's airplane and helicopter parts inventory.
- The Management Information System is a large scale message-passing system. It provides frontend screens to numerous applications and provides the back-end for consolidated reporting.

During the last two budget cycles (fiscal years 2014/15 and 2015/16), the CHP received one-time augmentations to cover a funding shortfall associated with the Integrated Database Management System. In each of the approved Budget Change Proposals, the Department outlined its efforts to develop new applications that would allow the Integrated Database Management System legacy systems to be retired. Based on current estimates, the CHP will continue to utilize Integrated Database Management System through fiscal year 2016/17.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 3: EXPANDED NETWORK INFRASTRUCTURE

Request: The California Highway Patrol requests permanent funding of \$1.715 million from the Motor Vehicle Account to cover increased costs associated with expanding network bandwidth capacity throughout the state.

Background: The network infrastructure is indispensable for facilitating CHP's mission-critical work. It provides connectivity to the headquarters campus, eight field Divisions, 102 Area offices, 25 communications centers, and 16 inspection facilities. The network infrastructure currently manages, deploys, and provides access to these and other mission critical systems:

- Computer-Aided Dispatch
- Voice over Internet Protocol Telephony Services
- California Law Enforcement Telecommunications System
- California Department of Justice Information Databases
- California Department of Motor Vehicle Databases
- National Law Enforcement Telecommunications System
- National Crime Information Center
- Email Services
- Statewide Integrated Traffic Records System
- Statewide Pursuit Information Database and Resource System
- Daily Field Shift Log, California Automated Reporting System

Network bandwidth of data circuits determines how much data may be transmitted at any given time and the speed of the transmission. The network directs transmissions with more than 400 routers, 2,000 switches, and 232 data circuits of varying speed and capacity, 192 of which are T-1 with a bandwidth of 1.544 megabits per second per line. The CHP contracts with commercial vendors for data circuits. The cost of these services is presented below.

Staff Recommendation: Approve as budgeted

8940 CALIFORNIA MILITARY DEPARTMENT

VOTE ONLY ISSUE 4: CALIFORNIA CADET CORPS UNIFORMS

Request: The California Military Department requests \$827,000, one-time, (General Fund) authority to purchase uniforms for every cadet and \$369,000 in ongoing (General Fund) authority to replace unserviceable uniforms for cadets of the California Cadet Corps (CACC).

Background: The CACC was established through statute in 1911. California Military and Veterans Code Section 517 authorizes CACC units as part of all regular schools, for all children within the state. The CACC is a statewide, school-based, applied leadership program conducted within a military framework. The program is designed to provide personal growth and leadership opportunities for cadets from the middle school through high school levels. The development and maintenance of the individual units of the CACC is a shared responsibility of the local school authorities and the CMD. Although there are 6,388 cadets in the program, the CMD is currently able to outfit only 6.7% or 432 cadets with complete uniforms. These life-support levels transfer a fiscal burden onto schools and parents that result in an unsustainable future despite increasing demand for the quantified benefits of this 104-year old program.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 5: FACILITIES OPERATIONS AND MAINTENANCE ACTIVITIES

Request: The California Military Department requests \$507,000 (\$117,000 General Fund and \$390,000 Federal Trust Fund) and five positions to complete facility repair and maintenance for base infrastructure. The positions, by location, are listed below:

- 129th Rescue Wing, Moffett Federal Airfield. One stationary engineer, one electrician, and one heavy equipment operator to manage air-conditioning and chiller systems; electrical and fire alarm systems; storm water drainage systems; and airfield mowing to meet bird/animal aircraft strike hazard prevention requirements. The department anticipates these positions will reduce the maintenance backlog to 755 hours or less.
- 146th Airlift Wing, Channel Islands Air National Guard Station. One supervisor of building trades to provide a preventative maintenance program, increase the oversight of state resources, and improve work efficiency. Specifically, the deferred maintenance is anticipated to shrink within the first year, and is expected to be closed within 24 months.
- 163rd Attack Wing, March Air Reserve Base. One material and stores specialist to enable more work requests to be completed in a given period of time, increase internal controls and physical control of the local storage warehouse, and ensure the accuracy of the material database and protection of existing assets.

Background: The Master Cooperative Agreement (MCA) between the CMD and National Guard Bureau (NGB) provides for federal reimbursement of state-supplied services and support to Air National Guard bases through California. California, through the MCA, is obligated to share 15 to 25 percent of the annual program cost for Air National Guard (ANG) facilities operations and maintenance (O&M) activities. Last year, the total annual program cost for ANG facilities O&M activities was \$7 million. Of the \$7 million, around \$4.7 million was for personnel, operations, and maintenance; the remainder (\$2.3 million) was for the sustainment, restoration, and modernization of facilities.

- 129th Rescue Wing, Moffett Federal Airfield. The infrastructure maintenance at Moffett Federal Airfield within the established "cantonment area" and the Temporary Use Areas occupied by the 129th Rescue Wing was initially transferred to the Wing in 2009, as a result of the permit to United States Air Force from NASA Ames Research Center. The permitted property and infrastructure systems within the "cantonment area" and temporary use areas are no longer maintained or repaired by NASA Ames Research Center. Last year, the 129th Rescue Wing, Civil Engineering Flight reported over 7,500 annual hours of unfulfilled preventative maintenance workload to include electrical, heating, ventilation, air conditioning, plumbing, and equipment operations.

- 146th Airlift Wing, Channel Islands Air National Guard Station. The 146th Airlift Wing, Civil Engineering unit currently mitigates staffing deficiencies by directing Federal Employees to perform state jobs. The supervisor of building trades position requested was eliminated in 2008, when its previous incumbent retired during the state budget crisis.
- 163rd Attack Wing, March Air Reserve Base. The 163rd Attack Wing, Civil Engineering unit has one federal technician working out of class to procure state equipment. According to the department, the lack of manpower to support the increased accountability impedes state workers' ability to access tools and equipment in a timely manner.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 6: SEARCH AND RESCUE

Request: The California Military Department requests \$350,000 General Fund expenditure authority for the Search and Rescue (SAR) missions tasked by the California Office of Emergency Services (CalOES) in support of local government SAR efforts.

Background: According to the department, CMD has seen an overall increase for National Guard SAR assets across the state within the past few years. Because local governments may not have sufficient aviation assets with specialized capabilities to support the day and night SAR missions, local and regional SAR agencies rely on the department's advanced capabilities, on an average of 16 times per year. Additionally, CMD has seen at least a 30 percent increase in requests to utilize the night capabilities of CMD helicopters that increase the Probability of Detection due to its specialized Infrared and Electro-Optical technologies.

As more requests have incorporated the "search" function of SAR, the overall number of flight hours spent during a SAR mission has increased. These flight hours, dedicated to search operations and the additional personnel days required for these SAR, consume federal funds originally programmed for training new pilots.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 7: CYBER NETWORK DEFENSE TEAM (AB 670 – IRWIN)

Request: The California Military Department requests an increase in reimbursement authority from \$774,000 to \$1.4 million to pay for 8.0 permanent positions (six existing positions and two new permanent positions) for the Department's Cyber Network Defense Team (CNDT).

The increased reimbursement authority will provide the Military Department with the legal authority to accept additional reimbursements from other state entities in need of CNDT resources and services. Further, the requested authority increase would also create the ability for the CNDT to simultaneously respond to 4 cyber-incidents per year to mitigate loss of data, restore network services, and assist law enforcement.

Background: The CNDT began as a pilot program in 2013 with a proof of concept grant from the Speaker of the Assembly. In FY 2014-15, six permanent positions were approved via the Budget Act of 2014. The CNDT leverages military cyber security training and equipment to provide state-of-the-art assistance and expertise to state agencies before, during, and after a cyber-attack.

AB 670 (Irwin) amended section 11549.3 of the Government Code to require the Chief Information Officer to ensure that at least 35 state agencies per year receive independent cyber vulnerability assessments. The CNDT is the only capability within state government capable of conducting these mandated assessments.

The CNDT provides support services which include: Network Health Assessments, Agency Vulnerability Assessments, Continuous Network Monitoring, Firewall Analysis, Website Vulnerability Scans, Network Infrastructure Endpoint Discovery and Identification, Network Traffic Anomaly and Indicators of Compromise, and Endpoint Malware Binary and Indicators of Compromised Binary Discovery services. In addition to these current services, the CNDT is preparing to offer Penetration Testing and Computer Forensics support.

Staff Recommendation: Approve as Budgeted

VOTE ONLY ISSUE 8: ARMORY FUND: SANTA BARBARA ARMORY ASSET ENHANCEMENT

Request: The California Military Department is requesting one-time expenditure authority of \$100,000 from the Armory Fund for consultant services to support the value enhancement of the Santa Barbara Armory prior to sale. The funds being requested will allow the Department of General Services - Asset Management Branch to undertake a value enhancement process to position the property for disposition and to maximize the sale price.

Background:

The CMD received authority to divest the Santa Barbara Armory via Chapter 355, Statutes of 2015 (SB 536), chaptered on September 28, 2015. The armory is unique in that its size and location (one city block of approximately four acres in downtown Santa Barbara) makes it a valuable property development opportunity for a qualified buyer.

Staff Recommendation: Approve as budgeted

**VOTE ONLY ISSUE 9: CALIFORNIA MILITARY DEPARTMENT SUPPORT FUND EXPENDITURE
AUTHORITY INCREASE**

Request: The California Military Department (CMD) requests one-time expenditure authority of \$151,000 from the California Military Department Support Fund (MDSF) to spend private donations received by the CMD. The CMD also requests provisional language that will permit donated funds received throughout the year to augment the annual appropriation from the MDSF. Donated funds will be expended according to the donor intent and to benefit the Military Department's members, their families, and the Department's community and youth programs throughout the state.

Background: SB 1413, Chapter 412, Statutes of 2012, established the California Military Department Support Fund (MDSF) program within the Military and Veterans Code (MVC) §412.5 and authorized the CMD to establish and provide philanthropic support programs for the benefit of CMD members, their families, and to support Department-sponsored community and youth programs. To accomplish this goal, the CMD is authorized to solicit and accept funds and donations from private individuals and companies.

Staff Recommendation: Approve as budgeted

VOTE ONLY ISSUE 10: UPDATE OF PROPOSED STATE ACTIVE DUTY COMPENSATION INCREASE

Request: The California Military Department (CMD) requests an additional \$187,000 (all funds) to align the pay of its State Active Duty (SAD) employees to the pay of service members of the United States Army, United States Air Force, and United States Navy.

Background: Compensation for service members of the United States Army, United States Air Force, and United States Navy is set forth annually by the federal government in the National Defense Authorization Act (NDAA). The NDAA is usually signed into law in late December. Military and Veterans Code (MVC) sections 320 and 321 provide the authority for the CMD to pay its SAD employees at the same rate as service members of the federal armed forces. As part of the annual budget process, the CMD submits an estimate of the changes to SAD compensation, which is processed as a technical adjustment and included in the Governor's Budget. The estimate for SAD compensation adjustments during the fall process comes from proposed rate changes to the NDAA. The proposed rate changes to the NDAA that was built into the CMD's appropriation for fiscal year 2016-17 resulted in an increase of \$692,000 (\$275,000 General Fund, \$395,000 Federal Trust Fund, \$8,000 Reimbursement authority, and \$14,000 from the Mental Health Services Fund). Because the NDAA is signed in December, the Department must wait until the spring process to revise the amounts proposed in the technical adjustment to match those amounts codified in the NDAA.

Staff Recommendation: Approve as budgeted

DISCUSSION ITEMS**2720 CALIFORNIA HIGHWAY PATROL**

DISCUSSION ISSUE 1: BODY WORN CAMERA PILOT PROGRAM

The California Highway Patrol will open this issue with a brief overview of the Body Worn Camera Pilot Program.

PANELISTS

- California Highway Patrol
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The Budget Act of 2015 authorized the Director of Finance to approve up to \$1,000,000 for the California Highway Patrol to conduct a pilot program to study the use of body-worn cameras, after providing notice to the Legislature.

The California Highway Patrol has developed a plan for implementing a body-worn camera pilot project as specified in SB 85, Chapter 26, Statutes of 2015, which was submitted to the Joint Legislative Budget Committee in December 2015.

While public interest in body-worn camera technology is increasing, there are several unknown variables associated with its use that require further study, including logistical challenges associated with data storage approaches, privacy issues, and cost considerations.

Based on the scope of the study outlined in the December report, the Department of Finance proposes to make \$919,000 available for the California Highway Patrol for this pilot project as follows:

Body Worn Camera Pilot Program Costs

<u>Item Description</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Body Worn Cameras (BWC)	240	\$ 1,100	\$264,000
Routers/Firewalls	4	55,000	220,000
Network Attached Storage (Large Sites)	2	110,000	220,000
Servers	4	16,500	66,000
Charging Bays for BWCs	40	1,650	66,000
Dedicated Video Workstation	4	4,400	17,000
Software/Telecommunications Costs			28,000
Training Costs			38,000
Total Costs			\$ 919,000

The pilot operation is planned for 12 months. Prior to that, CHP must create the solicitation, conduct a procurement, award and enter into a contract, work with the vendor to configure the new system, test the new system, train users, implement at the first site, then implement at the second site.

CHP is currently forecasting the following project timeframes:

Task Name	Start	Finish
Procurement	April 2016	June 2016
Contract Execution	June 2016	July 2016
<ul style="list-style-type: none"> • Build and Configure infrastructure 	July 2016	Sept 2016
<ul style="list-style-type: none"> • Test 	Sept 2016	Sept 2016
<ul style="list-style-type: none"> • Train first site 	Sept 2016	Oct 2016
<ul style="list-style-type: none"> • Go-live first site 	Oct 2016	Oct 2016
<ul style="list-style-type: none"> • Address issues 	Oct 2016	Nov 2016
<ul style="list-style-type: none"> • Train second site 	Nov 2016	Nov 2016
<ul style="list-style-type: none"> • Go-live second site 	Nov 2016	Nov 2016
<ul style="list-style-type: none"> • Operate (pilot) 	Nov 2016	Nov 2017

Staff Recommendation: Discussion Item

DISCUSSION ISSUE 2: CAPITAL OUTLAY PROJECTS

The CHP will open this issue with a brief overview of the following Capital Outlay Proposals:

- Relocation of Fresno Area Office
- El Centro: Area Office Replacement
- Hayward: Area Office Replacement
- Ventura Area Office - Replacement Facility
- Quincy Facility Replacement – Reversion
- San Bernardino Area Office - Replacement Facility
- Santa Barbara Facility Replacement – Reappropriation
- California Highway Patrol Enhanced Radio System: Replace Towers and Vaults - Phase 1
- Statewide Planning and Site Identification (including April 1 update)
- Contracting Language

PANELISTS

- California Highway Patrol
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

Capital Outlay Proposals. The California Highway Patrol is requesting resources for the following Capital Outlay efforts:

- **Relocation of Fresno Area Office.** The California Highway Patrol (CHP) requests \$2,788 million from the Motor Vehicle Account for the relocation of the Fresno Area office to a new, build-to-suit facility. Approval to proceed with the relocation was included in the Budget Act for fiscal year 2010/11 (Chapter 712 of the Statutes of 2010, item 2720-401).

The Fresno Area office opened in 1963 in an 11,100 square-foot facility and is considered to be a large command with a dispatch center. This office is assigned 113 uniformed, 32 dispatch, and 13 non-uniformed staff. The Fresno Area office has been identified as having serious seismic structural issues. The facility has not been inspected by a structural engineer; however, it is assumed to be a level six seismic-rated facility due to the decade in which it was built. Seismic rating is determined by the expected seismic performance based on the level of current structural compliance. The current earthquake performance levels for existing

buildings are rated from one (negligible) to seven (dangerous). A seismic rating level of six is expected to cause serious implied risk to life and a 20 to 50 percent implied seismic damageability. The Fresno Area office lease with purchase option project has been awarded and construction is to begin in October 2015. Current estimates are that CHP will occupy the new facility January 2017.

- **El Centro: Area Office Replacement.** This proposal requests \$4.3 million from the Motor Vehicle Account (MVA) for the acquisition and performance criteria phases of the El Centro: Area Office Replacement. The existing facility no longer meets the California Highway Patrol's programmatic requirements nor the seismic performance criteria required for state-owned buildings.

In order to streamline the capital outlay process, the CHP proposes the design-build procurement method. The design-build contract is to be funded in Fiscal Year 2017/18 for \$30.4 million, bringing the total estimated project cost to \$34.7 million. These costs will also be funded by the MVA.

- **Hayward: Area Office Replacement.** This proposal requests \$15 million from the Motor Vehicle Account (MVA) for the acquisition and performance criteria phases of the Hayward Area office replacement. The existing facility no longer meets the California Highway Patrol's programmatic requirements nor the seismic performance criteria required for state-owned buildings.

In order to streamline the capital outlay process, the CHP proposes the design-build procurement method. The design-build contract is to be funded in Fiscal Year 2017/18 for \$38.1 million, bringing the total estimated project cost to \$53.1 million. These costs will also be funded by the MVA.

- **Ventura Area Office - Replacement Facility.** This proposal requests \$5.6 million from the Motor Vehicle Account for the acquisition and performance criteria phases of the Ventura Area office replacement. The existing facility no longer meets the California Highway Patrol's programmatic requirements nor the seismic performance criteria required for state-owned buildings.

In order to streamline the capital outlay process, the CHP proposes the design-build procurement method. The design-build contract is to be funded in 2017/18 for \$37.1 million, bringing the total estimated project cost to \$42.7. These costs will also be funded by the MVA.

- **Statewide Planning and Site Identification (including April 1 update).** The California Highway Patrol requests \$800,000 from the Motor Vehicle Account to identify suitable parcels for replacing up to three additional field offices and to develop studies for those sites along with provisional language to allow augmentations of up to \$2.0 million cumulative for the purpose of entering into purchase options, should an option be necessary to secure a property and reporting requirements have been met. There is a statewide need for replacement facilities based on recent seismic evaluations of CHP facilities as well as programmatic changes that have resulted in the typical CHP office being

significantly undersized. This proposal reflects the fourth year of a program to identify sites for facility replacement.

- **Quincy Facility Replacement – Reversion.** The California Highway Patrol (CMP) requests to revert \$27,624,000 Motor Vehicle Account (MVA), appropriated for the purpose of funding the acquisition, performance criteria, and design-build phases of the Quincy Facility Replacement project due to difficulties in acquiring an appropriate site. The project was approved in the Fiscal Year (FY) 2014-15 with funding of \$2,188,000 for the acquisition and performance criteria phases and in FY 2015-16 with funding of \$27,254,000 for the design-build phase of the project. It is proposed that the Quincy project be replaced with the San Bernardino Area Office Replacement project (COBCP No. 3) in order to move forward with the CMP projects with the highest likelihood of success among those facilities with a great need for replacement.

Of the total \$29,442,000 MVA appropriated for this project, \$1,818,000 has been transferred to the Architectural Revolving Fund (ARF) thereby encumbering that authority. Any remaining balance from the ARF will be reverted once the Department of General Services has finalized its billing. Therefore, approximately \$27,624,000 is available to revert back to the Motor Vehicle Account.

- **San Bernardino Area Office - Replacement Facility.** This proposal requests \$5,369,000 from the Motor Vehicle Account (MVA) for the acquisition (\$3,867,000) and performance criteria (\$1,502,000) phases of the San Bernardino Area office replacement. The existing facility does not meet the California Highway Patrol's (CHP) programmatic requirements nor the seismic performance criteria required for state-owned buildings. The existing property is too small for an on-site replacement. This request would replace the Quincy Facility Replacement project (COBCP 2) in order to move forward with the CHP projects with the highest likelihood of success among those facilities with a great need for replacement.

Based upon the results of a site search in which several potential sites have been identified, the CHP proposes to relocate the San Bernardino facility. Further, in order to streamline the capital outlay process, the CHP proposes the design-build procurement method. The design-build contract is to be funded in 2017/18 for \$33,154,000, bringing the total estimated project cost to \$38,523,000. These costs will also be funded by the MVA.

- **Santa Barbara Facility Replacement – Reappropriation.** The California Highway Patrol (CHP) requests a reappropriation of \$32,415,000 Motor Vehicle Account (MVA) for the acquisition, performance criteria and design-build phases of the Santa Barbara Facility Replacement project along with a request to extend the availability of these funds through June 30, 2019.

There have been difficulties acquiring an appropriate site which has caused a delay for this project. The CHP had identified a potential site in Goleta for the Santa Barbara Area Office replacement project. During the acquisition phase and

California Environmental Quality Act process of that site, a moratorium on new water rights was levied throughout Santa Barbara County, which affected the ability to provide necessary services to the parcel. Additional concerns were raised by the community regarding the location of the facility and ultimately acquisition activities were ceased.

- **California Highway Patrol Enhanced Radio System: Replace Towers and Vaults - Phase 1.** The California Highway Patrol (CHP) requests \$445,000 Motor Vehicle Account for acquisition of property at Sawtooth Ridge (outside of Needles, CA) for the California Highway Patrol (CHP) Enhanced Radio System (CHPERS) Replace Towers and Vaults Phase 1 project. The 2015-16 CHP Finance Letter referenced the need to analyze nearby peaks for an alternative to the existing Sacramento Mountain site. A replacement site, Sawtooth Ridge, has been found. While CHPERS sites are typically leased to the state, the owners of the Sawtooth Ridge site have expressed a preference to sell the land instead.

This appropriation is necessary to preserve the CHP's ability to move forward with the Sawtooth Ridge land purchase, thereby address deteriorating radio communications infrastructure as well as improve radio interoperability among various public safety agencies.

- **Contracting Language.** The California Highway Patrol requests the addition of budget bill language to allow the Department of General Services to use a single master architect and a single environmental service contract for multiple CHP area office replacement projects, and another single contract for the CHPERS Tower and Vault Replacement projects. This approach will allow for more efficient contracting for the design and environmental work for these projects, which is currently limited by state regulations. Under this provision and the contracts that have already been established for these projects, the use of this approach would be limited to a maximum of 10 CHP office replacement projects.

Staff Recommendation:

8940 CALIFORNIA MILITARY DEPARTMENT**DISCUSSION ISSUE 3: CAPITAL OUTLAY PROJECTS**

The California Military Department will open this issue with a brief overview of the following Capital Outlay Proposals:

- Consolidated Headquarters Complex.;
- San Diego Readiness Center Renovation;
- Santa Cruz Armory Renovation;
- Escondido Armory Renovation;
- Eureka Armory Renovation;
- Advance Plan and Studies;
- Discovery ChalleNGe Academy Dining Facility.

PANELISTS

- California Military Department
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The budget includes \$177.8 million (\$49.5 million General Fund, \$121.7 million federal funds, \$4.6 million reimbursements, and \$2 million special funds) to support the department and its various programs. In addition to these funds, the department receives other federal funds, which are not deposited in the State Treasury, totaling \$760.4 million for the Army – National Guard, Air – National Guard, and the Adjutant General.

he department proposes six capital outlay proposals, totaling \$24.4 million (\$15.6 million General Fund, \$8.8 million federal funds). The proposals include:

- **Consolidated Headquarters Complex.** \$6.9 million General Fund to develop the performance criteria and request for proposal package for a project, which will consolidate several of the department's facilities (the current Joint Force Headquarters in Sacramento, Old Placerville facility, the Mather Annex, the B Street Warehouse, and the San Luis Obispo offices) into one headquarters complex; provide a 25,000 square feet armory and 22,600 square feet in storage facilities; and house 1,189 employees. Last year, the budget included \$8.8 million for the acquisition piece of this project. Total project costs are estimated to be \$113.8 million.

- **San Diego Readiness Center Renovation.** \$3.4 million (\$1.7 million General Fund and \$1.7 million federal funds) for the first phase of construction to renovate the San Diego Readiness Center. The renovation will include adding 4,400 square feet to the existing facility and modernizing lighting, electrical, HVAC, and plumbing. The San Diego Readiness Center hosts over 400 soldiers every drill weekend. According to the department, the San Diego Readiness Center is the most operationally critical armory in Southern California and houses the Defense Support to Civil Authorities headquarters. Total project costs are estimated to be \$11.6 million (41.7 million for design; \$9.6 million for construction, and \$224,000 for equipment)
- **Santa Cruz Armory Renovation.** \$4 million (\$2 million General Fund, \$2 million matching federal funds) for the performance criteria and design-build phase for the Santa Cruz Armory renovation. The armory, which was built in 1955, sits on 1.3 acres. The renovation would allow 50 additional soldiers to train, and will include HVAC replacement and upgrades to electrical, energy, plumbing, and code-compliant doors. The department anticipates this renovation will alleviate pressure on Seaside and Gilroy armories. Total project costs are estimated to be \$4 million (\$302,000 for performance and \$3.7 million for the design-build phase).
- **Escondido Armory Renovation.** \$4.1 million (\$2 million General fund, \$2 million matching federal funds) for the performance criteria and design-build phase for the Santa Cruz Armory renovation. The armory, which was built in 1961, does not have the capacity to serve all the units currently assigned. Renovations would include upgrades to the HVAC, electrical, plumbing, Subcommittee No. 4 March 10, 2016 Senate Committee on Budget and Fiscal Review 59 security fencing; and will repurpose 1,450 square feet of space, originally intended as an indoor rifle range, for administrative and classroom space. With the renovation, the existing 133 soldiers and an additional 25 soldiers will be accommodated. Total project costs are estimated to be \$4.1 million (\$326,000 for performance and \$3.8 million for the design-build phase).
- **Eureka Armory Renovation.** \$5.6 million (\$2.8 General Fund, \$2.8 million matching federal funds) for the performance criteria and design-build phase for the Santa Cruz Armory renovation. The armory, which was built in 1956, sits on 4.4 acres. It is the only facility within a 100 mile radius and is deemed, by the department, to be a “critical asset” for the Northwest California region. Because the department is unable to expand the armory (the surrounding areas hold the field maintenance shop and secure parking lot for military vehicles and equipment), interior design renovations could be repurposed and used for administrative, storage, and vault space. It is estimated that an additional 17 soldiers can train at the site, following the HVAC, electrical, plumbing, security fencing, among other renovations. Total project costs are estimated to be \$5.6 million (\$390,000 for performance and \$5.3 million for the design-build phase).

- **Advance Plan and Studies.** \$300,000 (\$150,000 General Fund, \$150,000 matching federal funds) for design studies and programming charrettes for three armory renovation projects that will be proposed for funding next year. The federal Army Corps of Engineers manages some department capital outlay projects. Instead of a budget package, the Army Corps uses a design charrette. The cost of each charrette includes a three-to-five day user input session, detailed space analysis, and validation of the project's federal programming documents.
- **Discovery ChalleNGe Academy Dining Facility.** The California Military Department (CMD) requests \$2.6 million Armory Fund (0604), to construct a joint-use Dining Facility at the Army National Guard Base in Lathrop California. The proposed project will utilize the Design-Build procurement method to construct a 9,800 square foot dining facility that will serve 200 cadets enrolled in the new National Guard Youth ChalleNGe Program, the Army National Guard units stationed on the base, and Soldiers stationed at the nearby Stockton Airfield. The project will include: food storage, refrigeration, bathrooms, a commercially equipped kitchen, and a seating area. Total project costs are \$2.6 million (\$295,000 for Performance Criteria and \$2.3 million for the Design-Build phase). Annual funding for the operational costs of the Program was approved in 2014-15 in the amount of \$1.5 million General Fund and \$4.5 million in federal matching funds.

Military and Veterans Code (MVC) section 435 (b) allows the use of Armory Funds, upon appropriation by the Legislature, for the maintenance of existing armories, and for the acquisition or construction of new or replacement armories. MVC section 435 defines "armory" as any building or portion thereof, rifle range, campsite, airport, arsenal, vessel, quarters, accommodations, or training facilities.

Staff Recommendation: Approve as Budgeted
