

CALIFORNIA FIVE-YEAR INFRASTRUCTURE PLAN 2007



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STATE OF CALIFORNIA

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FOREWARD

This 2007 edition of the Five-Year Infrastructure Plan is part of a much larger vision of California's infrastructure future. That vision is the Strategic Growth Plan.

Last year, the Governor and Legislature initiated the first phase of a comprehensive Strategic Growth Plan (SGP) to address California's critical infrastructure needs over the next 20 years. California faces over \$500 billion in infrastructure needs to meet the demands of a population expected to increase by 23 percent over the next two decades. In November 2006, the voters approved the first installment of that 20-year vision to rebuild California by authorizing a series of General Obligation bonds, totaling \$42.7 billion. The Governor's Budget includes \$13.7 billion of these bonds to immediately begin building California for future generations.

Much progress will be made with this initial funding. Thousands of new and renovated classrooms will be built throughout the state, transportation construction projects will begin to reduce congestion of goods and traffic, and work on dozens of critical levee improvements is already underway.

This year, we must complete the first phase of this Strategic Growth Plan by addressing critical gaps that remain in California's infrastructure:

- California's dangerously overcrowded prison and jail systems require significant expansion and rehabilitation to protect public safety, as well as ensure the safety of the correctional staff and rehabilitation and safety of inmates.
- The state's K-12 schools need funding beyond the two years of financing provided by the current bonds to prepare for enrollment growth, reduce overcrowding, and repair dilapidated classrooms in compliance with the settlement agreement in *Williams v. State of California*.

- The state's higher education systems need funding beyond the two years of financing provided by the current bonds to prepare for future enrollment growth and maintain the world renowned research capabilities of California's universities.
- The state's water supply and management systems need to be expanded to meet the needs of population growth and manage the effects of climate change on California's hydrology and water delivery systems.
- Expanded authority is needed to leverage existing tax dollars and recently approved bond dollars to attract billions of additional dollars in transportation funding through public-private partnerships.
- California's court system is in need of substantial expansion and repair to address significant caseload increases and reduce delays.

To complete the Strategic Growth Plan, the Administration proposes additional funding for critical infrastructure improvements between now and 2016. With these augmentations, the SGP will fulfill the comprehensive ten-year infrastructure financing plan to rebuild California begun last year. This infrastructure financing plan is the first phase of a 20-year vision to rebuild the foundation of California's unique quality of life and the platform for its powerful economic engine.

As reflected in Figure INF-01 \$29.4 billion of new general obligation bonds and \$13.9 billion of additional lease-revenue and self-liquidating revenue bonds are proposed to augment the existing funds for the SGP through 2016. Coupled with additional authority to engage in public-private partnerships and utilize design-build concepts, the already authorized and proposed new bonds will leverage an additional \$20 billion in significant infrastructure investment. The SGP proposes that the new general obligation bonds be placed on the ballot in the 2008 and 2010 elections as shown in Figure INF-02 and that all bonds be issued in a manner that maintains a prudent debt ratio. Finally, the Governor has signed an Executive Order that will ensure California voters of proper accountability and transparency in terms of the expenditures and outcomes for the recently authorized bonds as well as the newly proposed bonds. Section 6 further explains the expectation and processes that state agencies will be following to comply with the Executive Order.

The 2007 Five-Year Infrastructure Plan reflects the funding already approved by the voters, as well as, the additional funding proposed by the Administration to further close the infrastructure gap. Details of the SGP can be found in the January 10, 2007 "California Strategic Growth Plan". Copies can be obtained from the Department of Finance or by visiting the Department's website at www.dof.ca.gov.

Figure INF-01
**Strategic Growth Plan
 2006-2016**

(Dollars in Billions)

Program	Proposed New Bonds			Other Funding Sources		Total
	General Obligation	Lease ¹ Revenue	Self- ² Liquidating Revenue	Existing ³	New ⁴	
Public Safety		9.5 ⁵		0.3	1.1	10.9
Education-K-12	11.6			17.4 ⁶		29.0
Education-Higher Ed	11.5	0.1		10.1		21.7
Flood Control/Water Supply	4.0		2.0	25.0		31.0
Transportation				87.3	17.0	104.3
Judiciary	2.0				2.0	4.0
Other Natural Resources				3.1		3.1
Housing				2.9		2.9
Other Public Service Infrastructure	0.3	2.3		2.2		4.8
Totals	\$29.4	\$11.9	\$2.0	\$148.2	\$20.1	\$211.6

¹ Lease revenue bonds are supported by rental payments that result from leasing the financed asset.

² Self-liquidating revenue bonds are supported from a new revenue stream generated by the financed asset.

³ Existing Funding Sources column includes already authorized bonds, special funds, General Fund and estimated federal and local matching dollars from existing shared funding programs.

⁴ New Fund Sources includes estimated additional funding from public-private partnerships and new state-local shared programs.

⁵ Included in this amount is an amount that may be used to pay debt service on local facilities.

⁶ In addition, K-12 will provide \$5 billion in local match over multiple years beyond the SGP period for the Charter School Facilities and Career Technical Education Facilities programs, as authorized in statute.

Figure INF-02
**Strategic Growth Plan
 2006-2016**
**Election Year Proposals
 General Obligation Bonds**
 (Dollars in Billions)

	2008	2010	2012	2014	Totals
Program					
Education-K-12	\$6.5	\$5.1			\$11.6
Education-Higher Ed	7.2	4.3			11.5
Water Supply	4.0				4.0
Judiciary	2.0				2.0
Other Public Service Infrastructure	0.3				0.3
Total	\$20.0	\$9.4	\$0.0	\$0.0	\$29.4

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EXECUTIVE SUMMARY

An investment in infrastructure is an investment in California's future. The state's schools, universities, transportation systems, water systems, public safety facilities, and natural resources are the framework for the individual and collective quality of life enjoyed by Californians. Without a strong framework, both the private and public sectors of the economy will falter, and our quality of life will be at risk.

Despite the importance of infrastructure funding, budgetary resources are never unlimited and documented infrastructure needs are too great to be addressed in their totality over a short timeframe. Consequently, decisions must be made to determine which infrastructure projects will be funded from available resources.

The 2007 Five-Year Infrastructure Plan (2007 Plan) reflects the infrastructure needs of state programs and recommends funding priorities based on considerations of criticality, equity, and funding availability. It proposes a balanced and affordable investment in California's future.

This 2007 edition of the Five-Year Infrastructure Plan is part of a much larger vision of California's infrastructure future. That larger vision is the ten-year Strategic Growth Plan (SGP) for rebuilding California. In 2006, the voters, endorsed \$42.7 billion in general obligation bonds to invest in California's future. In conjunction with his budget release in January 2007, the Governor announced his intention to complete that vision with his proposal of \$43.3 billion in additional bonds. That proposal includes \$29.4 billion of additional general obligation bonds for the voters to consider in 2008 and 2010, \$11.9 billion in new lease revenue bonds, and \$2 billion in new revenue bond authority. Together with an additional \$168.3 billion in existing and other new funding, the Governor's SGP will total \$211.6 billion over ten years.

In total, the 2007 Five-Year Plan proposes \$112.9 billion to renovate and augment California's aging infrastructure for the next five years of the ten-year vision. Highlights of this proposal include:

TRANSPORTATION: \$57.4 BILLION

This proposal includes state and local government funding, and leverages an estimated \$8 billion in public-private partnerships. This funding will decrease congestion, improve travel times and increase safety. It will enable more traffic to move through existing roadways, rehabilitate thousands of miles of roads, add new highway lanes and increase public transportation ridership.

EDUCATION: \$35.7 BILLION

The 2007 Plan proposes \$28.4 billion for K-12 education. This funding will result in the construction of approximately 32,000 new classrooms and modernize about 79,000 classrooms. This funding will also help ensure that our children have more state-of-the-art facilities and improved opportunities for accessing charter schools and career technical education programs.

In addition, the 2007 Plan proposes \$7.3 billion for the three segments of higher education, the University of California (UC), the California State University (CSU) and the California community college system. It will continue Governor Schwarzenegger's commitment to UC and CSU as prescribed in the Higher Education Compact, and it will provide increased funding for the massive community college system.

PUBLIC SAFETY: \$10.2 BILLION

The 2007 Plan proposes \$10.2 billion to address significant housing shortages for adult inmates at state prisons, at county jails, and to house juvenile offenders. In addition, the proposed funding will address critical facility deficiencies at Department of Corrections and Rehabilitation facilities and comply with court orders related to the improved care of the state's inmates.

WATER: \$2.5 BILLION

The bond measures approved by the voters in November 2006 provide significant funding for flood control and water management. However, two critical areas remain unaddressed with regard to continuing to ensure California has reliable water supplies to sustain a growing population and economy: storage and conveyance. Therefore, the Governor's SGP proposes a total of \$5.95 billion through 2016 for water storage and conveyance. Of this amount, proposed general obligation bonds will provide \$3.95 billion and revenue bonds will provide \$2.0 billion over the next ten years. The 2007 Plan anticipates \$783 million for these purposes over the next five years. In addition, this plan includes \$1.8 billion for flood control projects and other water management activities.

COURTS: \$1.4 BILLION

The trial courts currently are owned by, and are the financial responsibility of, the counties. However, under existing law, these facilities will be transferring to the state over the next several years. Proposed new general obligation bond funds plus existing court revenues will provide resources to renovate existing courts and build new courts to address substantial facility inadequacies. The courts will also be examining new ways to provide court facilities through the use of partnerships with the private sector in order to reduce the state's initial outlay of resources and still provide for the efficient delivery and management of the facilities.

Figure 1-1

Summary of the 2007 Five-Year Infrastructure Plan

Department	2007-08	2008-09	2009-10	2010-11	2011-12	Total
	(Dollars in Thousands)					
Legislative, Judicial and Executive	\$19,527	\$203,991	\$108,129	\$1,049,829	\$513,376	\$1,894,852
State and Consumer Services	14,563	96,553	576,116	67,733	26,110	781,075
Business, Transportation and Housing	8,643,564	13,028,468	12,075,816	12,223,679	11,741,432	57,712,959
Resources	837,430	937,507	941,380	1,104,769	973,081	4,794,167
Environmental Protection	-	49,361	-	-	-	49,361
Health and Human Services	16,710	66,423	198,902	223,059	279,273	784,367
Corrections and Rehabilitation	9,903,133	134,154	56,548	73,017	52,961	10,219,813
Education	7,296,404	7,006,901	6,921,025	7,212,033	7,217,850	35,654,213
General Government	49,785	136,339	268,393	309,171	197,598	961,286
Infrastructure Planning	1,000	1,000	1,000	1,000	1,000	5,000
Total	\$26,782,116	\$21,660,697	\$21,147,309	\$22,264,290	\$21,002,681	\$112,857,093

AFFORDABILITY OF THE 2007 PLAN AND THE SGP

The financial impact of the proposed new debt associated with the 2007 Plan is best assessed in the longer-term context of the Governor's ten-year vision for infrastructure funding as outlined in the SGP.

Two factors substantially mitigate the impact of the SGP bond proposals on the state's overall fiscal situation. First, as currently outstanding debt is gradually paid off annually, the state's debt ratio will eventually decline. Second, the Economic Recovery Bonds (ERBs) approved by the voters in 2004 through Proposition 57 are projected to be paid off in 2009-2010. When this happens, the residual effect will be to free up approximately 1.5 percent of General Fund dollars not currently committed to any state program. Combined with continuing the estimated 5 percent current percentage of the budget committed to debt service for that purpose, dedicating the funding freed up from retiring the ERBs will prove sufficient to afford the Governor's vision.

In summary, both the Governor's 2007 Five-Year Infrastructure Plan, and his longer-term Strategic Growth Plan continue to be affordable as was demonstrated last year with the initial announcement. Furthermore, from the standpoint of the urgent need to revitalize and expand the State's straining infrastructure, we cannot afford not to implement these plans.

INTRODUCTION

In 1999, the California Infrastructure Planning Act (the Act) was enacted. The Act requires the Governor to annually submit to the Legislature a five-year infrastructure plan with the intent that the Legislature will consider the Governor's proposal and adopt a five-year infrastructure plan for the state. The first plan issued pursuant to the Act (Government Code Section 13100) was published in 2002. This document is the fourth report completed pursuant to the Act.

(A) The Act directs that the Governor's proposed plan shall contain the following information for the five years it covers:

- (1) Identification of new, rehabilitated, modernized, improved or renovated infrastructure requested by State agencies to fulfill their responsibilities and objectives as identified in the strategic plans that they are required to prepare pursuant to Section 11816 of the Government Code.
- (2) Aggregate funding for transportation as identified in the four-year State Transportation Improvement Program Estimate prepared pursuant to Sections 14524 and 14525 of the Government Code.
- (3) Infrastructure needs for Kindergarten through grade 12 public schools necessary to accommodate increased enrollment, class size reduction, and school modernization.

- (4) The instructional and instructional support facilities needs for the University of California, the California State University, and the California Community Colleges.
- (B) The estimated cost of providing the infrastructure identified in (A).
- (C) A proposal for funding the infrastructure identified in (A), subject to the following criteria:
- (1) If the funding proposal does not recommend funding the entirety of the infrastructure identified in (A), then the proposal shall specify the criteria and priorities used to select the infrastructure it does propose to fund.
 - (2) The funding proposal shall identify its sources of funding and may include, but is not limited to, General Fund, State special funds, federal funds, general obligation bonds, lease-revenue bonds and installment purchases. If the plan proposes the issuance of new State debt, it shall evaluate the impact of that debt on the State's existing overall debt position.
 - (3) The funding proposal is not required to recommend specific projects for funding, but may instead recommend the type and quantity of infrastructure to be funded in order to meet programmatic objectives that shall be identified in the proposal.

In addition, Chapter 1016, Statutes of 2002 (AB 857, Wiggins) (Government Code Section 13102), addressed infrastructure planning and priorities for funding future projects. Among other things, this statute establishes state planning priorities which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety. This statute lays out only three planning priorities to which state infrastructure projects are supposed to adhere: 1) promote infill and equity, 2) protect environmental and agricultural resources, and 3) encourage efficient development patterns. This statute requires that any infrastructure proposed for funding beginning January 1, 2005, in the state's infrastructure plan to be consistent with these planning priorities. These guidelines were considered during the development of the 2007 Plan as noted after the proposed funding for each program area.

This document presents the departments' five-year infrastructure needs and the Governor's proposed plan for funding the state's future infrastructure. In Section Four, mission descriptions are provided for each department that identified infrastructure needs, and the departments are presented in the same order that they appear in the Governor's Budget. Following the mission description for each

department, there is a narrative summary of the department's existing facilities and a description of the programmatic factors that drive the need for the department's infrastructure. Next, the five-year needs are summarized in narrative and dollars related to funding those needs are presented in a table organized by the major program categories established by the Department of Finance (DOF). Finally, for each department, a proposal is presented for funding its infrastructure needs over the next five years.

Section Five of the document summarizes the proposed expenditures of the five-year plan and puts them in financial context. The section provides a summary list of the amount of funding proposed for each department and the sources of funding for the plan. Section Five also discusses the mix of pay-as-you-go funding and long-term financing as well as the mix of General Fund, special funds, federal funds, bond funds, and leveraged funds from outside of state government proposed in the plan. The Section concludes with a discussion of the affordability of the 2007 Plan. Section Five is followed by a series of appendices that provide more detailed information about various subjects discussed in the main body of the document and includes two lengthy tables.

Please note that in some instances the amounts of infrastructure funding proposed in the 2007 Plan are different from, but not inconsistent with, the amounts displayed in the Governor's Strategic Growth Plan (SGP). The reasons for this stem in part from the fact that the SGP is a ten year proposal which began with the 2006-07 fiscal year. This document lays out the expenditure plan for years two through six of that larger vision. In addition, the SGP includes areas of infrastructure needs that are outside the scope of the five year plan, such as local assistance funding and public-private partnerships.

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THE METHODOLOGY OF THIS REPORT

The source data of infrastructure needs for this plan come from the various departments, boards and offices of state government (hereinafter referred to collectively as departments). To facilitate consistency as departments carried out their reporting responsibilities under the Act, the Department of Finance (DOF) created procedural guidelines for a step-by-step process that departments could use to document their needs. Those guidelines consist of six steps:

1. **Determine total infrastructure need over the five-year period.** To accomplish this first step, departments had to determine (a) what **type** of services they will be providing during the next five years, (b) what **level** of service, and (c) what infrastructure is necessary to support that type and level of service. This determination of need was not to be a “wish list”, but a realistic assessment of what will be expected of the department in the performance of its mandates. Generally, departments were to assume a continuation of the same level and type of service they are providing now, as modified by projected increases in workload and statutory directives to change their current services. If a department identified a specific issue that could not be addressed by assuming the present service configuration, a policy decision was made on how to proceed.
2. **Determine baseline infrastructure capacity.** In this step, departments had to answer the question “To what extent can the department’s existing infrastructure accommodate the need identified in step one?” Departments were required to inventory existing facilities and assess their capacity to handle current and future demands for the infrastructure necessary to support departmental mandates.
3. **Calculate “net need”.** Subtracting the existing capacity identified in step two from the total need determined in step one resulted in the identification of an infrastructure “net need”.

4. **Identify alternatives for meeting net need.** In this step, departments had to explore realistic (and possibly creative) means of meeting the net need identified in step three to ensure that the most efficient and effective solution was selected. Changing program requirements to reduce need, co-locating with similar programs to share resources, and using alternative means of service delivery such as the Internet, are examples of some alternatives departments might have considered.
5. **Develop a proposed plan.** Based on the assessment conducted in step four, departments were to prepare a comprehensive plan to meet their infrastructure needs. To the extent practical, the plan was to be project-specific. For the future years of a department's plan, it may have been impractical to identify a specific project that would meet projected needs because of the many uncertainties of future projects, such as acquiring a site for a project. Nevertheless, the department was required to articulate the need in a tangible fashion, such as describing the capacity or functionality of the infrastructure that will have to be available, even if a specific facility could not be described. Finally, the proposed plan was to include an estimate of its cost and timeframe for its implementation.
6. **Consequences.** Each plan was to be accompanied by an evaluation of the consequences of not addressing identified needs, and an articulation of what benefits would accrue as a result of implementation of the proposed plan. To the extent practical, this was to be broken down to the project level, as well as summarized at a statewide level.

To facilitate the compilation and comparison of infrastructure needs across departments, DOF has developed a list of categories into which the projects within five-year plans are grouped. These Major Program Categories, as more fully defined in Appendix 1, are as follows:

- Critical Infrastructure Deficiencies
- Facility/Infrastructure Modernization
- Workload Space Deficiencies
- Enrollment/Caseload/Population (E/C/P)
- Environmental Restoration
- Program Delivery Changes
- Environmental Acquisitions and Restoration
- Public Access and Recreation

Upon submission of departments' five-year plans, DOF analyzed the plans and met with departments to discuss outstanding issues and resolve any apparent inconsistencies or omissions. DOF's analysis included a review of how the proposed plans met the guidelines of Chapter 1016, Statutes of 2002. DOF also evaluated the availability of funding sources to finance the identified infrastructure needs. Finally, needs and priorities were compared to funding availability, and recommendations were formulated for the specific components of the proposed five-year plan.

Please note that other than K-12 facilities and some programs associated with the State Transportation Improvement Program in the transportation area, no local assistance programs are detailed in this 2007 Plan. That is because this Plan is intended to be a document of needs for state-owned infrastructure only. However, the debt affordability sections do include any general obligation debt service costs that are being paid for those programs as the state is responsible for that cost. Some of those programs include Housing, water quality loan programs, and grant programs for natural resource conservation.

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INFRASTRUCTURE NEEDS AND PROPOSED FUNDING BY AGENCY AND DEPARTMENT

An investment in infrastructure is an investment in California's future. The state's schools, universities, transportation systems, water systems, public safety facilities, and natural resources are the framework for the individual and collective quality of life enjoyed by Californians. Without a strong framework, both the private and public sectors of the economy will falter, and our quality of life will be at risk.

Despite the importance of infrastructure funding, budgetary resources are never unlimited and documented infrastructure needs are too great to be addressed in their totality over a short timeframe. Consequently, decisions must be made to determine which infrastructure projects will be funded from available resources. That decision-making process, and its result of establishing priorities for infrastructure funding, must be multidimensional.

Several factors affect decisions regarding which areas of infrastructure to propose in a five-year plan. First, facing the broad spectrum of services it must provide to California's citizens, the state cannot responsibly take a linear approach to planning infrastructure. Education, public safety, natural resources, transportation and other program areas all need infrastructure to serve California's citizens. Some funding must be provided for each of these areas. It would not be responsible or prudent to entirely neglect one area while completely meeting the needs of another. Furthermore, not all infrastructure projects are of equal urgency or equal criticality. For example, projects designed to rectify significant health or safety issues at existing facilities generally will take precedence over other projects regardless of the program area involved. An additional consideration is the readiness of projects to move forward. Some projects that appear as high priorities conceptually may not be

fleshed out enough—even in the context of a multi-year plan—to propose significant spending on their construction until more planning has been done to establish their efficacy. Finally, not all funding sources available for infrastructure are fungible across program areas. For example, federal funding available for military facilities cannot be used for veterans’ homes, general obligation bonds approved by the voters for K-12 schools cannot be used for higher education facilities, and court fee revenues cannot be use for mental health hospitals.

The 2007 Plan reflects the infrastructure needs of state programs and recommends funding priorities based on considerations of criticality, equity and funding availability. It proposes a balanced and affordable investment in California’s future.

A detailed listing of all of the departments’ reported needs can be found in Appendix 2. A detailed listing of all of the specific projects proposed to be funded can be found in Appendix 3.

LEGISLATIVE, JUDICIAL, AND EXECUTIVE

This category of departments includes the Legislature, the Judicial Branch, the constitutional offices of the Department of Justice, the Secretary of State, the State Controller, the State Treasurer, the Lieutenant Governor and the Governor’s Offices of Emergency Services and Planning and Research. While these organizations are responsible for many governmental functions, most of them are not currently in need of additional infrastructure to support their activities. Those entities that did submit five-year plans are:

- The Judicial Branch
- Office of Emergency Services
- Department of Justice

JUDICIAL BRANCH

The Judicial Council governs the Judicial Branch of California state government. The Judicial Council, chaired by the Chief Justice of the Supreme Court, is the governing body that provides policy guidelines to the California courts. The Judicial Council is composed of 27 members:

- Chief Justice
- 14 judges appointed by the Chief Justice (one associate justice of the Supreme Court, three justices of the Courts of Appeal, and ten trial court judges)
- Four attorney members appointed by the State Bar Board of Governors
- One member from each house of the Legislature
- Six advisory members include representatives of the California Judges Association and State court administrative agencies.

The Council performs its functions with the support of its staff agency, the Administrative Office of the Courts (AOC).

Trial Courts are the initial point of contact between California’s population and the judicial system. These courts determine the facts of a particular case and initially

decide the applicable law. Courts of Appeal review Trial Court interpretation and application of the law, but are not empowered to review the Trial Courts' factual findings. The Appellate Court functions without the procedural complexities of parties, witnesses, court reporters, and juries. Lawyers generally are the only individuals present, and hearings typically take no more than a few days per month, focusing on oral arguments, written briefs, and court records. The Supreme Court, the highest California court, has jurisdiction in proceedings for extraordinary relief, reviews cases previously decided by the Courts of Appeal, and reviews those cases in which a Trial Court has imposed a death sentence.

The Lockyer-Isenberg Trial Court Funding Act of 1997 transferred responsibility for funding Trial Court operations from the counties to the state and established the State of California Task Force on Court Facilities (the Task Force) to identify facility needs and possible funding alternatives. In October 2001, the Task Force submitted its final report, which recommended that the state assume financial responsibility for court facilities within three years. This recommendation was enacted in The Trial Court Facilities Act of 2002 which specified that counties and the state would pursue a process that ultimately will result in full state assumption of the financial responsibility and equity ownership of all court facilities. The negotiations for the transfer of the court facilities began in July 2003. However, transferring court facilities to the state has proven to be much more complicated and difficult than originally anticipated. As of January 2007, only 20 out of 451 courts have transferred to the state. Recently enacted legislation (Chapter 444, Statutes of 2006), removed a significant statutory impediment to the transfer process, and this should greatly enhance the rate of future transfers.

In order to mitigate the impact to the General Fund from the state assumption of the financial responsibility for court facilities, the Trial Court Facilities Act of 2002 transferred funds historically spent by counties on maintaining existing court facilities to the state in perpetuity. In addition, new penalty assessments and civil filing fee surcharges became effective January 2003 with the revenue from these fees dedicated to funding facility needs. Additionally, funds in the counties' courthouse construction funds will be transferred to the state upon transfer of the related facilities. Current fee revenues are about \$111 million annually.

The AOC completed facility master plans for each of the 58 Trial Courts in December 2003. Those plans were consolidated into a statewide plan, which was approved by the Judicial Council in February 2004 as the Trial Court Five-Year Capital Outlay Plan, which ranked 201 projects for future development.

The 2007-08 Trial Court Five-Year Capital Outlay Plan identifies 181 Trial Courts and three Appellate Court projects for future development for a total funding need of \$9.6 billion. However, the current proposal requires additional detail and information to compile a five-year spending proposal that includes specific projects per year.

Existing Facilities: The facilities of the Supreme, Appellate, and Trial Courts encompass not only the public courtroom spaces, but also the chambers and workspace where the judges and their staff prepare for the proceedings. These facilities also include storage space, training rooms, and conference rooms.

The Trial Courts are located in 58 counties statewide consisting of 451 buildings, 2,136 courtrooms, and over 10 million square feet (sf). The court facilities are mostly county-owned and many courts are housed in mixed-use buildings that contain county offices unrelated to the courts. Court facilities in most counties are in need of expansion to meet functional requirements of the courts and many require physical improvements to meet the needs for accessibility and remedy critical infrastructure deficiencies.

The Appellate Courts are organized into six districts, which operate in 11 different locations, and consist of 457,000 sf. Only one court is wholly located in a state-owned stand-alone facility with the balance being co-located in other leased or state-owned space. Two courts, Fresno and Santa Ana, are being designed and will be constructed as new state-owned facilities. The design of the courthouses will be based on the "Appellate Court Facilities Guidelines" adopted by the Judicial Council effective July 2002.

The Supreme Court currently is located within the San Francisco's Civic Center Plaza (98,000 sf). The Supreme Court also maintains small office suites in the Library and

Courts Building in Sacramento (2,200 sf) and the Ronald Regan State Office Building in Los Angeles (9,600 sf).

The Administrative Office of the Courts (AOC) facilities are located in San Francisco (Headquarters), Burbank, and Sacramento and occupy 297,000 sf.

Drivers of Need: The primary driver of facility needs is the number of judgeships authorized. Generally, staffing for courts is driven by the number of judges. Other drivers of need include updating and renovating existing facilities to improve efficiency and security and replacing obsolete, overcrowded, and seismically deficient facilities.

Five-Year Needs: The Judicial Council requested \$9.6 billion for various courthouse projects throughout the state. Demand for Trial and Appellate Court facilities is growing because of increased population and caseload growth. Two Appellate projects were requested in 2007-08 for facilities in San Jose and in San Diego and a third Appellate project is requested in 2008-09 for a facility in Riverside. The total request for these three Appellate Court facilities is \$139.6 million General Fund.

Funding Needs Reported by the Judicial Branch
(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$177,818	\$1,274,594	\$2,016,237	\$2,520,248	\$3,611,103	\$9,600,000
Total	\$177,818	\$1,274,594	\$2,016,237	\$2,520,248	\$3,611,103	\$9,600,000

Proposal: Consistent with SGP, the 2007 Plan proposes \$1.4 billion towards meeting the Judicial Branch's Trial Court needs for new courthouse projects and the renovation of existing courthouses over the next five years. Of this amount, \$1 billion is from new GO bonds and \$422 million will come from various court fee revenues. These fee revenues are deposited in the State Court Facilities Construction Fund and are dedicated to court facility improvements.

Although the reported infrastructure needs for court facilities significantly exceed the proposed funding amount, there are administrative and fiscal considerations that mitigate the differences between these two amounts. Administratively, this is a relatively new program for the AOC and it is just beginning to build staff and

expertise to deliver successful projects. The AOC has minimal experience with managing a statewide capital program, so it is expected that its ability to manage a large number of projects simultaneously will be limited in the early years.

The AOC's 2007-08 five-year plan did not include detailed information regarding specific project proposals for the five-year period. Instead, the AOC classified 181 trial court projects into immediate, critical, high, medium, and low need priority groups. The plan's estimated scheduling for the design and construction of requested projects also did not adequately account for the length of each respective phase given current construction industry standards.

Fiscally, many existing courts require significant operating expenses—especially with respect to security costs—to cope with inefficient, outdated facility designs and crowding. As new facilities are brought on line, the savings from more efficient operations could be channeled into additional capital improvement projects, thus augmenting the funding proposed in the 2007 Plan. In addition, some of the assets that will be transferring to the state may be sold to enable court facility consolidations, thus generating additional resources for capital outlay projects.

Public-private partnerships are another opportunity that could increase the resources available for new court construction and renovation projects. For instance, the AOC could offer to exchange outdated and inefficient court facilities located on valuable urban property for new court facilities on less prominently located property. The AOC could co-locate revenue-generating commercial space (e.g., law offices) in newly constructed court buildings. Also, the AOC could engage in design-build-operate contracts in which the private sector constructs and operates a court building in exchange for lease payments.

The request for funding additional Appellate Court projects beyond 2007-08 will be revisited when additional information including renovation alternatives is provided. While these projects may be meritorious, there is not enough detail and analysis provided by the AOC to commit resources at this time.

The need for General Fund support for AOC projects will be adjusted according to revised revenue assumptions and receipt of fee payments, Appellate Court project needs in the out-years of this plan, and the passage of the General Obligation bond.

Consistency with Chapter 1016, Statutes of 2002: As the AOC plans for future capital outlay needs, the planning priorities outlined in Chapter 1016, Statutes of 2002 will be taken into consideration when new sites are chosen.

Proposed Funding for the Judicial Branch

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$19,527	\$160,702	\$83,600	\$661,060	\$513,376	\$1,438,265
Total	\$19,527	\$160,702	\$83,600	\$661,060	\$513,376	\$1,438,265
Funding Source						
State Court Facilities Construction Fund	\$19,527	\$160,702	\$83,600	\$78,321	\$80,000	\$422,150
Proposed GO Bonds	0	0	0	582,739	433,376	1,016,115
Total	\$19,527	\$160,702	\$83,600	\$661,060	\$513,376	\$1,438,265

OFFICE OF EMERGENCY SERVICES

Under authority of the California Emergency Services Act, the Office of Emergency Services (OES) has responsibility for coordinating emergency services operations statewide during events that threaten lives, property, or the environment. It is responsible for emergency plans and preparedness, mutual aid response, and disaster assistance. The OES coordinates all state emergency services functions with other state, federal, local, and private agencies to ensure the most effective use of resources. In addition, the OES operates the California Specialized Training Institute, which provides training for public safety staff in state, city, county, special district, industry, and volunteer agencies.

Existing Facilities: The OES is located in a state-of-the-art headquarters facility in Sacramento County, which will provide the central point of control during an emergency response. In addition, the OES operates a Coastal Region Operations Center in Oakland, a Southern Region Coordination Center at Los Alamitos Air Field, the California Specialized Training Institute at Camp San Luis Obispo, and various small field offices throughout the state.

Drivers of Need: The drivers of need are requirements of the Essential Services Building Seismic Safety Act of 1996. This act requires that buildings designed to be used as a fire station, police station, emergency operations center, California Highway Patrol office, sheriff's office, or emergency communication dispatch center be designed to minimize fire hazards and to resist, as much as practical, the forces of wind and earthquakes. In addition, some of these emergency services buildings should include sufficient space to accommodate the media and state and federal agency personnel during emergency coordination operations.

Five-Year Needs: The OES has requested \$41.9 million over the next five years for construction of a new Southern California Regional Emergency Operation Center (REOC) and for expansion of its headquarters facility in Mather, CA.

The OES reports that the Southern California REOC at Los Alamitos Air Base does not meet the requirements of the Essential Services Act, and therefore should be replaced. The Los Alamitos Office is housed in two modular buildings. Also, the OES has reported that the influx of personnel previously assigned to the Office of Criminal Justice Planning has put a strain on its facilities and a strain on productivity due to excessive travel between facilities. Because of this strain, OES has requested the increase in square footage to its headquarters building in Mather, California to enable all personnel to be housed in the same headquarters building.

Funding Needs Reported by the Office of Emergency Services

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Workload Space Deficiencies	\$7,892	\$1,428	\$23,583	\$0	\$0	\$32,903
Program Delivery Changes	791	8,207	0	0	0	8,998
Total	\$8,683	\$9,635	\$23,583	\$0	\$0	\$41,901

Proposal: It is proposed that over the next five years, the Southern California REOC be funded for \$32.9 million. The department needs to determine a more specific site location for this facility to better estimate site acquisition costs. As such, it is recommended that this project be approved in out years, when OES is better able to estimate costs for acquisition and construction.

The expansion of the OES headquarters facility is not proposed because the OES is unable to validate its staffing levels or substantiate its need for relocation. The OES needs to study its future options and alternatives with regards to space.

Consistency with Chapter 1016, Statutes of 2002: As the OES further develops its future facility needs, it will consider the state's emphasis on infill, environmental protection, and efficient development particularly for potential locations for the REOC in Southern California.

Proposed Funding for the Office of Emergency Services

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Workload Space Deficiencies	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
Program Delivery Changes	0	0	0	0	0	0
Total	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
Funding Source						
General Fund	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
Total	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903

DEPARTMENT OF JUSTICE

Through a variety of diverse programs the Department of Justice (DOJ) fulfills the responsibilities of the State Attorney General to ensure that the laws of California are uniformly and adequately enforced, and to represent the state in legal actions. Specifically, the DOJ performs the following functions:

- Serves as legal counsel to state officers, boards, commissions, and departments
- Coordinates efforts to address narcotic enforcement problems
- Assists local law enforcement in the investigation and analysis of crimes
- Supports the telecommunications and data processing needs of the state's criminal justice system

The infrastructure that supports these programs consists of office buildings and forensic laboratories.

Existing Facilities: The DOJ's headquarters is located in Sacramento with field offices located in Los Angeles, San Francisco, and San Diego. The DOJ also operates 11 forensic laboratories which provide support to various local law enforcement agencies in counties that do not have their own forensic laboratories. Personnel

at these facilities are responsible for collecting, analyzing, and comparing physical evidence from crime scenes or persons. Special forensic programs include DNA analysis, latent prints, document analysis, and blood-alcohol analysis. In addition, the DOJ operates the California Criminalistics Institute, a state-of-the-art training and methods development facility serving California's law enforcement community and criminalistics laboratories. The DOJ also operates a statewide DNA laboratory in Richmond.

Drivers of Need: The need for laboratory space is driven by workload growth and program delivery changes. For example, new laws requiring specific forensic testing for additional crime scenes, suspects, and evidence influence workload growth. Also, program delivery methods resulting from technology changes can result in the need for modifications to existing facilities or new facilities. In addition to laboratory space, increases in criminal and civil law workload could result in additional space needs in future years, although this plan focuses primarily on laboratory needs.

Five-Year Needs: The DOJ requested a total of \$423.7 million to meet its five-year infrastructure needs. The Department identified a need to consolidate operations that are currently housed at the 4949 Broadway facility in Sacramento and the DNA laboratory in Richmond, into one location.

Funding Needs Reported by the Department of Justice

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$35,397	\$388,287	\$0	\$0	\$0	\$423,684
Total	\$35,397	\$388,287	\$0	\$0	\$0	\$423,684

Proposal: As reflected in the SGP, the 2007 Plan includes \$423.7 million to provide for the permanent replacement of the current DNA laboratory. The DNA laboratory capacity must be expanded to handle increasing demands for DNA evidence and cataloging workload. In addition, it is anticipated that the DOJ will be required to analyze additional DNA samples with the passage of Proposition 69, which requires all felons arrested to submit DNA samples. The DOJ is finalizing the consolidation study this spring and will have more refined numbers at that time.

Consistency with Chapter 1016, Statutes of 2002: As the DOJ further develops its future facility needs, it will consider the state's emphasis on infill, environmental

protection, and efficient development, specifically as it relates to potential locations for the consolidated facility discussed above.

Proposed Funding for the Department of Justice

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Total	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Funding Source						
Lease Revenue Bonds	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Total	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684

Comparison to Previous Plan: The amount reflected in the DOJ 2007 Plan is significantly greater than the amount in the 2006 Plan. The figures for the combined DNA laboratory and 4949 Broadway facility has been updated to incorporate more accurate figures based on a study that is currently being done.

STATE AND CONSUMER SERVICES AGENCY

The State and Consumer Services (SCS) Agency encompasses a diverse set of functions within California government. It consists of 12 departments with approximately 16,000 employees and a combined annual operating budget of \$1.4 billion. The activities of the various departments include:

- Enforcing civil rights
- Protecting consumers
- Licensing Californians in 200 different professions
- Procuring goods and services
- Managing and developing state real estate
- Overseeing two state employee pension funds
- Collecting state taxes
- Hiring state employees
- Adopting state building standards
- Operating two state museums

One department in the agency, the Department of General Services, identified future capital outlay needs and submitted a five-year capital outlay plan. A total of \$247.9 million general obligation (GO) bonds proposed in the SGP will be needed in future years to complete the seismic retrofit of the 29 remaining state facilities currently identified as seismic level V risks.

CALIFORNIA SCIENCE CENTER

The California Science Center (CSC) is an educational, scientific, and technological center governed by a nine-member board of directors appointed by the Governor. It is located in Exposition Park, a 160-acre tract in Los Angeles, which is owned by the state in the name of the CSC. The CSC is a place where people can explore how science is relevant to their everyday lives. Through hands-on experiences, visitors to the museum are introduced to scientific principles in the context of the world that surrounds them. The CSC presents a series of exhibits and conducts associated educational programs centering on scientific and technological development. In

addition, the CSC is responsible for maintenance of the park, public safety, and parking facilities.

The California African American Museum (CAAM) administers its mission to research, collect, preserve and interpret for public enrichment, the history, art and culture of African Americans through a variety of permanent, self-curated, temporary and traveling exhibits, lectures, seminars, film, workshops, educational programs, scholastic curriculums, cultural presentations, and active collection of art, artifacts and historical documents. Programs are delivered by CAAM's curatorial, educational and gallery services staff, trained volunteer docents, along with nationally and state recognized artists, historians, scholars, and community leaders. The CAAM's programs and exhibitions are funded in significant part through private contributions from Friends, the Foundation of the California African American Museum.

Existing Facilities: The 245,000 square foot (sf) Phase I California Science Center museum features hands-on exhibits and other science learning programs for families, students, and educators that center around two themes: the World of Life and the Creative World. The World of Life is a 17,500 sf, permanent gallery that features exhibits on life processes common to all living things, such as survival and reproduction. The Creative World is a 20,000 sf, two-level gallery, featuring exhibits which examine the man-made environment and the consequences of human innovation. Examples of exhibits include an explanation of how vehicles work, and the technology we use to transmit messages. The balance of the facility is comprised of a museum store, a cafeteria, an IMAX theater, a conference center, special exhibit galleries, and warehouse and office space for CSC staff. The CSC Phase II Expansion-World of Ecology is a 170,000 sf facility that will be connected to the current museum. Phase II is under construction and is anticipated to open to the public in late 2009. Phase II will showcase the best features of science centers, museums, zoos, aquariums, and botanical gardens. The CSC also operates the Science Center School (K-5 Los Angeles Unified School District Charter School) and the Center for Science Learning.

The California African American Museum (CAAM) occupies a 44,000 sf facility that includes three full-size exhibition galleries, a theater gallery, a 14,000 sf sculpture court, a conference center/special events room, an archive and research library, administrative offices, exhibit design, and artifact storage areas.

Drivers of Need: The CSC master plan was completed in 1988 and reflects the building of three phases of the CSC. The CSC has completed Phase I and Phase II is under construction and is scheduled to be completed in 2009.

Five-Year Needs: The CSC requested \$6.3 million for capital outlay projects within the next five years. The \$6.3 million is comprised of \$5.4 million for the preliminary plans associated with Phase III of the CSC, an elevator project, and two minor projects which include acoustical treatments, and a trench drain.

The CAAM requested \$65.4 million for a renovation and expansion capital outlay project within the next five years. The \$65.4 million is for increasing 77,000 sf of new museum space and the renovation of 37,000 sf of the existing facility. The project includes upgrades to the heat, ventilation, and air conditioning systems (HVAC), loading dock security walls and the relocation of the front entrance, additional galleries, education center, a 300-seat theater, café, museum store, multi-use public conference center, an expanded library, an upgraded and expanded public/visitors services lobby, and expanded collections storage, exhibitions production and administrative support space.

Funding Needs Reported by the California Science Center

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$3,951	\$3,566	\$58,798	\$0	\$0	\$66,315
Program Delivery Changes	0	0	0	0	5,400	5,400
Total	\$3,951	\$3,566	\$58,798	\$0	\$5,400	\$71,715

Proposal: The 2007 Plan proposes \$65.4 million for the CAAM renovation and expansion project. Funding for the preliminary plans for Phase III of the CSC is not recommended at this time because of the conceptual nature of the request and the lack of cost estimates for working drawings and construction. The minor projects requested by CSC need further development and justification.

Consistency with Chapter 1016, Statutes of 2002: The 2007 Plan is consistent with Chapter 1016, Statutes of 2002. The proposal is an infill project which is situated on existing state land within the Exposition Park.

Proposed Funding for the California Science Center

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437
Program Delivery Changes	0	0	0	0	0	0
Total	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437
Funding Source						
General Fund	\$2,325	\$2,101	\$39,199	\$0	\$0	\$43,625
Other	1,162	1,051	19,599	0	0	21,812
Total	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437

DEPARTMENT OF GENERAL SERVICES

The Department of General Services (DGS) acquires, constructs, or leases office space on behalf of most state departments. DGS office space generally does not include field offices of various departments or institutional space, such as hospitals or prisons. Currently, the DGS manages approximately 39 million square feet (sf) of leased and owned office space. Of this, approximately 48 percent is state-owned, which includes debt-funded lease purchases, while 52 percent is DGS-managed leased space. Support services provided by the DGS include risk and insurance management, space planning, architectural and engineering, legal, and energy assessments.

Regional Planning Areas: The state's strategy for accommodating its offices in state-owned and leased property has been guided by long established policy and firm planning goals in DGS' published facility planning documents. Regional facilities plans outline the facts, analyses, and actions most appropriate for housing state office operations in a defined area. The DGS, through the regional facilities plans, identifies current and future space demand for state agencies and ensures that facilities adequately meet the programmatic needs of the agencies.

The decisions leading to specific regional facilities plans are affected by:

- Availability of state funds
- An agency's ability to pay facility occupancy costs
- Cost to operate existing state space versus competing lease costs

- Technological changes such as telecommuting and teleconferencing
- The aging of the current office building inventory
- An agency's programmatic space needs

The state has 12 planning regions (see map). Each region has a completed facilities plan and DGS continues to update these plans as needed.

Regional Planning Areas



Statewide Facility Plan: The DGS annually develops a Statewide Facility Plan, which is a comprehensive strategy for acquiring and maintaining state-owned space and for housing agencies in leased facilities. On behalf of many state agencies, the DGS

owns or leases office space totaling nearly 39 million sf, of which 18.4 million sf is state-owned (including debt-funded lease purchases), and 20.6 million sf is leased.

Seismic Retrofit of State Facilities: The DGS administers California's seismic retrofit program to minimize risk to life resulting from major earthquakes by improving the structural integrity of state-owned buildings. The criteria and evaluation process developed by the DGS has been used to assess the relative risk of state buildings and to fund retrofitting those buildings that pose the greatest risk to the occupants during a major earthquake. The 1990 Seismic Bond Act provided \$250 million in general obligation bonds for the purpose of earthquake safety improvements of state buildings. The bond funds were used to retrofit all risk level VII and VI buildings. In addition, the bond funds have been used for the renovation of some level V buildings and to begin the seismic retrofit of an additional 29 risk level V facilities.

All funds from the 1990 Seismic Bond Act have been expended or committed to existing projects and there are insufficient funds to complete the seismic retrofit of all 29 risk level V facilities. Therefore, the Administration proposes an additional \$300 million in GO bonds to complete the 29 projects. This would complete the seismic retrofit of all state-owned facilities that were previously identified as critical needs.

Drivers of Need: The DGS' drivers of need are the type and quantity of space required by client agencies to efficiently execute their programmatic responsibilities. In determining the space needs of the various state agencies, considerations include changes in the number of employees in an agency, benefits of consolidating fragmented agencies, and location requirements necessary to best meet program delivery needs.

Five-Year Needs: The DGS requested a total of \$743.3 million within the next five years to construct four new state facilities to address workload space deficiencies, demolish the Resources State Office Building in Sacramento, and seismically retrofit 29 buildings to address critical infrastructure deficiencies that pose the greatest risk to the occupants. Of this amount, \$433.6 million is for the renovation and construction of 5 state facilities, including \$351.2 million for two capitalized leases. The remaining \$309.7 million is for 29 continuing seismic retrofit projects. This request reflects a decrease of approximately \$444.2 million from the Department's

2006 five-year needs (a 37.4 percent decrease). The DGS removed 12 projects totaling \$480.9 million that were included in the 2006 Plan because of incomplete infrastructure studies. Additionally, the DGS deleted three projects totaling \$385.8 million because the projects are no longer necessary. The DGS added three new projects totaling \$398 million that were not included in the 2006 Plan. This includes \$242 million for the consolidation of all administrative office space for the Department of Corrections and Rehabilitation, \$109.2 million for the Bonderson State Building replacement project, and \$46.8 million for the seismic renovation of buildings H and J at Patton State Hospital.

The DGS requested the use of capitalized leases to develop two state office buildings, based on the premise that this method of delivery is more efficient and less costly. Capitalized leases are projects where the state would purchase land or use state-owned land and have a private-sector developer construct a building for lease (with possible purchase option) by the state. While the projects may be meritorious, the request still needs more detail and justification prior to any final decision on the financing methodology.

Funding Needs Reported by the Department of General Services

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$22,775	\$121,115	\$103,184	\$36,451	\$26,110	\$309,635
Workload Space Deficiencies	0	10,139	423,489	0	0	433,628
Total	\$22,775	\$131,254	\$526,673	\$36,451	\$26,110	\$743,263

Proposal: As reflected in the SGP, the 2007 Plan proposes \$715.6 million over the next five years to complete the seismic retrofit program, construct four new facilities, and to demolish the Resources State Office Building. Of this amount, \$247.9 million is proposed to be funded through GO bonds per the SGP, \$7.8 million from the remaining 1990 Seismic Bond Act funds, \$25.4 million from special funds, \$433.6 million from lease revenue bonds, and \$880,000 through reimbursements.

We recognize that the state has many facilities that are in need of significant renovation in order to comply with the provisions of Executive Order S-20-04, which commits the state to aggressively reduce energy usage through the retrofitting of

existing facilities, construction of energy efficient buildings, and the operation of energy efficient facilities.

Consistency with Chapter 1016, Statutes of 2002: This proposal is consistent with the provisions of Chapter 1016, Statutes of 2002, as it promotes infill development by rehabilitating existing buildings through the seismic retrofit program and the renovation of a historic building.

Proposed Funding for the Department of General Services

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$11,076	\$83,262	\$93,829	\$67,733	\$26,110	\$282,010
Workload Space Deficiencies	0	10,139	423,489	0	0	433,628
Total	\$11,076	\$93,401	\$517,318	\$67,733	\$26,110	\$715,638
Funding Source						
Existing GO Bonds	7,793	\$0	\$0	\$0	\$0	\$7,793
Proposed GO Bonds	0	80,642	73,442	67,733	26,110	247,927
Lease Revenue Bonds	0	10,139	423,489	0	0	433,628
Special Funds	3,139	2,505	19,766	0	0	25,410
Reimbursements	144	115	621	0	0	880
Total	\$11,076	\$93,401	\$517,318	\$67,733	\$26,110	\$715,638

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

The Business, Transportation and Housing (BTH) Agency encompasses 13 departments. These departments are responsible for ensuring the safety and soundness of state transportation systems, expanding and preserving safe affordable housing, and ensuring compliance with laws regulating various financial, managed health care, and real estate industries. Three departments in the BTH Agency identified future state-owned capital outlay needs and submitted five-year capital outlay plans:

- Department of Transportation
- California Highway Patrol
- Department of Motor Vehicles

DEPARTMENT OF TRANSPORTATION

The California Department of Transportation (Caltrans) is responsible, in cooperation with local governmental and regional governmental agencies, for the statewide transportation system, including highways, bridges, intercity rail, and transit systems. Caltrans employs some 22,000 staff to fulfill its responsibility for maintaining and improving the most extensive transportation system in the country, which is vital to the state's economy.

The highway system functions as California's transportation backbone for commuters and commerce, connecting all modes of transportation such as rail, transit, airports, and ports. The highway system also serves as a gateway to interstate and international transportation. Built over the last century, the State Highway System is estimated to be worth more than \$300 billion. Its use is estimated to increase from 164 billion annual vehicle miles traveled in 2000 to 207 billion annual vehicle miles traveled in 2010. The state's growing population and barriers to the development of roadways result in three areas—Los Angeles, San Francisco, and San Diego—that rank among the nation's ten most congested areas. The Sacramento and Central Valleys are also becoming more congested, as they are the fastest growing areas in the state. Barriers to the state's ability to improve the transportation system include the challenge of regional coordination and planning,

the increasing trend of commuters to live long distances from their jobs, keeping roadways functional during major construction projects, and local and environmental permitting issues.

Capital projects include construction of new highways, bridges, and rail and transit facilities, seismic retrofit of bridges, repair and reconstruction of existing highways, and acquisition and construction of transit facilities. Caltrans maintains and operates more than 50,000 miles of highway and freeway lanes in California and continues to build more miles.

Existing Facilities: Caltrans has over 7.4 million square feet (sf) of transportation-related facilities, including maintenance stations, roadside rest areas, equipment shops, commercial vehicle enforcement facilities (truck stops), materials laboratories that test sustainability of construction signage and safety, and Transportation Management Centers (TMCs) maintained and operated with the California Highway Patrol. There are thirteen main and satellite TMC facilities. In addition, Caltrans' office space inventory consists of 3.1 million sf (both state-owned and leased) of office-related facilities which house employees in Caltrans' 12 district office complexes, dispersed throughout the state.

Transportation Infrastructure Needs: Since the 1960s, travel on the state highway system has dramatically changed.

- Total registered vehicles increased from approximately 9 million in 1960 to over 30 million in 2005.
- Vehicle miles traveled annually in 1960 were 33.3 billion; today the total is 183.7 billion.

Daily vehicle hours of delay are projected to increase 35 percent from over 550,000 hours to more than 750,000 hours, over the next 10 years without increased investment.

In response to these conditions, the Business, Transportation, and Housing Agency and the Department of Transportation developed GoCalifornia and the Strategic Growth Plan (SGP), a mobility action plan designed, over a ten-year period, to decrease congestion, improve travel times, and increase safety. In addition to the Traffic Congestion Relief Plan and the seismic retrofitting of state-owned toll

bridges, the 2007 Plan reflects the passing of Proposition 1A, which helps protect the Proposition 42 transfer in the future and provides for repayment of any past suspension amount in annual increments by 2015-16. The 2007 Plan also reflects the passing of Proposition 1B, which provides for \$19.925 billion in bond funding for a wide range of transportation priorities.

State funding committed to projects and maintenance on local road and transit systems is also reflected in this plan. While a comprehensive needs assessment, integrating local and state systems, has not been performed, the five and ten-year plans do reflect the funding committed to regional and interregional plans developed for the State Transportation Improvement Program as well as the Traffic Congestion Relief Program. Additional information on both state and local needs and solution priorities will be developed through the implementation of the Proposition 1B bond programs.

The Strategic Growth Plan identifies \$104.3 billion over the next ten years in transportation funding as follows:

- \$30.4 billion for safety, maintenance, preservation, and operational improvements projects in the state highway operation and protection program, including \$750 million in Proposition 1B bond revenues, \$1 billion from Grant Anticipation Revenue Vehicle (GARVEE) bonds, and \$28.6 billion from other traditional state and federal sources.
- \$22.9 billion for capacity increasing projects in the state transportation improvement program projects, with \$2.0 billion from Proposition 1B bond funds, \$7.7 billion from Proposition 42 funding, \$1 billion from the use of design build, and \$12.1 billion from traditional state and federal funding sources.
- \$16.0 billion from public private partnerships for state and local capacity improvement projects.
- \$10.0 billion in federal funding earmarked for specific projects.
- \$5.0 billion for local transportation projects funded from local Measure A revenues.

- \$4.5 billion for improved mobility along major traffic corridors throughout the state.
- \$4.0 billion to fund improvements in local transit and intercity rail improvements/rolling stock from Proposition 1B bond revenues.
- \$2.0 billion to improve the state's trade infrastructure.
- \$2.0 billion to fund maintenance and rehabilitation of local streets and roads from Proposition 1B bond revenues.
- \$2.7 billion to fund remaining Traffic Congestion Relief Plan projects.
- \$1.0 billion to complete improvements along State Highway 99.
- \$1.0 billion for state and local partnership projects requiring a minimum one-to-one match of local measure funding.
- \$1.0 billion to fund transit security projects.
- \$1.0 billion to fund air quality improvements.
- \$250 million to fund grade separations.
- \$200 million to fund the retrofitting of school busses to produce cleaner emissions.
- \$125 million to pay the match for local entities to receive federal funds to complete the seismic retrofitting of locally-owned bridges.
- \$100 million to fund improvements in port security.

Five-Year Needs: Caltrans reports \$57.3 billion in transportation and office construction funding during the five-year period, primarily on the state system.

Funding Needs Reported by the Department of Transportation**(Highway and Transit)****(Dollars in Thousands)**

Program Needs	07/08	08/09	09/10	10/11	11/12	Total
Capital Outlay Funded with						
Non-Bond Sources	\$4,613,000	\$9,813,000	\$8,543,000	\$8,648,000	\$9,649,000	\$41,266,000
Traffic Congestion Relief Plan	684,000	83,000	83,000	83,000	83,000	1,016,000
Proposed Distribution of						
Bond Financing						
Corridor Mobility	373,000	838,000	1,282,000	1,177,000	452,000	4,122,000
Highway 99	33,000	52,000	116,000	241,000	68,000	510,000
Trade Infrastructure Projects	200,000	300,000	300,000	300,000	300,000	1,400,000
STIP Projects	400,000	338,000	480,000	480,000	40,000	1,738,000
SHOPP Projects	474,000	120,000	15,000	0	0	609,000
Intercity Rail Projects	0	175,000	130,000	95,000	0	400,000
Transit	600,000	350,000	350,000	350,000	324,000	1,974,000
State/Local Partnership	200,000	195,000	195,000	195,000	195,000	980,000
Local Seismic Retrofits	10,000	15,000	20,000	20,000	20,000	85,000
Grade Separations	65,000	70,000	70,000	20,000	20,000	245,000
Local Streets & Roads	600,000	300,000	150,000	130,000	130,000	1,310,000
School Bus Retrofit	100,000	96,000	4,000	0	0	200,000
Transit Security	40,000	90,000	156,667	190,000	206,666	683,333
Trade Infrastructure Air Quality	40,000	90,000	156,667	190,000	206,666	683,333
Port Security	50,000	48,000	2,000	0	0	100,000
Total	\$8,482,000	\$12,973,000	\$12,053,334	\$12,119,000	\$11,694,332	\$57,321,666

Office Infrastructure Needs: In addition to the \$57.3 billion for transportation improvements, Caltrans has requested \$66.4 million for the continuation of the Oakland Seismic Retrofit project. All future requests for office space will be submitted through the Department of General Services (DGS), as the responsible agency for managing state-owned office space.

**Funding Needs Reported by the Department of Transportation
(Non-highway and transit)**

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$62,337	\$0	\$0	\$0	\$0	\$62,337
Facility Infrastructure Modernizations	0	236	338	3,470	0	4,044
Total	\$62,337	\$236	\$338	\$3,470	\$0	\$66,381

Transportation Infrastructure Proposal: The 2007 Plan reflects \$57.3 billion for transportation improvements to meet transportation infrastructure needs over the next five years, including those identified in GoCalifornia and reflected in the SGP. The \$55.3 billion consists of \$46.8 billion in existing funding sources, \$8 billion in new funding from expanded use of public private partnerships, and \$0.5 billion in new funding from expanded use of design-build contracting. These expenditures will expand the state highway system capacity and reduce congestion, improve its safety, and work toward preserving the existing system. In addition, the funds will provide for expanded transit and rail systems, improve goods movement in the state's ports, and mitigate the environmental effects of those port-related projects.

The Plan will reduce congestion by an estimated 14.5 percent below today's levels while accommodating future transportation demands from growth in the population and the economy. This will be done both by deploying demand management strategies that change how and when people drive and by building new capacity to increase "throughput" in the system.

Goods movement and trade infrastructure are important components of both this Plan and the SGP and are a major focus for the Administration. At the same time, the negative environmental impacts from goods movement activities must be mitigated to ensure protection of public health. Improving the essential infrastructure needed to move goods from California's ports throughout the state with a focus on the entire "coast to border" system of facilities, including seaports, airports, railways, dedicated truck lanes, logistics centers, and border crossings, is important to the future of California.

In developing the SGP, it has become clear that setting aside enough debt capacity for high-speed rail would preclude bonds for virtually all other purposes. While high-

speed rail could eventually be shown to be a cost-effective piece of the state's long distance travel system, the benefits are not sufficient to outweigh the immediate needs included in the SGP. Therefore, the Administration is proposing to defer the High-Speed Rail bonds indefinitely and is willing to explore other project delivery approaches for the longer term.

Funding for the \$104.3 billion transportation infrastructure includes \$87 billion in existing transportation funding sources such as the gas tax, Proposition 42, federal funds, Proposition 1B, and local Measure revenues. A total of \$17 billion in new funding is proposed from public private partnerships and expanded use of design build.

While the bonds and the funds they can leverage will provide substantial congestion relief, state and local needs for maintenance, rehabilitation and operation cannot be adequately funded with currently available resources. State-owned distressed pavement has increased from roughly 21 percent of the total system in 2001 to 27 percent in 2006, and could increase to 40 percent by 2015-16 unless planned efforts to focus existing resources on pavement rehabilitation are undertaken. Even when these planned actions are implemented, however, about a third of the State Highway System will remain in distress unless additional resources are identified. Local street and road maintenance backlogs of many billions of dollars reportedly exist and are growing. The Department's State Highway Operations and Protection Program (SHOPP) does not have sufficient resources to adequately and effectively operate and preserve the State Highway System. Most of the funds in the bonds and Proposition 42 cannot be used for these purposes. Fuel tax revenues, which are the primary source of funding for these purposes, are likely to increase slowly or actually decline with the growing use of alternative fuels and increasing fuel efficiency in new vehicles. As the SGP is implemented, the Administration will work with interested parties and the Legislature to develop more information about the scope of the problem and long-term solutions.

Office Infrastructure Proposal: As reflected in the SPG, the 2007 Plan proposes \$66.4 million for the continuation of the Oakland Seismic Retrofit project.

Consistency with Chapter 1016, Statutes of 2002: Caltrans is exempt from Chapter 1016 by the Chapter's own terms.

Proposed Funding for the Department of Transportation

(Non-highway and transit)

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$62,337	\$0	\$0	\$0	\$0	\$62,337
Facility Infrastructure Modernization	0	236	338	3,470	0	4,044
Total	\$62,337	\$236	\$338	\$3,470	\$0	\$66,381
Funding Source						
Special Fund	\$62,337	\$236	\$338	\$3,470	\$0	\$66,381
Total	\$62,337	\$236	\$338	\$3,470	\$0	\$66,381

CALIFORNIA HIGHWAY PATROL

The California Highway Patrol (CHP) ensures the safe transportation of people and goods across the state highway system, and is responsible for protecting 104,000 miles of roadway. The CHP utilizes several types of office space which include field and division offices, headquarters space, and air operations facilities. The CHP also collocates with the Department of Motor Vehicles (DMV) in eight division offices and collocates with Caltrans at the Transportation Management Centers (TMC). Along with traffic enforcement, the CHP is responsible for operating special programs such as commercial vehicle inspection, vehicle theft investigations, multidisciplinary accident investigation teams, salvage vehicle inspection (which helps verify that salvaged vehicles do not contain stolen parts), canine narcotic enforcement, and homeland security.

Existing Facilities: Currently, the CHP occupies 1,697,059 square feet (sf) of facility space statewide, including the following:

- **Headquarters Facilities**—The headquarters facilities are located in Sacramento and West Sacramento and house the executive staff and general administrative support staff such as accounting, budgeting, and business services that support the division and area offices and communication centers.
- **CHP Academy**—The Academy is located in West Sacramento and provides training for cadets and officers. It consists of multiple classroom and training facilities in a campus configuration, as well as a road track for learning emergency driving skills, and other outdoor training structures.

- **Division Offices**—There are eight division offices throughout the state. These divisions are responsible for overseeing the area offices reporting to them. Many of the special programs are handled at the division level, such as commercial vehicle enforcement and vehicle theft deterrence programs.
- **Communication Centers**—The CHP has 25 communications centers. Communications centers are primarily responsible for dispatching officers engaged in road patrol activities. Many of these are collocated in area offices in rural areas and some are located in TMCs owned by Caltrans.
- **Area Offices**—The CHP has 102 area offices. These offices are primarily responsible for traffic management. Some area offices are collocated with the DMV and some contain communications centers.
- **Other Facilities**—The CHP has 37 Resident Posts, 16 Commercial Vehicle Inspection Facilities, and 8 Air Operations Facilities.

Drivers of Need: The department’s five-year plan focuses primarily on the area offices where the CHP identified the greatest operational needs and deficiencies due to overcrowding. The plan identifies various program factors stemming from legislative changes or other policy changes that have driven the need for larger offices, including:

Profiling Lawsuit—A court order that stems from a racial profiling lawsuit requires the department to keep records for ten years on all its traffic stops. Retention of such records increases the demand for storage space in current facilities.

Evidence Retention—The responsibility for evidence retention was transferred from the county courts to law enforcement agencies in the early 1980s. Evidence retention was changed from 90 days to up to four years after all legal actions are complete. Evidence rooms in many older area offices were not originally designed for evidence storage, are inadequately sized and often lack proper ventilation to allow for toxic substance handling. It is necessary to preserve the chain of custody for evidence to ensure that physical evidence is not altered or stolen from the time it was obtained until it is offered as evidence in a trial. CHP evidence facilities must include secured space for evidence retention that could range from illegal narcotics to stolen car parts.

Personnel Growth—CHP staff has increased from 8,525 positions in 1992 to the estimated 10,920 positions in 2006, a 28 percent increase. Most area offices have had to accommodate additional staff by reconfiguring existing space.

Female Officer Locker Rooms—Since 1974, when the CHP began hiring female officers, the department has had to retrofit area offices to provide additional locker room space to accommodate female officers. Additional retrofitting is needed. In some locations, the size or configuration of area offices makes it difficult or impossible to achieve this retrofitting.

Five-Year Needs: The CHP requested \$170.8 million for the five-year period. Of this amount, 97 percent represent critical infrastructure deficiencies. The CHP's five-year plan has identified a net need for an additional 892,451 sf in area offices and communication centers. Specifically, the CHP's requests include:

- \$8.1 million in 2007-08 to fund three continuing projects and one study.
- A total of \$162.7 million for out-year funding to address critical infrastructure deficiencies and modernization needs in the headquarters, area and division offices for the five-year period. These costs are based on conceptual estimates from the Department of General Services.

Funding Needs Reported by the California Highway Patrol

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$8,148	\$27,193	\$8,382	\$80,044	\$43,304	\$167,071
Facility/Infrastructure Modernization	0	204	253	3,253	0	3,710
Total	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781

Proposal: The 2007 Plan proposes \$170.8 million, including \$8.1 million for projects in 2007-08. The ability to fund a number of new replacement projects or lease purchases is a function of resources available in the Motor Vehicle Account (MVA), which also funds highway-related expenditures in other departments, including the DMV, the Department of Justice, the Air Resources Board, and others. MVA revenues are generated from driver's license fees and vehicle registration fees. While the account is projected to have a sizable fund balance at the end of 2007-08, out-year

pressures will require a significant utilization of this reserve. As a result, out-year capital funding requests by the CHP will be evaluated on a case-by-case basis as the forecasted balance of the MVA is further refined.

Consistency with Chapter 1016, Statutes of 2002: The CHP locates facilities based on programmatic need. Property acquisitions and leases will, where allowable per programmatic demands, follow the guidelines identified in Chapter 1016, Statutes of 2002.

Proposed Funding for the California Highway Patrol

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$8,148	\$27,193	\$8,382	\$80,044	\$43,304	\$167,071
Facility/Infrastructure Modernization	0	204	253	3,253	0	3,710
Total	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781
Funding Source						
Motor Vehicle Account	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781
Total	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781

DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (DMV) is responsible for protecting the public interest through licensing and regulating vehicle operators and owners. Specifically, the department:

- Enhances highway safety by increasing the competency of all drivers through instruction, testing, and licensing.
- Maintains driving records, both accidents and convictions, of licensed drivers.
- Protects property through registration and titling of vehicles and vessels.
- Protects the public through licensing and regulation of occupations and businesses related to the manufacture, transport, sale and disposal of vehicles.
- Establishes and secures the identity of licensed drivers and ID card holders.

DMV employees have significant contact with the public at customer service field offices and other smaller customer service spaces located in high-traffic public areas around the state.

Existing Facilities: The DMV has five categories of facilities—headquarters, field offices, Business Services Centers, Telephone Service Centers, and Driver Safety Offices. The DMV’s total statewide office inventory of 2.7 million sf is comprised of 217 buildings:

- 96 state-owned facilities (1.9 million sf)
- 109 leased facilities (869,196 sf)
- 8 facilities that are co-occupied with the California Highway Patrol (14,401 sf)
- 4 facilities that are co-occupied with the Department of General Services (13,788 sf)

Drivers of Need: Population growth has been the main driver of infrastructure need for the DMV. Population increases and movement across the state have driven demand for DMV services in areas that were not originally designed to accommodate such growth. Consequently, the DMV is providing effective alternative methods, such as Internet, private business partners, self-service terminals and mail services, to minimize the customer’s need to physically visit an office. For those customers who do enter a field office, the DMV plans to realign the various transactions by location and type in order to streamline the use of field office sites and mitigate the need for more space.

The customer realignment strategy works by maximizing the use of spaces for public access services and by creating separate locations for commercial or non-public programs, thereby increasing capacity for public field office services. These locations will be aligned into various service centers based on programmatic drivers, such as Telephone Service Centers, Business Service Centers and Driver Safety Offices.

The Driver Safety Office realignment, for example, stems from caseload and service location pressures. Driver Safety caseloads for physical and mental (P&M) cases have increased on average over 5 percent each year for the last 5 years. P&M

cases deal with competency testing for those that demonstrate mental and physical deficiencies. As a result of this caseload growth, current facilities that share space with a Driver Safety Office are becoming more crowded at an increasing rate. Additionally, all P&M residents from northern California must appear in person at the Sacramento Driver Safety Office. The DMV calculates that 1 million miles driven in one roundtrip by the approximately 4,100 participants in the Northern California P&M group, significantly increases the risk of accidents to other drivers in the area. To help mitigate this problem, the DMV plans to divide the Sacramento Driver Safety Office and create offices in Redding and Stockton through new leased space. These sites will significantly reduce the drive time of those individuals in the Northern California P&M group. Consequently, the removal of Driver Safety Offices from other field office locations increases safety and enhances DMV service for all California drivers.

Additionally, the DMV's customer realignment involves removing commercial services from field offices and consolidating them into centralized Business Service Centers. Business Service Centers can be relocated in conventional office space, which is less costly than field office space. Field office space typically requires a complex floor plan and a sizeable lot for program testing and customer parking in a desirable area, whereas conventional office space can be configured simply and located virtually anywhere. The DMV will also begin combining the nine Telephone Service Centers dispersed throughout the state into three centralized locations to achieve operational economies of scale and utilize vacated field office space.

The Real ID Act will potentially have the largest single impact on DMV facilities in the near term. The Real ID Act is a federal law that establishes new standards for driver's licenses and ID cards accepted by federal agencies. These new identification cards will be the only form of valid state ID for travel and other activities. The goal of Real ID is to create additional standards to verify a person's identity and legal presence. Over 2.5 million customers who currently renew driver licenses through the mail or over the Internet, and 6.1 million customers applying for an original or duplicate driver license/identification card will be required to obtain a federally compliant ID at a public field office between 2008 and 2013 under this Act. In addition, the Real ID transactions are expected to be more complex and time consuming. As a result, the implementation of Real ID will generate additional infrastructure requirements as the volume and complexity of customer transactions increase. The infrastructure need

is a result of studies prepared by the Department of General Services which includes an inventory of functional, mechanical, electrical, and structural inadequacies in the existing facilities.

Five-Year Needs: The DMV has requested \$154.1 million for the five-year period. Of this amount, approximately 77 percent of the request represents critical infrastructure deficiencies and 23 percent represents workload space deficiencies. The five-year need for leased space is an additional \$9.6 million.

The 2007 Plan identifies a total space need of 373,000 sf. This need is offset by proposed lease space projects of approximately 223,000 sf. This results in a net need for 149,820 sf of state-owned office space. The DMV's request includes \$91.1 million to fund one continuing project in 2007 for the Sacramento headquarters and three field office reconfiguration projects. Additionally, the DMV plans to reconfigure or reconstruct 10 buildings, replace 6 field offices, and enter into 17 new lease agreements to meet needs through 2011-12.

Funding Needs Reported by the Department of Motor Vehicles

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$86,215	\$11,797	\$520	\$15,799	\$3,796	\$118,127
Workload Space Deficiencies	4,864	16,038	12,989	2,113	0	36,004
Total	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131

Proposal: The 2007 Plan proposes \$154.1 million for years 2007-08 through 2011-12 to address infrastructure needs. Future funding beyond the budget year consists of various office reconstruction projects and replacements to remedy workload and infrastructure deficiencies.

Funding is primarily dependent upon the availability of Motor Vehicle Account funds, which are derived from driver's license fees. The State Highway Account and Motor Vehicle License Fee Account also contribute funds for DMV projects. The California Highway Patrol and the Department of Transportation draw from these funds as well, such that agency competition for funds, along with increasing construction costs, puts increasing pressure on these funds. As a result, critical infrastructure

and workload space deficiency projects will be evaluated on a case-by-case basis in future budget years as the balance of the MVA is further refined.

Consistency with Chapter 1016, Statutes of 2002: The DMV locates facilities based on programmatic need. Property acquisitions and leases will, where allowable per programmatic demands, follow the guidelines identified in Chapter 1016, Statutes of 2002.

Proposed Funding for the Department of Motor Vehicles

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$86,215	\$11,797	\$520	\$15,799	\$3,796	\$118,127
Workload Space Deficiencies	4,864	16,038	12,989	2,113	0	36,004
Total	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131
Funding Source						
Special Funds	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131
Total	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131

RESOURCES AGENCY

The Resources Agency is responsible for the conservation, enhancement, and management of California's rich and diverse natural resources, including land, water, wildlife, parks, minerals, and historic sites. These resources provide not only raw materials for the state's economy, but are essential to the quality of life enjoyed by Californians. They define the condition of our natural environment and are vital to our tourism industry. The Resources Agency is comprised of more than 30 departments, boards, conservancies, and commissions. The following 16 entities reported capital outlay needs:

- California Conservation Corps
- Department of Forestry and Fire Protection
- State Lands Commission
- Department of Fish and Game
- Department of Boating and Waterways
- Department of Parks and Recreation
- Wildlife Conservation Board
- Baldwin Hills Conservancy
- California Tahoe Conservancy
- Coachella Valley Mountains Conservancy
- San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy
- San Joaquin River Conservancy
- Santa Monica Mountains Conservancy
- State Coastal Conservancy
- San Diego River Conservancy
- Department of Water Resources

In 2000 and 2002, the state's voters approved a series of bonds to protect and enhance the state's natural resources. Collectively, Propositions 12, 13, 40, and 50 have provided a total of \$10.1 billion to state agencies, local governments, and non-profit organizations for the preservation, restoration, and enhancement of California's natural resources. A substantial portion of these funds was used for the acquisition of large amounts of sensitive habitat and other culturally significant lands. For example, various Resources Agency departments have acquired almost 900,000 acres of land between 2000 and 2005. Most of the funding provided by these bonds

has now been spent or allocated to specific projects and programs, and relatively little remains.

In November 2006, California's voters approved a landmark bond measure package, including new funding from Propositions 84 and 1E, which provides significant funding for Resources Agency projects. These bond measures provide a total of \$9.5 billion (\$5.4 billion and \$4.1 billion respectively) in general obligation bonds to fund various water, flood control, natural resources, park, and conservation projects over the course of several years.

Propositions 84 and 1E provide a total of \$5.6 billion (\$1.5 billion and \$4.1 billion respectively) specifically for flood control and storm water management projects, including \$3 billion for flood control projects and levee evaluation and repairs in the Central Valley State Plan of Flood Control and the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta).

Although these bond measures provide significant amounts of funding, two critical areas remain unaddressed that are vital to ensuring California has reliable water supplies and is able to cope with the effects of population growth and climate change on water supply and flood protection: storage and conveyance. California must enhance its water management and delivery system, including surface storage, groundwater storage, and conveyance facilities to improve the reliability of our water supply in the face of natural disasters resulting from global warming and earthquakes and to accommodate population growth. The SGP proposes a total of \$5.95 billion through 2016 for water storage and conveyance. Of this amount, proposed general obligation bonds will provide \$3.95 billion and revenue bonds will provide \$2.0 billion.

The SGP funding includes \$4.5 billion for water storage (\$2.5 billion general obligation and \$2.0 billion revenue bonds), \$1.0 billion general obligation bonds for delta sustainability, \$250 million general obligation bonds for water resources stewardship, and \$200 million general obligation bonds for water conservation programs.

Because portions of the proposed new bonds for SGP, Proposition 84, and Proposition 1E will be used for local assistance projects and program support funding, which are technically not capital outlay, the detailed expenditure of Propositions 84 and 1E is not fully reflected in the 2007 Plan. However, since the state

is responsible for repaying the bonds, the full debt service costs are reflected in the affordability analysis in Section 5 of this plan.

The 2007 Plan proposes a total of \$3.6 billion for Resources Agency infrastructure needs, including \$783.3 million in new general obligation bonds proposed in the SGP, \$1.2 billion from Proposition 84, and \$733.9 million from Proposition 1E funds over five years to continue the momentum of investing to protect and manage California's resources. Furthermore, the 2007 Plan also proposes the expenditure of remaining bond fund balances from Propositions 12, 13, 40, and 50, as well as \$598.8 million in lease-revenue bond funds and \$172.7 million from other existing fund sources.

CONSERVANCIES

State Conservancies and the Wildlife Conservation Board: The state conservancies and the Wildlife Conservation Board acquire and preserve land for the protection, enhancement, preservation, and restoration of sensitive landscapes, wildlife and habitat areas, and public recreation areas. The Wildlife Conservation Board primarily acts as a purchasing agent for the Department of Fish and Game.

The **State Coastal Conservancy** (SCC) works with landowners, local governments, private industry, and non-profit conservation organizations to implement the state's Coastal Management Program through non-regulatory means. Established in 1976, the SCC acquires land and easements and provides project grant funds and technical assistance through its coastal resource enhancement and development programs. The SCC has undertaken close to 1,200 projects along the 1,100-mile California coast. Over the past five years, the SCC has provided funding for the acquisition of over 189,000 acres of coastal lands in fee and easements. Additionally, the SCC was assigned primary responsibility for administering the state's Ocean Protection Program in 2005.

The **Wildlife Conservation Board** (WCB) was established in 1947 to acquire lands on behalf of the Department of Fish and Game, which manages the properties for recreational and preservation purposes. Today, the WCB also assists local governments and state conservancies through grants and cooperative agreements to preserve riparian and wetland habitats and public access through the construction

of fishing piers, boat ramps, and wildlife viewing areas. The WCB administers eight programs for wildlife conservation and related public recreation:

- Land Acquisition Program
- Public Access Program
- Habitat Enhancement and Restoration Program
- Inland Wetlands Conservation Program
- California Riparian Habitat Conservation Program
- Natural Heritage Preservation Tax Credit Program
- Oak Woodlands Conservation Program
- Rangeland, Grazing Land and Grassland Protection Program

Between January 2000 and December 2006, the WCB allocated more than \$1.4 billion for acquisition, restoration, and public access projects. During the same period, the WCB protected over 675,000 acres of land to preserve and provide critical habitat for a host of wildlife, fish and plant species, restored approximately 145,000 acres of riparian and wetland habitats, and developed over 80 public access projects. The WCB has been particularly successful in developing partnerships, leveraging over \$1.1 billion from various funding partners to provide additional wildlife benefits for all the citizens of California.

The **California Tahoe Conservancy** (CTC) began operations in 1985 and manages programs to help protect Lake Tahoe's water quality and conserve wildlife habitat, watershed areas, and public access on the California side of the Lake Tahoe basin. Lake Tahoe is a unique resource combining 72 miles of shoreline and a surrounding ecosystem that supports more than 260 wildlife species with a growing urban population and multi billion dollar annual economy. In 1997, California joined Nevada, the federal government, the Tahoe Regional Planning Agency (TRPA), local governments, and various private entities to implement the Lake Tahoe Environmental Improvement Program (EIP).

The EIP represents a collaborative approach toward meeting environmental and public access goals at Lake Tahoe. The initial ten-year period (1998-99 through 2007-

08) focuses on the most critical and urgent needs totaling \$908 million. The partners have formally agreed to a cost-share arrangement to ensure the goals of the plan are met. California's share is \$275 million, including \$207 million committed by the CTC.

The CTC will have continued project responsibilities under the EIP. The EIP will be updated periodically in order to include more refined estimates of project costs, modifications in the scope of identified projects, and the inclusion of new projects. The EIP was last updated in 2001, with the next EIP update scheduled in conjunction with the preparation of an updated regional plan by TRPA in 2007.

The **Santa Monica Mountains Conservancy (SMMC)** works with the state and local governments, federal agencies, and various partnerships to secure open space and parkland within the 645,000-acre Santa Monica Mountains zone and the Rim of the Valley Trail Corridor. Acquisitions are made in accordance with the objectives of the Santa Monica Mountains Comprehensive Plan, the Rim of the Valley Trails Corridor Master Plan, the Los Angeles County River Master Plan, and the San Gabriel and Los Angeles River Watershed and Open Space Plan ("Common Ground"). Since its creation in 1979, the SMMC has, either through direct acquisition or local assistance grants, protected over 65,000 acres of open space and administered hundreds of public access and restoration projects.

The **Coachella Valley Mountains Conservancy (CVMC)** acquires and holds in trust open space within the Coachella Valley and the mountainous lands surrounding the valley for the public's enjoyment and use consistent with the protection of cultural, scientific, scenic, and wildlife resources. This unique region encompasses desert terrain at sea level bordered by the Santa Rosa and San Jacinto mountains, which rise to altitudes of up to 10,800 feet. This rapid rise creates alpine environments in the highlands bordering the dry desert plains, creating a variety of distinctive animal and plant habitats within one geographic region. Since its creation in 1990, the CVMC has acquired 4,619 acres for preservation. In addition, the CVMC has made grants to support the acquisition of an additional 25,374 acres by other entities.

The **San Joaquin River Conservancy (SJRC)** was created in 1992 to develop, operate, and maintain the San Joaquin River Parkway, which will eventually encompass 5,900 acres on both sides of the San Joaquin River from Friant Dam to Highway 99 in Fresno County. The SJRC is responsible for sustaining a program of habitat

conservation and restoration, creating public access and recreation opportunities, and preserving the cultural assets and other historical resources of the region. To date, 2,218 acres have been acquired.

The **Baldwin Hills Conservancy (BHC)** was established in 2000 to acquire open space and manage public lands within the Baldwin Hills area of urban Los Angeles County for the expansion of Kenneth Hahn State Recreation Area from a 470-acre park unit into a 1,400-acre natural open space and outdoor recreation facility. To date, the BHC's acquisition program has increased the acreage to 625, representing a 33 percent increase in public land in the Baldwin Hills. Additionally, the BHC has authorized funding for 19 projects in the territory to provide recreation, restoration, and protection of wildlife habitat for the public's enjoyment and educational experience. The BHC works with surrounding communities, local governments, and state and county park districts to expand the area's public land holdings in accordance with the Baldwin Hills Park Master Plan. Although much of the region has been developed for private oil drilling, the BHC works in partnership with the private owners to create willing sellers for acquisition and restoration of the private lands into natural open space and recreational uses.

The **San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy** was established in 1999 to acquire and manage lands in the San Gabriel and Lower Los Angeles rivers watershed, the San Gabriel Mountains, and portions of the Santa Ana River watershed. This conservancy is also responsible for undertaking projects focusing on open space, low impact recreation and educational uses, water conservation, watershed improvements, and wildlife and habitat restoration and protection. In order to accomplish this mission, the Conservancy works with federal, state, and local agencies involved in watershed protection and enhancement in the region, including all 68 cities and a number of non-profit and stakeholder organizations. To date, this conservancy has authorized funding for over 129 projects and has an unfunded work program list of approximately 400 projects totaling over \$450 million.

The **San Diego River Conservancy (SDRC)** was created in 2003 to acquire and manage public lands within the San Diego River Area, and to provide recreational opportunities, open space, wildlife habitat, species protection, wetland protection and restoration, and protection and maintenance of the quality of the San Diego

River. The SDRC also provides an enhanced recreational and educational experience on public lands for the public's benefit in a manner that protects the land, natural resources, and the economic resources of the area. The SDRC has yet to start its capital outlay program; the 2007-08 fiscal year will be the first year that the SDRC will receive funding for capital programs.

The **Sierra Nevada Conservancy** (SNC) was created in 2005 to initiate, encourage, and support efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region. The SNC does not have a capital outlay plan because it will achieve its mission through its local assistance programs.

Drivers of Need: The state conservancies' capital requirements and processes are driven by public policy efforts to strike a balance between economic development, population expansion, wildland ecosystem preservation, open-space protection, and public recreational opportunities. Statewide entities, such as the SCC and the WCB, have broader mandates to acquire lands and easements that can provide more expansive access to and protection of wildlands or coastal regions. Regional conservancies focus on acquisition and restoration of lands within their statutorily established regions.

Five-Year Needs: In total, the state conservancies identified \$1.5 billion over the next five years in infrastructure needs, primarily for land acquisitions and environmental restorations. It should be noted that the funding needs for the state conservancies were submitted prior to the passage of Proposition 84. For this reason, in 2008-09 the proposed funding for the Santa Monica Mountains Conservancy exceeds the amount requested because of the availability of the Proposition 84 funds.

Funding Needs Reported by the State Conservancies

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and						
Restoration	\$259,089	\$293,252	\$272,302	\$209,897	\$191,842	\$1,226,382
Public Access and Recreation	101,337	90,129	52,800	29,215	17,465	290,946
Total	\$360,426	\$383,381	\$325,102	\$239,112	\$209,307	\$1,517,328

**Funding Needs Reported by the State Conservancies
by Department**

Department	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
California Tahoe Conservancy	\$16,519	\$16,481	\$16,481	\$16,481	\$16,481	\$82,443
Wildlife Conservation Board	140,848	108,500	108,000	93,765	82,809	533,922
State Coastal Conservancy	130,737	116,749	79,470	31,725	18,265	376,946
Santa Monica Mntns Conservancy	17,013	12,010	12,010	12,010	12,010	65,053
San Gabriel/Lower LA River	25,000	30,000	30,000	30,000	30,000	145,000
San Joaquin River Conservancy	12,000	13,799	13,799	9,389	3,000	51,987
Baldwin Hills Conservancy	4,050	20,000	20,000	20,000	21,000	85,050
San Diego River Conservancy	2,745	41,100	20,600	0	0	64,445
Coachella Valley Mntns Conservancy	11,514	24,742	24,742	25,742	25,742	112,482
Total	\$360,426	\$383,381	\$325,102	\$239,112	\$209,307	\$1,517,328

Proposal: The following chart shows the proposed funding levels in the 2007 Plan for the state conservancies, totaling \$1.1 billion. The funding will come from Proposition 12 and 84 funds and available special funds. This Plan does not include carryover and reappropriation funding.

Proposition 84 was passed by the voters in November 2006. It provides approximately \$1.1 billion for the state conservancies. In recent years, other general obligation bond funds were also approved by the voters. Proposition 12 made \$620.9 million available to the state conservancies, Proposition 40 provided \$745.0 million, and Proposition 50 allocated \$1.2 billion. Proposition 12, 40, and 50 funds were fully appropriated by 2006-07. However, because these funds are for long-term projects and acquisitions, nearly \$725.0 million remains available for expenditure in the form of carryover funding and reappropriations. These funds are

not included in the funding needs or proposed funding sections of the 2007 Plan, which displays only new appropriations.

**Proposed Funding for the State Conservancies
by Category**

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and						
Restoration	\$259,089	\$194,893	\$186,743	\$116,707	\$93,746	\$851,178
Public Access and Recreation	101,337	88,929	52,100	27,865	15,965	286,196
Total	\$360,426	\$283,822	\$238,843	\$144,572	\$109,711	\$1,137,374
Funding Source						
Special Funds	\$28,001	\$27,979	\$27,979	\$27,979	\$27,979	\$139,917
Federal Funds	2,000	2,000	2,000	2,000	2,000	10,000
GO Bonds	325,185	248,603	203,624	108,353	73,492	959,257
Reimbursements	5,240	5,240	5,240	6,240	6,240	28,200
Total	\$360,426	\$283,822	\$238,843	\$144,572	\$109,711	\$1,137,374

**Proposed Funding for the State Conservancies
by Department**

(Dollars in Thousands)						
Department	07/08	08/09	09/10	10/11	11/12	Total
California Tahoe Conservancy	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
Wildlife Conservation Board	140,848	107,500	107,500	93,265	82,309	531,422
State Coastal Conservancy	130,737	116,749	79,470	31,725	18,265	376,946
Santa Monica Mtns Conservancy	17,013	17,010	11,310	5,950	10	51,293
San Gabriel/Lower LA River	25,000	8,000	6,000	4,100	3,618	46,718
San Joaquin River Conservancy	12,000	12,000	12,000	6,023	2,000	44,023
Baldwin Hills Conservancy	4,050	4,050	4,050	1,000	1,000	14,150
San Deigo River Conservancy	2,745	5,490	5,490	0	0	13,725
Coachella Valley Mtns Conservancy	11,514	11,514	11,514	1,000	1,000	36,542
Total	\$360,426	\$283,822	\$238,843	\$144,572	\$109,711	\$1,137,374

Details of the individual conservancies' needs and funding are provided below:

The **State Coastal Conservancy** (SCC) has developed its infrastructure plan based on an extensive assessment of programmatic needs that correspond to major goals contained in its strategic plan, updated in 2003. Using experience with

previous projects both completed and in various phases of development, the SCC established criteria with which to prioritize programs and projects of significant merit. Based on revised estimates of program capital needs, the SCC reports a five-year funding requirement of \$376.9 million needed for public access, development of the 1,100-mile California Coastal Trail, enhancement of wetlands, watersheds and riparian areas, coastal agricultural preservation, coastal restoration, urban waterfronts, and assistance to nonprofit agencies.

Funding Needs Reported by the State Coastal Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$33,900	\$32,320	\$31,870	\$7,360	\$5,300	\$110,750
Public Access and Recreation	96,837	84,429	47,600	24,365	12,965	266,196
Total	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946

Proposal: The 2007 Plan proposes \$376.9 million for the SCC consistent with the available Habitat Conservation Fund, Proposition 12, and Proposition 84 funds.

The SCC has identified funding from Proposition 84 and the Habitat Conservation Fund for restoration and enhancement of the natural environment and scenic lands, development of public access, and protection of agricultural lands. Funds will also support education programs on coastal resources for kindergarten through grade 12, restoration of watershed and ocean resources to improve water quality and improve habitat values, and restoration of urban waterfronts to increase tourism and public access. Proposition 84 funds will also be used by the Ocean Protection Council to implement its strategic plan, the Marine Life Protection Act, and the Marine Life Management Act.

Proposed Funding for the State Coastal Conservancy

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$33,900	\$32,320	\$31,870	\$7,360	\$5,300	\$110,750
Public Access and Recreation	96,837	84,429	47,600	24,365	12,965	266,196
Total	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946
Funding Source						
Special Fund	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$24,500
Federal Funds	2,000	2,000	2,000	2,000	2,000	10,000
Reimbursements	1,800	1,800	1,800	1,800	1,800	9,000
GO Bonds	122,037	108,049	70,770	23,025	9,565	333,446
Total	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946

The **Wildlife Conservation Board's** (WCB) five-year plan is based on an assessment of the capital outlay needs and projects planned under eight existing statewide programs, plus the addition of a new program, the Forest Conservation Program, that will be developed in the spring of 2007 as a result of the passage of Proposition 84. Major program areas include acquisition and restoration of wildlife habitat, including areas such as large wildlife corridors and landscapes, riparian, wetland and fishery habitats, removal of invasive species, and development of wildlife-oriented public access facilities. Other program areas involve the protection of grazing, oak woodlands, grasslands and working forest areas through conservation easements.

The WCB currently has an anticipated funding need of \$533.9 million dollars over the next five years. This is based on conservative workload estimates. Over the past five years, the WCB has delivered over \$1.1 billion dollars in projects.

Funding Needs Reported by the Wildlife Conservation Board

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and						
Restoration	\$139,848	\$106,500	\$106,500	\$92,265	\$81,309	\$526,422
Public Access and Recreation	1,000	2,000	1,500	1,500	1,500	7,500
Total	\$140,848	\$108,500	\$108,000	\$93,765	\$82,809	\$533,922

Proposal: The 2007 Plan proposes \$531.4 million in funding over the next five years.

The WCB anticipates implementing its infrastructure plan based on production levels similar to the early 2000s that saw the passage of three major bond initiatives, Propositions 12, 40, and 50. Workload is based on identification of projects under existing and proposed programs, developed through conservation plans and similar habitat protection and restoration planning efforts either completed, underway, or anticipated to occur over the next five years. Proposition 84 funds and the Habitat Conservation Fund will be the two major funding sources for the WCB to implement its programs.

Proposed Funding for the Wildlife Conservation Board

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and						
Restoration	\$139,848	\$106,500	\$106,500	\$92,265	\$81,309	\$526,422
Public Access and Recreation	1,000	1,000	1,000	1,000	1,000	5,000
Total	\$140,848	\$107,500	\$107,500	\$93,265	\$82,309	\$531,422
Funding Source						
Special Fund	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$110,000
GO Bonds	118,848	85,500	85,500	71,265	60,309	421,422
Total	\$140,848	\$107,500	\$107,500	\$93,265	\$82,309	\$531,422

The **California Tahoe Conservancy** (CTC) identified infrastructure needs of \$82.4 million based on its Environmental Improvement Plan (EIP) commitment over the next five years. This level of funding could result in the acquisition of up to 35 acres of environmentally sensitive lands, the enhancement or restoration of up to 1,300 acres of wetlands, watershed lands and habitat areas, enhancement or

restoration of up to 15 miles of degraded stream environments, and the addition of up to 7,500 feet of lakefront to public ownership. These actions will enhance access and recreation opportunities for up to 200 acres, including up to 10 miles of trails.

Funding Needs Reported by the California Tahoe Conservancy

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$16,519	\$16,481	\$16,481	\$16,481	\$16,481	\$82,443
Total	\$16,519	\$16,481	\$16,481	\$16,481	\$16,481	\$82,443

Proposal: The 2007 Plan proposes \$22.6 million for the CTC for its identified infrastructure needs. These amounts are available through Proposition 84 funds, as well as dedicated funding available from the sale of the Lake Tahoe license plate, reimbursements, and the Habitat Conservation Fund.

Proposed Funding for the California Tahoe Conservancy

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
Total	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
Funding Source						
Special Fund	\$1,088	\$1,069	\$1,069	\$1,069	\$1,069	\$5,364
GO Bonds	14,991	0	0	0	0	14,991
Reimbursements	440	440	440	440	440	2,200
Total	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555

The **Santa Monica Mountains Conservancy** (SMMC) based its estimated need of \$65.0 million on the implementation of the goals and objectives in the Santa Monica Mountains Comprehensive Plan, the Rim of the Valley Trail Corridor Master Plan, the San Gabriel and Los Angeles Rivers Watershed and Open Space Plan, and its adopted Land Acquisition and Park Improvements Work Programs. In short, the SMMC's plan envisions the preservation of open space within its region and the completion of trails and public access amenities. The requested level of funding would allow the SMMC to purchase from 7,500 to 30,000 acres of identified

properties out of the 120,000 acres of land within its zone that may be available for purchase over the next five years.

Based on the lowest price per acre it has paid within the zone (\$5,000), the SMMC anticipates that acquisition of all 120,000 acres would cost at least \$600 million. However, given that much of this land is still available for development, the SMMC projects that land values could approach \$20,000 per acre within this five-year period.

Funding Needs Reported by the Santa Monica Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$17,013	\$12,010	\$12,010	\$12,010	\$12,010	\$65,053
Total	\$17,013	\$12,010	\$12,010	\$12,010	\$12,010	\$65,053

Proposal: The 2007 Plan proposes \$51.3 million for the SMMC to preserve open space within its region and complete trails and public access amenities. Because of limited General Fund resources, the SMMC capital outlay program funding will rely on Proposition 84 funds and the Santa Monica Mountains Conservancy Fund.

Proposed Funding for the Santa Monica Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$17,013	\$17,010	\$11,310	\$5,950	\$10	\$51,293
Total	\$17,013	\$17,010	\$11,310	\$5,950	\$10	\$51,293
Funding Source						
GO Bonds	\$17,000	\$17,000	\$11,300	\$5,940	\$0	\$51,240
Special Funds	13	10	10	10	10	53
Total	\$17,013	\$17,010	\$11,310	\$5,950	\$10	\$51,293

The **Coachella Valley Mountains Conservancy (CVMC)** estimates \$112.5 million in acquisition needs over the next five years. Under the CVMC Five-Year Capital Outlay Plan, the Conservancy proposes acquiring approximately 12,160 acres of mountainous lands and approximately 8,232 acres of natural community conservation lands over the next five years to implement its mission. The acquisition of the natural community conservation lands reflects an appropriate share of the

state's commitment under the Coachella Valley Natural Community Conservation Plan, expected to be approved in late 2007.

Funding Needs Reported by the Coachella Valley Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$11,514	\$24,742	\$24,742	\$25,742	\$25,742	\$112,482
Total	\$11,514	\$24,742	\$24,742	\$25,742	\$25,742	\$112,482

Proposal: The 2007 Plan proposes \$11.5 million in Proposition 84 funds for each of the next three years, commencing in 2007-08. This will meet a portion of the identified needs. Beginning in 2010-11, because of limited General Fund resources and the absence of any remaining bond funds for appropriation to the CVMV, capital outlay program funding will rely on reimbursements secured through other state, federal, or non-governmental agencies.

Proposed Funding for the Coachella Valley Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542
Total	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542
Funding Source						
GO Bonds	\$11,514	\$11,514	\$11,514	\$0	\$0	\$34,542
Reimbursements	0	0	0	1,000	1,000	2,000
Total	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542

The **San Joaquin River Conservancy (SJRC)** anticipates a total of \$52.0 million in infrastructure needs for the San Joaquin River Parkway over the next five years. Of that amount, it is estimated that \$34.7 million will be required to meet acquisition needs in the next five years based on appraised values and per acre costs associated with recent acquisitions. Given the comparatively small area that the SJRC is authorized to protect, acquisition possibilities are limited to 2,432 acres remaining under private ownership. The SJRC is currently evaluating over 1,100 acres offered by willing sellers. With respect to habitat restoration, the estimated need is

\$7.8 million over the next five years. Public access, recreation, and education capital improvement needs are estimated at \$9.5 million.

Funding Needs Reported by the San Joaquin River Conservancy

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$8,500	\$10,099	\$10,099	\$6,039	\$0	\$34,737
Public Access and Recreation	3,500	3,700	3,700	3,350	3,000	17,250
Total	\$12,000	\$13,799	\$13,799	\$9,389	\$3,000	\$51,987

Proposal: The 2007 Plan proposes \$34.0 million in Proposition 84 funds and \$10.0 million in reimbursement authority to the SJRC for restoration, public access, and recreation projects. The proposed reimbursement authority reflects potential funding opportunities available to the SJRC through work performed for the Department of Transportation, Department of Water Resources, and other agencies.

Proposed Funding for the San Joaquin River Conservancy

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$8,500	\$8,500	\$8,500	\$3,523	\$0	\$29,023
Public Access and Recreation	3,500	3,500	3,500	2,500	2,000	15,000
Total	\$12,000	\$12,000	\$12,000	\$6,023	\$2,000	\$44,023
Funding Source						
GO Bonds	\$10,000	\$10,000	\$10,000	\$4,023	\$0	\$34,023
Reimbursements	2,000	2,000	2,000	2,000	2,000	10,000
Total	\$12,000	\$12,000	\$12,000	\$6,023	\$2,000	\$44,023

The **Baldwin Hills Conservancy** (BHC) has targeted the acquisition of 637 acres that are currently under private ownership. The total estimated value of this land could be as high as \$100 million based on an appraisal study conducted by the State Lands Commission. The costs of necessary capital improvements are generally unknown at this time. As a starting point, access improvements for 18 identified projects have

been estimated at approximately \$23.0 million. Of the total \$123.0 million in identified needs, the BHC has requested an allocation of \$85.0 million over the next five years.

Funding Needs Reported by the Baldwin Hills Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$4,050	\$20,000	\$20,000	\$20,000	\$21,000	\$85,050
Total	\$4,050	\$20,000	\$20,000	\$20,000	\$21,000	\$85,050

Proposal: The 2007 Plan proposes a total of \$9.2 million in Proposition 84 funds and \$5.0 million in reimbursement authority. Beginning in 2010-11, because of limited General Fund resources and the absence of any remaining bond funds for appropriation to the BHC, capital outlay program funding will rely on reimbursements secured through other state, federal, or non-governmental agencies. The BHC currently has \$1 million in reimbursement authority annually, which it is authorized to expend for acquisition and restoration projects.

Proposed Funding for the Baldwin Hills Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150
Total	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150
Funding Source						
GO Bonds	\$3,050	\$3,050	\$3,050	\$0	\$0	\$9,150
Reimbursements	1,000	1,000	1,000	1,000	1,000	5,000
Total	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150

The **San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy** has identified \$145.0 million in funding needs for acquisition and restoration opportunities within the region. The Conservancy's funding needs are significantly higher than its funding needs included in the 2006 Five-Year Infrastructure Plan due to an increase of the number of potential projects identified by the Conservancy and higher project costs. These opportunities and projects are articulated in several of the Conservancy's plans, and include projects related to creating, expanding, and improving public open space throughout the region, improving habitat

quality, quantity, and connectivity, and connecting open space with a network of environmentally appropriate trails.

Funding Needs Reported by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$145,000
Total	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$145,000

Proposal: The 2007 Plan proposes \$46.7 million in Proposition 84 funds over a five-year period to meet the Conservancy's acquisition and restoration needs. The Plan does not include a reappropriation of \$12.7 million in Proposition 40 funds contained in the 2007-08 Governor's Budget.

Proposed Funding for the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Environmental Acquisitions and Restoration	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
Total	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
Funding Source						
GO Bonds	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
Total	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718

The **San Diego River Conservancy** adopted its first Five-Year Strategic and Infrastructure Plan in March 2006. The Plan describes current resource allocations to the SDRC, public needs served by the SDRC, policies and principles, and the recommended future course of the Conservancy's efforts. The Plan also identifies \$64.4 million in funding needs for conservation, recreation, education, natural and cultural resources preservation and restoration, and water quality and natural flood conveyance projects.

Funding Needs Reported by the San Diego River Conservancy

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$2,745	\$41,100	\$20,600	\$0	\$0	\$64,445
Total	\$2,745	\$41,100	\$20,600	\$0	\$0	\$64,445

Proposal: The 2007 Plan proposes \$13.7 million in Proposition 84 funds for urban greening projects that will reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits. This plan only proposes funding from 2007-08 through 2009-2010 because the SDRC is scheduled to sunset on January 1, 2010, pursuant to existing statute.

Proposed Funding for the San Diego River Conservancy

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Acquisitions and Restoration	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
Total	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
Funding Source						
GO Bonds	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
Total	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725

Consistency with Chapter 1016, Statutes of 2002: The state conservancies' and the WCB's proposals take into consideration two of the three planning provisions of Chapter 1016, Statutes of 2002. First, their proposals address environmental resources protection. The state conservancies and the WCB have proposed plans intended to protect, restore, and enhance wetlands, watersheds, and coastal areas, as well as wildlife habitats and wildland areas. Second, they have identified opportunities to open and improve recreational lands and trails, and develop public access for the public to use and experience the state's natural environment. Many of these recreation areas are within or near urban communities, addressing the planning priorities of building within existing areas appropriately planned for growth.

The statute's priorities relative to infill development and new infrastructure are not applicable to the state conservancies and the WCB because the programs acquire and preserve land and enhance and improve existing open spaces.

CALIFORNIA CONSERVATION CORPS

The California Conservation Corps (CCC) engages young men and women in meaningful work, public service, and educational activities to assist them in becoming more responsible citizens. Through CCC activities, corpsmembers enhance their skills and education and learn important values such as cooperation, teamwork, commitment, dedication, ambition, responsibility, dependability, and self-discipline. The CCC also provides state agencies and other partners, such as school districts and local government agencies, with valuable labor for a variety of tasks.

Corpsmembers are engaged in diverse projects that improve California's environment and communities, and provide statewide emergency response assistance when disasters strike. This work may include park development, reforestation, trail construction, fire fighting, historic structure renovation, oil spill cleanup, habitat improvement, erosion control, flood prevention, and recycling. The total annual state corpsmember count is currently 1,310. An additional 200 local corpsmembers also participate in the CCC's projects.. Up to 550 of the state corpsmembers are housed in residential facilities, while the remaining corpsmembers use non-residential facilities and are required to secure separate housing. However, certain support facilities are still required for the corpsmembers not housed in residential facilities.

Existing Facilities: The CCC operates 27 facilities statewide, consisting of 9 residential facilities and 18 non-residential satellite centers in urban and rural areas. The typical residential facility includes the following:

- Dormitory space to provide corpsmembers with sleeping accommodations, showers, and lavatories
- Educational areas, including classrooms, libraries, computer labs, and storage for educational materials
- Dining and kitchen areas for food storage, preparation, serving, and dining

- Administration space to provide offices for facility management and to welcome visitors, vendors, and new corpsmembers
- Recreational space to provide corpsmembers with areas to relax, collect mail, watch television, exercise, and play games during non-work hours
- Warehouse space for storage of tools and equipment, project materials, and maintenance items

Non-residential facilities generally require educational and administration space, but do not typically include dormitories, recreational space, or dining and kitchen areas.

Drivers of Need: The number of corpsmembers ultimately drives the need for both residential and non-residential facilities, as well as the need for administrative facilities. Because the number of corpsmembers is ultimately driven by workload and the availability of funding, the CCC's ability to secure projects and program funding will affect the number of corpsmembers. Also, the number of projects is often specific to a geographic area and corpsmembers need to be located within a reasonable distance from these projects. Consequently, the number of corpsmembers in any given area will drive the need for facilities in that area, regardless of statewide trends. In addition, the CCC's infrastructure needs are also influenced by its success in negotiating existing long-term leases for residential and non-residential facility sites, the condition of existing facilities, and the need for special program space.

The total number of state corpsmembers declined from approximately 1,600 in 2001-02 to approximately 1,200 in 2003-04, consistent with reductions in state funding. However, in recent years, the CCC has received additional funding from the federal Workforce Investment Act for vegetation restoration projects and fire and fuel reduction training. As a result, the total number of state corpsmembers in 2007-08 is anticipated to be 1,310.

Even with numerous facility closures, the CCC has been able to accommodate modest increases in corpsmembers without the need for additional facilities by redistributing corpsmembers to the remaining facilities. While the CCC has been able to accommodate these modest increases in corpsmember staffing by using

existing facilities more efficiently, any significant future changes in the number of corpsmembers would likely result in the need for additional or expanded facilities.

As noted above, the number of corpsmembers is influenced by a number of factors that change from year to year. These factors include funding, workload, and the ability to recruit corpsmembers, which makes infrastructure needs difficult to predict. For the purposes of this five-year plan, the CCC assumes that the number of corpsmembers will not change significantly over the next five years, with the understanding that subsequent changes will be addressed in future plans.

Five-Year Needs: In total, the CCC requested \$3.7 million for capital outlay projects over the next five years to address critical infrastructure deficiencies at existing CCC facilities, which include improvements related to waste water treatment, water supply, and fire alarm systems. The CCC did not identify any needs beyond 2007-08. However, the Department of General Services (DGS) is currently assisting the CCC with a facilities assessment study to re-evaluate its infrastructure needs. Future needs identified through this process will likely be included in subsequent plans.

Funding Needs Reported by the California Conservation Corps
(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Total	\$3,691	\$0	\$0	\$0	\$0	\$3,691

Proposal: This plan proposes \$3.7 million to address deficiencies at existing CCC facilities. The Plan includes a continuing major capital outlay project to connect the Sierra Placer Center to municipal utility systems and one minor capital outlay project that addresses critical health and safety issues by renovating a fire alarm system at a residential facility.

While yearly fluctuations in the corpsmember population are expected to continue into the foreseeable future, significant overall changes are not anticipated. As such, this plan does not propose the expansion of the CCC's corpsmember capacity. Because capital improvements are inherently suited for addressing long-term needs, it is recommended that the CCC implement shorter-term strategies for dealing with yearly fluctuations in the number of corpsmembers.

Consistency with Chapter 1016, Statutes of 2002: The CCC's proposal is consistent with the planning provisions of Chapter 1016, Statutes of 2002. Specifically, the CCC promotes infill development when possible by renovating existing infrastructure and developing facilities in areas currently served by existing infrastructure. The CCC also promotes efficient development, to the extent possible, by ensuring that new projects use existing infrastructure, such as roads, sewers, and utilities.

Proposed Funding for the California Conservation Corps
(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Total	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Funding Source						
General Fund	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Total	\$3,691	\$0	\$0	\$0	\$0	\$3,691

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

The Department of Forestry and Fire Protection (CDF) provides wildland fire protection and resource management for over 31 million acres of privately and state-owned wildlands. The areas of land over which the CDF has responsibility, referred to as State Responsibility Areas (SRA), are generally outside city boundaries and must meet at least one of three qualifying characteristics:

- Produce or be capable of producing forest products
- Contain vegetation that protects watershed
- Be used primarily for grazing

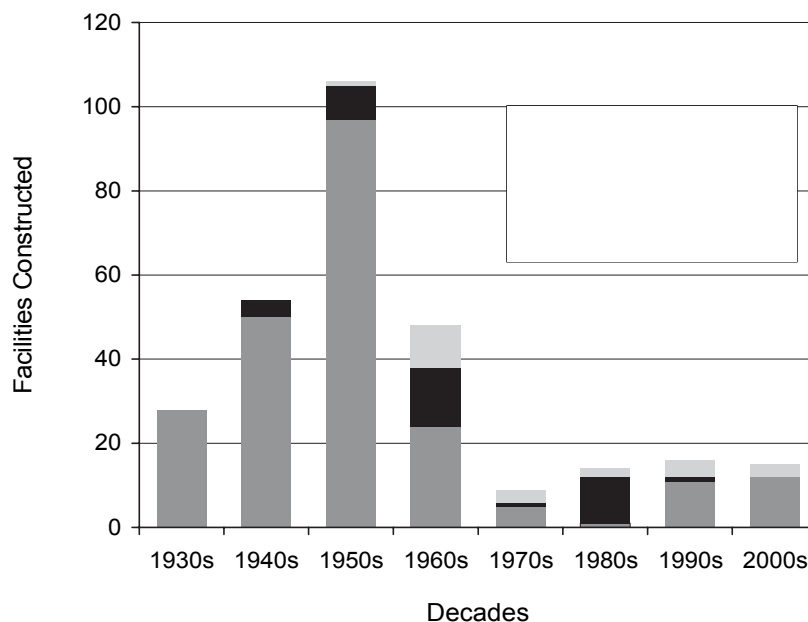
Each year, the CDF responds to an average of 5,700 wildland fires and 300,000 non-wildland fire emergencies, including structural fires, medical emergencies, and natural disasters. In addition, the CDF regulates timber harvesting on over eight million acres of non-federal forestland to ensure the protection of watershed and wildlife habitat as set forth in the Forest Practices Act of 1973. Further, the CDF operates eight demonstration forests to develop and promote improved forest resource management techniques. The Department also operates two state-owned

nurseries that grow and supply seedling trees for the state's many different climate zones, which are commonly used for the reforestation of land devastated by fire.

Existing Facilities: The CDF operates over 500 facilities statewide, consisting of the following:

- 228 forest fire stations
- 112 telecommunications sites
- 39 conservation camps
- 21 ranger unit headquarters
- 13 air attack bases
- 9 helitack bases
- 8 state forests
- 16 administrative headquarters
- Over 100 other miscellaneous facilities

Drivers of Need: The main driver of capital outlay needs is the replacement of aging facilities with structural and space deficiencies. For example, 171 (75 percent) of the 228 forest fire stations are more than 50 years old. Similarly, 26 (67 percent) of the 39 conservation camps are more than 40 years old. In total, approximately 184 (64 percent) of the Department's 290 major fire suppression-related facilities are more than 50 years old (see Illustration).



* These numbers omit facilities which do not directly serve the Fire Protection Program. Examples of facilities not included are nurseries, communications facilities, and CDF Region & Unit administrative offices.

AGE OF MAJOR FIRE SUPPRESSION FACILITIES- BY PERIOD CONSTRUCTED*

Facility Type	1930s	1940s	1950s	1960s	1970s	1980s	1990s	2000s	Totals	Percent
Forest Fire Stations	28	50	97	24	5	1	11	12	228	79%
Conservation Camps	0	4	8	14	1	11	1	0	39	13%
Other Facilities	0	0	1	10	3	2	4	3	23	8%
Totals-Above Facility Types	28	54	106	48	9	14	16	15	290	100%
Cumulative %- All Types	10%	28%	65%	81%	84%	89%	95%	100%		

Because of changes in technology, equipment, and emergency response techniques, a majority of the older facilities no longer provide adequate space. Although the age of a facility does not directly drive infrastructure need, there is a strong correlation between the age of a facility and structural and spatial deficiencies. For example, some of the older fire stations are not big enough to accommodate new fire trucks and other modern fire-fighting equipment. In addition, years of constant use have degraded the quality and safety of some of the older structures. Therefore, the CDF uses the age of its facilities as a general indicator of future needs. As a general rule, facilities in excess of 50 years, which is the maximum amount of time these facilities were designed to last, are the most likely to require replacement.

In addition to aging facilities, urban encroachment on rural areas also drives capital outlay needs. More specifically, as rural areas become more populated and incorporated by cities, the land surrounding or nearby some fire stations is no longer SRA. Urban encroachment also brings traffic congestion, which can further increase response times. Because initial response times are critical, especially in preventing major fire events, as certain stations become less strategically located within SRAs it is sometimes necessary to move these stations closer to the areas over which they have responsibility. Also, changes in technology and equipment have the potential of affecting response times and overall emergency response capabilities. As a whole, these changes can often result in the need to strategically relocate certain facilities. While changes in technology and demographics are difficult to meaningfully predict and quantify, this plan assumes that historical trends will continue in terms of magnitude.

Site lease expirations also drive the need for some relocation projects. A large number of the CDF's facilities were built between 1930 and 1960, when it was common for the state to acquire low-cost, long-term leases in lieu of land purchases. Many of the leases had 50 to 60-year terms that are now expiring. Although negotiations result in some lease extensions, some owners are unwilling to extend their leases with the state or request lease terms that the state finds unacceptable. In such cases, the only option is to relocate the facility.

Finally, the CDF has identified a small number of projects for new or renovated space that are not driven by age, urban encroachment, or lease expirations. These projects are driven by environmental concerns, public access, recreation, and workload space deficiencies such as new training facilities and field offices, upgrading the CDF academy, and consolidating the two nurseries.

Five-Year Needs: The CDF requested \$1.5 billion for capital outlay projects over the next five years. The majority of this amount has been requested to replace or relocate major fire suppression facilities. For a number of years, a relatively small number of projects were completed. Consequently, a backlog of some 300 projects, including non-major fire suppression facilities, now exists. While notable progress has been made over the past few years, with approximately 25 projects scheduled to be completed over a three-year period ending June 2008, additional investment is needed.

Funding Needs Reported by the Department of Forestry and Fire Protection

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$339,670	\$102,665	\$411,562	\$228,454	\$311,809	\$1,394,160
Public Access and Recreation	0	2,248	16,231	12,554	23,365	54,398
Workload Space Deficiencies	0	3,886	14,424	15,321	30,616	64,247
Total	\$339,670	\$108,799	\$442,217	\$256,329	\$365,790	\$1,512,805

Proposal: Consistent with the SGP, the 2007 Plan proposes a total of \$744.6 million (\$145.8 million General Fund and \$598.8 million lease revenue bonds) to replace or relocate aging emergency response infrastructure and other essential CDF support infrastructure. Although this plan acknowledges the need to significantly reduce CDF's backlog is a long-term commitment, this plan also recognizes that the Department of General Services (DGS) and the CDF have a limited capacity to effectively manage a large number of projects at any one time.

The CDF and the DGS have made progress toward improving project delivery methods, which has resulted in fewer project delays and higher project completion rates. While improved project management makes more efficient use of existing staff resources, additional staffing was recently approved to address CDF's backlog more quickly.

In 2006-07 fifteen positions were added to the CDF's capital outlay program to supplement DGS's workload capacity and will eventually enable the CDF to complete an additional 6 to 8 projects annually, depending on how quickly these staff can be hired and trained. To date the CDF has been successful in filling seven of the fifteen approved positions and anticipates filling the remaining positions by July 2007. Once this program expansion is fully implemented, the combined total workload capacity for the CDF and the DGS is expected to grow incrementally starting in 2006-07, reaching approximately 60 ongoing projects per year by 2009-10 and result in the completion of 20 projects annually.

Based on the above workload constraints, this plan proposes a total of 67 new major capital outlay projects over five years (an average of 13 new projects per year). However, because the CDF's facilities will continue to age, it will still take over 20 years at this rate to complete the current backlog of CDF capital outlay projects. However, the CDF and the DGS continue to work toward improving program delivery

techniques in an effort to complete more projects each year. Moreover, a reduction in the average age of the CDF's facilities from 45 to 25 years should significantly reduce the CDF's infrastructure deficiencies. Once this goal is reached, a replacement rate of approximately 2 percent of the CDF facilities each year should be sufficient to maintain this standard. However, it should be emphasized that this proposal does not intend to suggest that facilities should be replaced on the basis of age alone; the decision to replace or relocate a specific facility should be based on specific needs.

This plan does not specify which projects will be funded beyond the budget year. Because the relative priority of each facility may change as a result of unanticipated events and funding constraints, future plans will identify projects to be completed in the out-years, with the highest priority projects to be funded first.

Because the majority of the CDF's facilities are based on similar designs, the CDF now utilizes a prototypical design for 8-bed and 12-bed forest fire stations, which constitute the majority of the backlog. Additionally, the CDF is working on finalizing prototypical designs for unit headquarters and conservation camps, which should be available for inclusion in future plans. Given the number of facility replacements over the next 20 years, design standardization will likely result in significant savings, programmatic efficiencies, and the facilitation of program delivery. If the use of prototypical designs proves successful, it may be possible for the Department to complete a larger number of projects each year by essentially adapting the same type of facility to different sites.

Consistency with Chapter 1016, Statutes of 2002: The CDF's proposal is consistent with the provisions of Chapter 1016, Statutes of 2002. Specifically, the CDF promotes infill development when possible by renovating existing infrastructure and developing facilities in areas served by existing infrastructure. In fact, the majority of this proposal consists of the renovation or replacement of existing facilities. The CDF also promotes efficient development, to the extent possible, by ensuring that new projects are developed close to roads, sewer, and utilities. However, because of the nature of the CDF's mission, it is sometimes necessary to relocate facilities to lands that have environmental and agricultural value. While the relocation of these facilities can result in the loss of some environmental or agricultural lands (usually 5 acres or less), the strategic relocation of these facilities enables the CDF to respond more

effectively to wildland fires and provide superior fire protection to nearby forests, watersheds, agricultural land, and other valuable natural resources.

Proposed Funding for the Department of Forestry and Fire Protection

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$162,406	\$242,158	\$119,615	\$140,450	\$78,460	\$743,089
Public Access and Recreation	0	0	0	0	0	0
Workload Space Deficiencies	0	0	0	831	702	1,533
Total	\$162,406	\$242,158	\$119,615	\$141,281	\$79,162	\$744,622
Funding Source						
General Fund	\$15,061	\$59,029	\$18,253	\$26,013	\$27,454	\$145,810
Lease Revenue Bonds	147,345	183,129	101,362	115,268	51,708	598,812
Total	\$162,406	\$242,158	\$119,615	\$141,281	\$79,162	\$744,622

CALIFORNIA STATE LANDS COMMISSION

The California State Lands Commission (CSLC) serves the people of California by providing stewardship of the lands, waterways and resources entrusted to its care through economic development, protection, preservation, and restoration. The CSLC manages and protects all statutory lands which the state received from the federal government upon its entry into the Union. These lands include the beds of all naturally navigable waterways such as major rivers, streams and lakes, tide and submerged lands in the Pacific Ocean extending three miles from shore, swamp and overflow lands, state school lands, and granted lands. These lands total more than four million acres. To carryout these duties, the CSLC is staffed by more than 200 specialists in mineral resources, land management, boundary determination, petroleum engineering, process safety, pollution prevention, and the natural sciences. The major program areas are:

- **Environmental Planning and Management Division**—This division was organized in 1975 to ensure the compliance of the CSLC with the provisions of the California Environmental Quality Act (CEQA), and to provide analytical staff services (policy and technical) to the members of the Commission, its Executive Officer, and program staff.

- **Land Management Division (LMD)**—This division has primary responsibility for the surface management of all sovereign and school lands in California. This responsibility includes the identification, location, and evaluation of the state’s interest in these lands and its leasing and management.
- **Marine Facilities Division (MFD)**—This division is responsible for statewide marine oil transfer oversight. The MFD inspects 85 sites along the California coast each day to monitor activities and enforce regulations at marine oil terminals. These inspections include the observation of oil transfers to and from oil tankers and barges, with an emphasis on pollution prevention.
- **Mineral Resources Management Division (MRMD)**—This division manages the use of energy and mineral resources of more than 160 oil, gas, geothermal, and mineral leases covering more than 153,000 acres of state-owned lands. The Division’s goals are to ensure public safety, protect the environment, and maximize revenue.
 - Oil and gas production remains the single largest source of revenue from state sovereign lands. It is projected that oil and gas royalties from state leases will generate approximately \$270 million in 2007-08. The proceeds are deposited in the state’s General Fund to support the programs of the CSLC and other departments.

Existing Facilities: The CSLC operates 5 facilities statewide to support the various programs described above. The CSLC has two regional headquarters, each co-located with a field office, one located in Sacramento and the other in Long Beach. The remaining three facilities are field offices (one in Northern California and two in Southern California). The only state-owned facility is the Huntington Beach Field Office. All other CSLC facilities are in leased space.

Drivers of Need: It is essential that the CSLC’s facilities are large enough to accommodate program staff, located within reasonable distances from the areas they serve, and are in a safe operating condition. Because the Department does not anticipate any significant programmatic expansions or changes at this time, the CSLC has determined that its existing facilities are properly sized and located to support the Department’s mission.

However, not all of the Department's facilities are in good operating condition. Since maintenance and renovation of leased space is funded through the CSLC's operations budget, the main driver of capital outlay need is the improvement of the Department's only state-owned facility, the Huntington Beach Field Office. This field office was constructed in the early 1940s and has deteriorated to the point that it no longer provides safe conditions for the employees stationed at this facility. Some of the more critical infrastructure deficiencies at this facility include: hazardous materials, such as lead, asbestos, and mold, which create unhealthy working conditions; unsafe wiring; limited ADA access compliance; other unsafe conditions; and general wear and tear that create a visual nuisance for employees and the public.

Five-Year Needs: The CSLC identified a total of \$1.9 million for capital outlay over the next five years to address critical infrastructure deficiencies at the Huntington Beach Field Office. While it is generally agreed that the conditions at this facility are critical and need to be remedied as soon as possible, the Department of General Services (DGS) is currently working on a study to evaluate several alternatives for addressing this need and expects to be completed with the study by early 2007.

Funding Needs Reported by the California State Lands Commission

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$264	\$162	\$1,486	\$0	\$0	\$1,912
Total	\$264	\$162	\$1,486	\$0	\$0	\$1,912

Proposal: This plan proposes \$2.0 million to address critical infrastructure deficiencies at the Huntington Beach Field Office. The proposed funding is based on a conceptual estimate to construct a new facility at the current location. While it is essential that this facility be located within a reasonable distance to the oil production facilities in this area, it may be determined that another location in this general vicinity proves to be the best option. While this project is currently proposed for initial funding in 2008-09, the project may be proposed sooner if the revised study is completed in time.

Consistency with Chapter 1016, Statutes of 2002: The CSLC will address the provisions of Chapter 1016, Statutes of 2002, as the various alternatives for the Huntington Beach Field Office are considered.

Proposed Funding for the California State Lands Commission

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$0	\$277	\$170	\$1,560	\$0	\$2,007
Total	\$0	\$277	\$170	\$1,560	\$0	\$2,007
Funding Source						
General Fund	\$0	\$277	\$170	\$1,560	\$0	\$2,007
Total	\$0	\$277	\$170	\$1,560	\$0	\$2,007

DEPARTMENT OF FISH AND GAME

The Department of Fish and Game (DFG) is responsible for managing California's fish, wildlife and plant resources, and the habitat on which they depend, for their ecological value and public enjoyment. Under general direction from the California Fish and Game Commission, the DFG administers numerous programs and enforces regulations and limits set forth in the Fish and Game Code. The major program areas are:

- **Biodiversity Conservation** – This program encourages the preservation, conservation, and maintenance of wildlife resources. One component of this program is the review of California Environmental Quality Act (CEQA) documents. The DFG consults with lead and responsible agencies and provides the requisite biological expertise to review and comment upon environmental documents and impacts arising from project activities.
- **Hunting, Fishing and Public Use** – This program helps provide for diverse and sustainable hunting, fishing, trapping, and other public uses, such as wildlife observation. Activities include collection and assessment of information on the distribution and abundance of game fish and other wildlife to determine the need for regulations (bag limits, gear restrictions, etc.) and to monitor the effects of those regulations.
- **Management of Department Lands and Facilities** – This program manages department-owned or leased lands and facilities, including hatcheries, wildlife areas, ecological reserves, and public access areas. This program is responsible for administering the DFG's capital outlay program, as described in more detail below.

- **Conservation Education and Enforcement** – This program serves the public through hunter education and other conservation education programs, and promotes compliance with the laws and regulations that protect fish and wildlife resources, habitats, and public safety. The DFG’s game wardens are the most visible example of this program.
- **Spill Prevention and Response** – The objective of this program is to prevent damage, minimize impacts and restore and rehabilitate California’s fish and wildlife populations and their habitats from the harmful effects of oil and other deleterious material spills in marine waters and inland habitats.

Existing Facilities: The DFG manages 711 properties statewide, comprising more than 1 million acres (588,440 acres owned and 463,427 acres owned by other entities, but administered by DFG). Since several state agencies purchase land for the purpose of habitat or wildlife protection, and management responsibilities of these properties are often transferred to the DFG, the number of properties is continually increasing. The 711 properties managed by the DFG include the following: 108 wildlife areas, 124 ecological reserves (which include conservation easements), 11 marine reserves, 180 public access areas, 21 fish hatcheries, 230 lands that have not yet been designated, and 37 other types of properties. The DFG is working on a number of studies to inventory and evaluate existing infrastructure.

Drivers of Need: The three main drivers of capital outlay needs for the DFG are the improvement or replacement of aging buildings, the improvement of newly acquired lands, and more recently, the enactment of Assembly Bill 7 (AB 7) of 2005—Chapter 689, Statutes of 2005—which includes mandates for increased hatchery production levels.

Of the more than 1 million acres of lands managed by DFG, over 829,000 acres are dedicated wildlife areas and ecological reserves throughout the state. By law, the DFG is required to protect, manage, and maintain the wildlife resources and habitats on land it owns or administers. New properties are likely to be added to the Department’s stewardship in the years to come. However, because these lands are typically acquired by other state agencies, such as the Wildlife Conservation Board, land acquisitions that will likely result in future capital outlay needs are discussed in other sections of this report. This section deals with the needs of lands currently

administered by the DFG, with the caveat that future needs will likely change as new lands are acquired by the state and administered by the DFG.

Many DFG-managed properties require capital outlay expenditures to upgrade old structures, improve existing facilities, or provide new infrastructure on properties that are receiving increased wildlife-related public use. Some important examples include additional comfort stations, public interpretive facilities, parking lot and road upgrades, new office space, water structure improvements to maintain or reestablish wetlands, and levee improvements.

The DFG currently operates 21 hatcheries statewide, including 11 trout hatcheries, 8 salmon and steelhead hatcheries, and 2 fish planting bases, which range from 30 to 100 years old. While the 8 salmon and steelhead hatcheries are currently operated to mitigate the loss of natural spawning habitat, for which production levels are regulated by the National Marine Fisheries Service, the DFG has been responsible for setting production levels for the state trout hatcheries. Until recently, the production goals for the trout hatcheries have remained fairly constant.

The passage of AB 7 mandates that nearly one-third of the fees collected from the issuance of all sport fishing licenses be deposited in the Hatchery and Inland Fisheries Fund to be used for management, maintenance, and capital improvement of California's fish hatcheries, the Heritage and Wild Trout Program, other sport fishing activities, and enforcement of these activities. Furthermore, it establishes requirements for yearly increases to trout production through July 1, 2009.

Five-Year Needs: The DFG has requested approximately \$12.6 million in capital outlay projects over the next five years for project planning, hatchery improvements, and various minor capital outlay projects. However, because the DFG has not completed a full analysis of its infrastructure needs, this plan may not accurately reflect the DFG's out-year needs. More refined needs will be included in the 2008 infrastructure plan.

The DFG has recently compiled a list of infrastructure and deferred maintenance needs, which was collected from the Department's various programs and was entered into its Engineering Five Year Planning Schedule (E FYPS) database. This database was developed by the Engineering Program and is used by the Engineering, Lands, and Hatcheries Programs to track and schedule projects identified by program

staff in the field. Once the E-FYPS database can be properly analyzed, the DFG will be able to refine the needs included in this plan and develop the necessary level of project specific detail for inclusion in subsequent plans.

Funding Needs Reported by the Department of Fish and Game

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$6,615	\$2,573	\$1,897	\$160	\$160	\$11,405
Workload Space Deficiencies	1,200	0	0	0	0	1,200
Total	\$7,815	\$2,573	\$1,897	\$160	\$160	\$12,605

Proposal: The 2007 Plan proposes \$2.9 million in 2007 08 for various minor capital outlay projects and project planning. It is recognized that the DFG has significant additional infrastructure needs; however, more detail and analysis is necessary before those actual needs can be adequately quantified. As the DFG develops the necessary level of project-specific detail, these needs should be captured in future plans.

Consistency with Chapter 1016, Statutes of 2002: This proposal is consistent with the planning provisions of Chapter 1016, Statutes of 2002, as this plan includes minor funding for the renovation and development of facilities in areas served by existing infrastructure. Furthermore, as the DFG develops more detailed infrastructure needs, the DFG will consider these planning guidelines in the development of future infrastructure proposals.

Proposed Funding for the Department of Fish and Game

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$2,922	\$0	\$0	\$0	\$0	\$2,922
Total	\$2,922	\$0	\$0	\$0	\$0	\$2,922
Funding Source						
Special Fund	\$2,232	\$0	\$0	\$0	\$0	\$2,232
Other	690	0	0	0	0	690
Total	\$2,922	\$0	\$0	\$0	\$0	\$2,922

DEPARTMENT OF BOATING AND WATERWAYS

The Department of Boating and Waterways (DBW) develops and improves boating facilities throughout the state, promotes boating safety, and enhances recreational boating on California's waterways. The DBW plans and constructs boating facilities on state-managed lands through its capital outlay program and provides financial assistance to federal, state, and local agencies and private entities for marina and boat launch construction through its local assistance program.

Boating facilities on state-managed lands typically include:

- Boat launching ramps
- Specialty launch devices (boat slips and anchorage)
- Parking areas
- Restroom facilities
- Day use amenities (boat boarding floats, docks, shore access floats, shoreline improvements)
- Boating and Instruction Safety Centers

The Boating and Instruction Safety Center (BISC) program, operated in partnership with the state's higher educational entities like California State Universities and California Community Colleges, provides opportunities for students and other members of the community to experience safe boating activities. The BISCs, also

known as aquatic centers, provide in-class and hands-on learning for people of all ages and ability levels.

The local assistance program provides funding for boating facility projects on non-state managed land, which includes marinas, boat launching ramps, boarding floats, parking, boat storage, and other boating-related facilities. While the DBW does not construct or manage these facilities, grant recipients must meet specific management guidelines set by the DBW to receive funding.

The DBW programs and infrastructure are funded primarily from the Harbors and Watercraft Revolving Fund (HWRF), which derives its revenues from taxes paid on motor fuel purchased for boats, license fees from boating registration, and repayments from loans made to build publicly and privately-owned marinas.

Existing Facilities: The DBW constructs boating facilities on state-managed land. The DBW typically transfers ownership of completed capital improvements to other state entities, particularly the Department of Parks and Recreation and the California State University. Currently, there are approximately 100 multi-lane boat-launching sites, four mini-marinas, and four BISCs on state-managed land.

In October 2002, a statewide Needs Assessment Study (2002 NAS) was released by the DBW that inventoried statewide boating facilities, including publicly and privately-operated facilities. The 2002 NAS identified more than 800 boating facilities statewide, 38 percent of which are publicly-owned, with boat launching facilities being more likely to be publicly-owned than marinas or dry storage facilities. However, the 2002 NAS did not differentiate between state-owned and other publicly-owned facilities.

Drivers of Need: The need for capital outlay projects is driven mainly by three factors: (1) an increasing number of boaters in the state, (2) aging facilities, and (3) the continued need for improved boating safety. Currently, there are more than 1 million boats in California, including approximately 963,000 registered boats, 25,000 documented vessels, and 97,000 additional unregistered car top boats. It is also estimated that approximately 2.9 percent of the state's 38 million citizens currently own a boat, registered or otherwise. Over the past 20 years, the rate of boat ownership in the state has remained basically constant, with only minor yearly

fluctuations. Assuming this trend continues, there will be approximately 1.1 million boats in California by 2010, an increase of approximately 16,000 boats per year.

Based on the most recent data available, approximately 32 new boat-launching lanes would need to be added each year to maintain the current ratio of boats to launching lanes. This equates to a projected statewide need of 160 boat-launching lanes over the next five years. Although this is clearly a population driven need, a baseline standard has yet to be established. In the absence of a baseline standard, the Department must rely on other methods of determining baseline needs, such as surveys and visitor counts. Overcrowding was one of the most common problems reported by boat owners polled. However, it is unclear if the overcrowding was experienced at boat-launching facilities or on the waterways themselves. If overcrowding were to occur on a specific waterway, additional boat-launching facilities could in fact exacerbate the problem.

Another major driver of capital projects is the replacement of aging facilities. Since many boating facilities were built in the 1960s, with a designed life expectancy of 20 years, these facilities are now in need of replacement or renovation. Based on the 2002 NAS and other more recent statewide and regional studies, the DBW indicates that the statewide need for recreational boating infrastructure improvement and expansion over the next five years is approximately \$580 million. However, since only a portion of the statewide need is met directly through the DBW's capital outlay program, private, local government, and federal entities must also be responsible for addressing a portion of the statewide needs.

The third major driver of capital projects is the need for improved boating safety. Ranked second in the country for the number of boats, California is also ranked second in the number of boating-related accidents and first in the number of fatalities. In an attempt to promote boating safety, the DBW partners with state agencies to construct and operate BISCs throughout the state. These facilities provide opportunities for boaters of all ages and skill levels to enjoy boating activities and learn safe boating skills.

Five-Year Needs: The DBW has requested a total of \$51.5 million for the replacement or renovation of existing boating facilities, construction of one new BISC, project planning, and various minor capital outlay projects (less than \$655,000 per project).

However, the DBW's request reflects the Department's estimate of what can be funded over the next five years from estimated balances in the HWRF and does not necessarily reflect the Department's actual needs.

Because of reduced levels of funding available from the HWRF, the DBW's five-year plan focuses only on the infrastructure improvements that are necessary to update existing state-owned or controlled facilities to new standards, keep existing facilities open to the public, and add the facilities required to maintain, at minimum, a constant level of operation statewide as the number of boats and boaters increases.

Funding Needs Reported by the Department of Boating and Waterways

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$6,140	\$6,750	\$7,110	\$12,640	\$12,140	\$44,780
Workload Space Deficiencies	6,710	0	0	0	0	6,710
Total	\$12,850	\$6,750	\$7,110	\$12,640	\$12,140	\$51,490

Proposal: The 2007 Plan proposes \$51.5 million for capital outlay projects, including the construction of the Channel Islands Boating Instruction and Safety Center, the renovation of the Morro Bay Marina, project planning, and a minor capital outlay program.. Based on a general understanding of current facility conditions, historical trends, projected population growth, and an increased need for improved boating safety and access, the funding proposed in the 2007 Plan is not expected to exceed the needs revealed through subsequent studies and analyses.

Because the revenues for the HWRF are not fixed and tend to fluctuate from year to year, the DBW typically has been able to adjust yearly local assistance expenditures to balance out unexpected revenue fluctuations as needed to provide consistent funding for the capital outlay program. However, this has not been the case over the past few years. Therefore, out-year funding of projects may need to be adjusted as funding permits.

Consistency with Chapter 1016, Statutes of 2002: The DBW's proposal addresses the provisions of Chapter 1016, Statutes of 2002. Specifically, the DBW promotes infill development when possible by renovating existing infrastructure and developing facilities in areas currently served by existing infrastructure. The DBW also promotes

efficient development, to the extent possible, by ensuring that new projects can utilize existing infrastructure, such as roads, sewer, and utilities.

Proposed Funding for the Department of Boating and Waterways

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$6,140	\$6,750	\$7,110	\$12,640	\$12,140	\$44,780
Workload Space Deficiencies	0	6,710	0	0	0	6,710
Total	\$6,140	\$13,460	\$7,110	\$12,640	\$12,140	\$51,490
Funding Source						
Harbors & Waterways Revolving Fund	\$6,140	\$11,681	\$7,110	\$12,640	\$12,140	\$49,711
Reimbursements	0	1,779	0	0	0	1,779
Total	\$6,140	\$13,460	\$7,110	\$12,640	\$12,140	\$51,490

DEPARTMENT OF PARKS AND RECREATION

The Department of Parks and Recreation (DPR) provides for the health, inspiration, and education of the people of California by creating opportunities for high-quality outdoor recreation, helping to preserve the state's extraordinary biological diversity, and protecting its most valued natural and cultural resources. The DPR protects natural and biological diversity by acquiring and maintaining land to provide habitat for endangered wildlife and plant species. The DPR also acquires, restores, and maintains buildings of historical importance, and acquires and protects properties that have cultural significance. In addition, the DPR offers a variety of educational programs at several parks, ranging from lectures and audio-visual displays to exhibits and guided tours. Generally, the educational programs focus on the importance of the parks or the life that the parks support. Further, the DPR provides education through the development and support of museums, and high-quality outdoor recreation, including: biking, hiking, boating, horseback riding, camping, surfing, swimming, wildlife viewing, and off-highway vehicle use.

California voters have indicated, through the passage of several bond acts, a desire for greater recreational opportunities and increased preservation of cultural and natural resources. In recent years, the voters have approved three park bond measures. Most recently, voters approved the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition

84), which provides \$5.4 billion for the protection of the state's natural and cultural resources, including \$400 million for DPR capital outlay projects. Proposition 84 will enable the DPR to complete existing projects initiated with previously approved bond funds and begin new high-priority projects. The prior bond measures include Proposition 12, which provided over \$500 million for DPR capital outlay projects, and Proposition 40, which provided \$225 million specifically for DPR capital outlay projects.

Existing Facilities: To meet its diverse objectives, the DPR acquires land and constructs a variety of facilities. The DPR has 278 units, including parks, beaches, trails, wildlife areas, open spaces, off-highway vehicle areas, and historic sites. The DPR is responsible for approximately 1.5 million acres of land, including over 300 miles of coastline, 970 miles of lake, reservoir and river frontage, approximately 15,000 campsites and alternative camping facilities, and 4,000 miles of non-motorized trails. The following are examples of the diversity in infrastructure included in the state park system:

- **Hearst San Simeon State Historic Museum, San Luis Obispo County:** Popularly known as Hearst Castle, this museum boasts a 115-room main house plus guesthouses, pools, and 8 acres of cultivated gardens. The main house contains a collection of European antiques and fine art pieces.
- **Morro Bay State Park, San Luis Obispo County:** This park offers opportunities for camping, sailing, fishing, hiking, and bird watching. The park also has lagoons, a natural bay habitat, and a park museum with exhibits covering natural features and cultural history, Native American life, geology, and oceanography.
- **Carnegie State Vehicle Recreation Area, San Joaquin County:** This recreation area has 1,500 acres of land and offers visitors an opportunity to use off-road vehicles such as motorcycles, all-terrain vehicles, and four-wheel drive vehicles. The park includes challenging hill-type trail riding, a professionally designed motocross track, and a four-wheel drive obstacle course.
- **Crystal Cove State Park, Orange County:** With 3.5 miles of beach and 2,000 acres of undeveloped woodland, this park offers facilities for mountain bikers, scuba and skin divers, swimmers, surfers, hikers, and horseback riders. The offshore

waters are designated as an underwater park and permit visitors to explore tide pools, sandy coves, reefs, ridges, and canyons.

- **Anza-Borrego Desert State Park, San Diego and Riverside Counties:** With over 600,000 acres, this park is the largest state park in the contiguous United States. The park includes 500 miles of dirt roads, 12 wilderness areas, and miles of hiking trails. The park features wildflowers, palm groves, cacti, and sweeping vistas. In addition, the park provides habitat for roadrunners, golden eagles, kit foxes, mule deer, bighorn sheep, iguanas, chuckwallas, and the red diamond rattlesnake.
- **Jedediah Smith Redwoods, Del Norte County:** With 10,000 acres of predominately old growth coast redwoods, this park provides watershed for the Smith River and Mill Creek, and includes about 20 miles of hiking and nature trails, river access, and a visitor center with exhibits.

Over the past few years the DPR has expended approximately \$324 million in voter-approved general obligation bonds to strategically expand the state park system by acquiring nearly 100,000 acres, including the addition of 13 miles of pristine coastline as part of the Hearst Ranch conservation transaction. In addition, the DPR accepts gifts and other donations of property at no cost to the state. The acceptance of donated lands, which sometimes includes historic structures and other culturally significant features, adds to the lands and facilities managed by the DPR necessary to promote the Department's mission.

Drivers of Need: There are a number of factors that result in the need for capital projects. These factors include: (1) aging infrastructure, (2) a rapidly growing visitor population with diverse needs and interests, (3) changing recreational demands and cultural needs, and (4) the encroachment of development on sensitive habitat, open spaces, and other culturally significant resources. The DPR's projects can generally be divided into two types: the renovation and improvement of existing facilities, and the acquisition and development of new facilities.

Maintenance and improvement needs are usually driven by a facility's physical condition, often quantified through the facility's age, and the building's ability to meet programmatic requirements. Examples of physical inadequacies that drive infrastructure needs include dry rot and termites that cause buildings to become

structurally unsound, and sewage systems that have deteriorated and corroded allowing sewage to leak. Other physical inadequacies are the result of facilities not being large enough to accommodate the DPR's programmatic requirements. For example, a visitor center may be too small to serve a growing number of visitors or a lifeguard station may not provide sufficient space for the number of lifeguards required to maintain safe conditions.

The ongoing maintenance and repair of aging facilities, such as painting exterior walls and repairing roof shingles, help prevent larger, more costly deferred maintenance projects. When maintenance funding fails to keep pace with maintenance needs over time, the result is an increase in the backlog of deferred maintenance projects. If these deferred maintenance projects are not addressed in time, the problems can shorten the useful life of these facilities and result in major future renovation or replacement projects. Conversely, adequate maintenance funding can extend the useful life of a facility and decrease the need to replace or renovate aging infrastructure.

For many years, the DPR's operations and maintenance budget has not kept pace with the DPR's need to maintain existing facilities and has resulted in an increasing backlog of deferred maintenance projects. If this trend continues, the backlog will continue to grow and may result in the need for more costly major capital outlay projects down the road. While the funding for deferred maintenance and special repair projects is technically not considered capital outlay and for which funding is not requested or proposed in this plan, deferred maintenance is clearly a factor that can have a substantial impact on future capital outlay needs. In response to this need, the Legislature recently approved a one-time augmentation of the DPR's deferred maintenance budget, which is expected to enable the DPR to address the most critical projects over the next couple of years.

Population growth is another significant driver of the DPR's infrastructure needs. The state's civilian population is currently estimated at 37.5 million and is projected to increase to approximately 39.0 million by 2010. Assuming park attendance rates remain constant (which is unlikely), population growth alone will result in the need for approximately 2,000 additional campsites to maintain the current ratio of campsites per capita. The same would be true for picnic sites, visitors' centers, and other park facilities. However, this projected need is in sharp contrast to the DPR's

ability to keep pace with population growth. For example, only 271 campsites were added between 1990 and the present.

Coastal campsites tend to be most popular and are typically full during much of the spring, summer, and fall months, with thousands of potential visitors being turned away each year because of limited capacity. The demand for coastal camping is even greater in Southern California, where the state has not added any new coastal camping opportunities in more than 15 years. The only new camping facility project currently under development on the coast is the conversion of the El Morro Mobilehome Park at Crystal Cove State Park, in Orange County. It is expected that this project will add 60 campsites available to the public by the summer of 2009. While this project is an important step in the right direction, more and more visitors will be unable to enjoy this popular activity unless additional capacity is added.

In addition to population growth, a greater percentage of Californians are now visiting state parks. For example, park visitation increased by almost 45 percent between 1987 and 2000, from 64 million visitors to 86 million, while population during this same time period increased by only 22 percent (10.3 million).

Demand for park visitation is also affected by a number of other variables, including weather, amenities, and proximity to densely populated areas. The amount charged for park admission also appears to significantly affect demand. For instance, attendance increased by 25 percent in the three years following a 50 percent reduction of park fees in 2000. Conversely, park fee increases during the early 1990s were followed by a 20 percent attendance decline. This factor is important to note because the DPR has since developed more of a market-based approach in adjusting park fees, which has affected demand at some state parks.

Fees under this modified approach are set based upon the amenities offered and public demand of the park units. When the DPR raised the annual pass to \$125, attendance and pass sales were unaffected for popular Southern California beaches, yet the higher annual pass cost lowered attendance rates for some Northern California, inland, and reservoir parks. As a result, the DPR created the "Golden Poppy Annual Day Use Pass" to offset changes in demand for some parks. Park managers now have the ability to adjust rates according to market conditions by taking location, demand, public acceptance, and amenities into consideration.

Five-Year Needs: The DPR identified a total of \$571.6 million for capital outlay projects over the next five years. The DPR's proposal includes funding from the remaining balances of Proposition 12 and Proposition 40 general obligation bond funds, and special funds, with a large portion included as an unfunded need. Because existing funding sources, consisting of the remaining balances of Proposition 12 and 40 bond funds and other special funds, were insufficient to meet the majority of the DPR's out-year needs, the Department did not expend limited resources in developing detailed information for projects without an identified funding source. Instead, the DPR submitted more conceptual out-year projects to highlight unfunded needs with the understanding that these needs would be refined in the event additional funds materialize.

The DPR proposes expending its remaining allocations of Proposition 12 and Proposition 40 bond funds in the first year of the Plan to address the highest priority projects, categorized as critical infrastructure deficiencies, facility/infrastructure modernization, and public access. Projects included in the critical infrastructure deficiency category consist of the replacement or improvement of water systems, wastewater treatment facilities, the stabilization or preservation of historic structures, and the replacement of a lifeguard tower. Significant projects that fall in the other categories include the construction of a visitor orientation center and the development of coastal camping and day use facilities at Crystal Cove State Park.

Immediately after Proposition 84 passed in November 2006, the DPR began a systematic process of evaluating the Department's statewide needs and priorities to ensure the newly approved bond funds could be used as efficiently as possible. To this end, the DPR requested \$20.1 million from Proposition 84 in 2007-08 to fund preliminary designs, engineering cost estimates, and studies for projects included in subsequent plans and to complete three projects already underway that need more funding to complete.

Further, based on a review of the DPR's many drivers, it is estimated that the projects identified by the DPR in this plan only address a portion of its total need. Many of the drivers mentioned in the previous section, specifically population growth and the resulting need for additional facilities, have not been addressed. Therefore, the DPR should also work toward including these needs in future proposals in an effort to develop a long-term strategy that will allow the DPR to serve the state's dynamic and

growing population. This strategy should also include standards that can be used to help measure progress.

Funding Needs Reported by the Department of Parks and Recreation

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$24,821	\$28,736	\$28,246	\$25,155	\$19,650	\$126,608
Environmental Acquisitions and Restoration	0	500	3,900	1,000	1,000	6,400
Environmental Restoration	3,530	4,903	7,025	7,520	3,730	26,708
Facility/ Infrastructure Modernization	10,260	11,195	12,585	16,730	23,550	74,320
Public Access and Recreation	58,735	50,364	65,000	89,009	68,680	331,788
Workload Space Deficiencies	0	0	200	2,380	3,220	5,800
Total	\$97,346	\$95,698	\$116,956	\$141,794	\$119,830	\$571,624

Proposal: The 2007 Plan proposes a total of \$331.4 million to address the DPR's needs, comprised of \$226.7 million in available general obligation bonds (including \$211.9 million from Proposition 84) and \$104.7 million from other funding sources. The proposed amount includes funding to address critical health and safety issues at various existing state parks, facilitate the DPR's efforts to preserve and restore the state's cultural and historic resources, and enhance public day-use facilities.

Given the significant investments in land acquisitions and park expansions over the past few years and the relative underinvestment in existing state park infrastructure, the 2007 Plan focuses the state's limited resources on improving existing lands and facilities. However, it should be noted that this plan does support limited funding for the Department to acquire in-holding properties to help alleviate operational challenges at existing state parks and limited funding for habitat acquisitions from funds dedicated for this purpose.

This plan does not propose \$170.5 million requested by the DPR for acquisitions that would expand the state park system. Between 2000 and 2006, the DPR's expansion efforts resulted in the expenditure of \$324 million to acquire nearly 100,000 acres. Given the significant investment in acquiring and protecting wildlife habitat and open space over the past few years, the Department's focus needs to shift toward improving existing state-owned properties. While strategic acquisitions can help provide new and expanded recreational opportunities as well as protect valuable

cultural and natural resources for future generations, it is necessary to also invest in existing properties to ensure that park visitors can enjoy the state's valuable resources today and for years to come.

Although the 2007 Plan recognizes that the DPR's needs are likely in excess of what has been identified at this time, this plan also recognizes that a deliberate approach to identifying and funding the DPR's infrastructure needs is critical. As such, the 2007 Plan proposes \$20.1 million from Proposition 84 in 2007-08 to complete three projects currently underway and to fund initial design and cost estimates for projects to be identified through the DPR's current planning process. The development of refined budget estimates and studies will help ensure the success of future projects by providing well-defined scope and cost information, and will improve the value of subsequent plans.

Consistency with Chapter 1016, Statutes of 2002: The DPR's proposal is consistent with the three planning provisions of Chapter 1016, Statutes of 2002. Specifically, the DPR promotes infill development when possible by renovating existing infrastructure; protects environmental and agricultural resources by acquiring sensitive habitat and other open spaces; and promotes efficient development, to the extent possible, by ensuring that new projects use existing infrastructure, such as roads, sewers, and utilities.

Proposed Funding for the Department of Parks and Recreation

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$18,761	\$18,667	\$24,991	\$37,747	\$29,855	\$130,021
Environmental Acquisitions and Restoration	0	0	0	187	1,078	1,265
Environmental Restoration	1,000	1,000	1,899	3,314	16,454	23,667
Facility/Infrastructure Modernization	9,180	250	1,753	7,936	31,520	50,639
Public Access and Recreation	14,988	8,459	23,668	22,622	50,276	120,013
Workload Space Deficiencies	0	0	200	2,380	3,220	5,800
Total	\$43,929	\$28,376	\$52,511	\$74,186	\$132,403	\$331,405
Funding Source						
Federal Funds	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Existing GO Bonds	34,929	15,376	28,045	53,625	94,714	226,689
Special Funds	1,000	5,000	16,466	12,361	29,689	64,516
Other	3,000	3,000	3,000	3,200	3,000	15,200
Total	\$43,929	\$28,376	\$52,511	\$74,186	\$132,403	\$331,405

DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is responsible for supplying suitable water for personal use, agricultural irrigation, industry, recreation, power generation, and fish and wildlife. The DWR also is responsible for flood management and the safety of dams. The DWR's major infrastructure programs include the State Water Project (SWP), flood control, and water management.

The SWP provides drinking water to approximately two-thirds of the state's residents and irrigation water for 755,000 acres of farmland. The SWP consists of 28 dams and reservoirs, 22 pumping plants, 3 pumping-generating plants, 5 hydroelectric power plants, and over 660 miles of open canals and pipelines. While it is a vital part of the state's existing infrastructure, the SWP is self-supporting and is fully funded by the 29 urban and agricultural water suppliers that receive the project's water. Because of its self-supporting financial structure, funding for the SWP is not included in the five-year plan.

Flood protection is a critical responsibility of the DWR that can only be achieved through the development and maintenance of major flood control infrastructure. Absent an effective infrastructure, floods can cause significant property damage and loss of life. Nearly all of the lands protected by the state-federal flood control system in California's Central Valley have lower levels of flood protection than pre-Katrina New Orleans. Major floods hit California in 1986, 1995 and 1997. In current dollars, these events caused an average of \$500 million in flood damage in the Central Valley. The 1986 flooding killed 14. The 1997 flood caused 48 of California's 58 counties to be declared disaster areas, displaced 120,000 from their homes, and killed eight. To prevent such destruction, DWR provides funding for flood control projects through both local assistance and state capital outlay. Projects located in the Central Valley are funded as state infrastructure. The DWR, through the State Reclamation Board (Board), participates with the U.S. Army Corps of Engineers (Corps) and local entities in the development and construction of these projects. The federal government pays between 50 and 75 percent of the total costs of any flood control project authorized by the U.S. Congress and the Legislature, with the non-federal costs typically shared by state (70 percent) and local entities (30 percent). With available bond funding exceeding federal funding availability, in many cases state and local agencies will proceed to repair and improve flood control infrastructure without federal cost sharing. Under federal crediting rules, some work will be creditable toward future federal investments in later years without nonfederal cost sharing.

In areas outside the Central Valley, local agencies sponsor flood control projects. Although the state provides significant financial assistance for these projects, they are not included in the five-year plan because they are owned and operated by local agencies.

In addition to flood control projects, the DWR is responsible for state infrastructure necessary to ensure adequate water availability for California's residents and businesses. Much of this infrastructure is contained within the SWP, as noted above. However, as California's population and business activity continue to expand, additional actions will be needed to meet the state's growing water demand. The 2005 Water Plan Update, developed by the DWR, recognizes that various strategies can be employed to meet this demand. For example, water districts are now working together locally to develop regional water supplies from multiple sources, improve water quality, protect watersheds, develop groundwater storage, and conserve

water through improvements in the efficiency of its use. Desalination technologies are being developed that can provide another option for meeting the state's water demands. All of these options involve the development of new infrastructure by the state or local agencies – or by both working together.

Another critical component of ensuring adequate water supplies is developing new water storage and conveyance capabilities. In the next 50 years, snow pack could be reduced 10 to 40 percent because of changing weather patterns caused by global climate change. Warmer weather would mean more flooding in the winter, and less runoff from snow in the spring. Expanding water storage facilities can help prevent winter flooding and allow us to capture water that would otherwise be lost due to a shrinking snowpack. Likewise, improving water conveyance infrastructure so it is less vulnerable to earthquakes and rising sea levels is crucial to ensure a reliable water supply.

In pursuing new strategies for supplying water throughout the state, the DWR and local agencies have recognized that the goal of enhancing water supply is closely connected to efforts to improve water quality, preserve aquatic ecosystems, and protect threatened and endangered species of native fish. The California Water Policy Council and Federal Ecosystem Directorate (CALFED) program was established in 1994 to improve the environmental health of the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (the Bay-Delta) while ensuring adequate water supplies and providing for Bay-Delta levee stability. CALFED infrastructure projects are primarily facilities that will be owned and operated by the SWP, the federal Central Valley Project (CVP), or local water agencies. Although most of these projects will not be owned and operated by the state, CALFED infrastructure needs are included in this report because these projects address the state's long-term water needs and are vital to the state's well being.

Existing Facilities: To create an effective system of flood control in the Central Valley, the Sacramento River Flood Control Project was developed in the early 1900s to provide a regional flood management system consisting of multiple interrelated levees, weirs, and bypasses. This flood control project is overseen by the State Reclamation Board. The existing flood control infrastructure in the Central Valley consists of 1,595 miles of levees and 55 various flood control structures, including dams, weirs, pumping plants, diversion structures, gate structures, and drop

structures. Many of these levees were not properly engineered to convey design flows or to protect urban areas to an appropriately high level. As they have aged, many have deteriorated.

The state's water supply is provided from a variety of sources, including the SWP, the CVP, the Colorado River, various local projects, and groundwater reserves. The Bay-Delta provides water for both the SWP and the CVP. In addition to the SWP facilities described above, the CVP operates 20 reservoirs, 11 power plants, and 500 miles of canals. These two very large water projects provide the backbone for California's water delivery system. Local water agencies that link to these major systems also operate significant storage, conveyance and distribution facilities. Many of the newer facilities are being designed to meet multiple objectives beyond enhancing supply, such as improving water quality, enhancing supply reliability, expanding recreational opportunities, and preventing seawater intrusion.

Drivers of Need: Urban areas protected by State-federal levees in the Central Valley are generally at risk of deep flooding and the devastating consequences that were experienced in New Orleans. Projects are evaluated on a case-by-case basis to determine the need for increased protection and whether the project is cost-effective. In addition to economic evaluations to maximize project benefits, the Board has adopted a policy to provide a minimum of 200-year protection in urban areas when economically justified. Furthermore, the levee system is aged and many levees have become eroded or need repair to correct hidden defects. There is an ongoing need to evaluate the levee system and to identify and repair levees that are deficient.

The primary drivers of water supply infrastructure needs are population growth and the need to restore and maintain the health of the state's natural water ecosystems. Population is currently about 38 million and expected to increase by approximately 10 million, or 26 percent, by 2030. Agricultural use is likely to decrease. In addition to these agricultural and urban water demands, substantial water supplies are necessary to comply with the Endangered Species Act, to reverse the decline of fish and wildlife populations, and to improve the health of the Bay-Delta ecosystem. To protect the listed species, operational restrictions have been imposed on both the SWP and the CVP to limit pumping under certain conditions. Total water demand for urban, agricultural, and environmental uses is expected to increase between two and six million acre-feet per year, or 2.4 to 7 percent, by 2030. Lastly, infrastructure needs

are driven in part by global climate changes, particularly since global warming is predicted to reduce snowpack and increase winter runoff, which increases the need for both flood control and water storage infrastructure.

Five-Year Needs: The DWR has identified a need for \$1.8 billion for flood control projects within the Central Valley over the next five years, including evaluation and repair of existing levees. These projects have been, or will be, evaluated and constructed by the Corps and the Board in conjunction with local entities. Direct federal expenditures provide 50 to 75 percent of most flood control projects, with remaining costs shared by state and local agencies. Of the \$1.8 billion in identified need, the state's share would be \$939 million, which would be funded from existing GO bonds. The local share would be \$173 million and direct federal expenditures would provide \$734 million. In addition to the specific projects the DWR has identified, the DWR intends to fund some flood control projects in the Central Valley through local assistance grants.

Funding needs for water storage, conveyance, and other water-related projects, including CALFED elements, are expected to be significant during the upcoming five years. The 2005 California Water Plan Update identifies a broad array of strategies for water supply management that, taken together, sum to a total cost of \$76 billion to \$107 billion over the next 25 years (see 2005 California Water Plan Update, Volume 2, Table 1-1 Strategy Summary Table). The DWR will provide some funding through grant programs funded by existing bond funds to meet these needs. These grant programs will help fund projects primarily owned and operated by local agencies, and therefore are not included in the DWR's identified infrastructure needs. In addition, the DWR has identified a need for \$992 million for projects to improve water quality, increase water supply, and improve environmental conditions. Of this, \$209 million is for continuing projects in the Bay-Delta funded from existing bond funds and \$783 million is for new water storage, conveyance, and Bay-Delta sustainability projects to be funded through newly proposed bonds.

**Funding Needs Reported by the Department of Water Resources
(Flood Control and Integrated Regional Water Management Projects)**

	(Dollars in Thousands)					
Category Description	07/08	08/09	09/10	10/11	11/12	Total
<u>Flood Control</u>						
Critical Infrastructure Deficiencies	\$257,139	\$426,890	\$480,706	\$352,839	\$290,497	\$1,808,071
Sub-Total, Flood Control	\$257,139	\$426,890	\$480,706	\$352,839	\$290,497	\$1,808,071
<u>Water Management</u>						
Critical Infrastructure Deficiencies	\$32,260	\$69,250	\$71,400	\$121,966	\$77,017	\$371,893
Program Delivery Changes	0	0	20,000	300,000	300,000	620,000
Sub-Total, Water Management	\$32,260	\$69,250	\$91,400	\$421,966	\$377,017	\$991,893
Total	\$289,399	\$496,140	\$572,106	\$774,805	\$667,514	\$2,799,964

Proposal: As reflected in the SGP, the 2007 Plan proposes that \$1.5 billion be provided to improve flood protection in the Central Valley over the next five years. This will be provided through existing GO bonds in the amount of \$734 million, \$683 million direct federal expenditures, and \$112 million local funds .

The 2007 Plan also includes \$992 million for water management projects over the next five years, including projects to increase water storage and improve water conveyance and water quality. Continuing projects will be funded from \$106 million of existing GO bonds and \$103 million direct federal expenditures. New storage, conveyance and Bay-Delta sustainability projects will be funded from \$783 million of proposed GO bonds.

The proposed bonds would provide a total of \$5.95 billion (\$3.95 billion GO bonds, \$2 billion revenue bonds) over ten years beginning in 2009-10 to support the following categories of projects:

Water Storage	\$4,500,000,000
Bay-Delta Sustainability	1,000,000,000
Water Resources Stewardship Grants	250,000,000
Water Conservation Grants	<u>200,000,000</u>
TOTAL	\$5,950,000,000

Consistency with Chapter 1016, Statutes of 2002: The Department's proposal addresses the provisions of Chapter 1016, Statutes of 2002. Specifically, improvements to the state's flood protection system meet the environmental and

agricultural resource protection and efficient land use priorities. Additionally, the emphasis on achieving 200-year flood protection in urban areas, combined with proposed floodplain mapping activities, will encourage development to remain in already-developed areas, thereby promoting the infill objective.

**Proposed Funding for the Department of Water Resources
(Flood Control and Integrated Regional Water Management Projects)**

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
<u>Flood Control</u>						
Critical Infrastructure Deficiencies	\$226,556	\$299,264	\$431,731	\$308,564	\$262,648	\$1,528,763
Sub-total, Flood Control	\$226,556	\$299,264	\$431,731	\$308,564	\$262,648	\$1,528,763
<u>Water Management</u>						
Critical Infrastructure Deficiencies	\$31,360	\$70,150	\$71,400	\$121,966	\$77,017	\$371,893
Program Delivery Changes	0	0	20,000	300,000	300,000	620,000
Sub-total, Water Management	\$31,360	\$70,150	\$91,400	\$421,966	\$377,017	\$991,893
Total	\$257,916	\$369,414	\$523,131	\$730,530	\$639,665	\$2,520,656
<u>Funding Source</u>						
Existing GO Bonds	\$166,607	\$194,282	\$216,768	\$147,525	\$114,829	\$840,011
Proposed GO Bonds	0	0	30,000	376,666	376,667	783,333
Non-State Funds	91,309	175,132	276,363	206,339	148,169	897,312
Total	\$257,916	\$369,414	\$523,131	\$730,530	\$639,665	\$2,520,656

ENVIRONMENTAL PROTECTION AGENCY

The Boards, Departments, and Offices of the California Environmental Protection Agency (CalEPA) restore, protect, and enhance the environment to ensure the public's health, environmental quality, and economic vitality. The CalEPA is comprised of six boards, departments, and offices. Among these organizations, only the Department of Toxic Substances Control identified future capital outlay needs and submitted a five-year infrastructure plan.

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

The mission of the Department of Toxic Substances Control (DTSC) is to protect the public's health and the environment from hazardous substances. The DTSC regulates hazardous waste management activities, oversees and performs cleanup activities at sites contaminated with hazardous substances, encourages pollution prevention and the development of environmentally protective technologies, and provides regulatory assistance and public education. The DTSC has three programs—Site Mitigation and Brownfield Reuse, Hazardous Waste Management, and Science Pollution Prevention and Technology Development. The two environmental services laboratories operated by DTSC provide sample analysis, toxicity testing, and other related services to all of the DTSC programs.

The Site Mitigation program involves the oversight and monitoring of cleanup efforts at contaminated sites. In contrast, the Hazardous Waste Management program develops and enforces regulations and policies to address the safe storage, treatment, transportation, and disposal of hazardous waste. The Stringfellow Hazardous Waste Site is part of the Site Mitigation program.

Existing Facilities: The Stringfellow Hazardous Waste Site, located in Riverside County, is the only state-owned property for which the DTSC has oversight responsibility. Between 1956 and 1972, this property was a bulk liquid hazardous waste disposal area into which more than 34 million gallons of organic and inorganic liquid industrial waste were deposited. Over time, this waste seeped into the groundwater, and in 1981, the United States Environmental Protection Agency (US EPA) began to clean up the property. In addition to constructing a treatment plant to treat contaminated groundwater, the US EPA removed surface liquids, placed a dirt

cap over the disposal area, and installed a network of wells and an underground dam to prevent contaminated groundwater from flowing into open streams. The US EPA also constructed a pipeline to bring treated water to an industrial water treatment site for further decontamination. In 1998, a federal court found that the State of California was responsible for the cleanup efforts at the site because the state had authorized the disposal of waste in this area. As a result, the state was given responsibility for operating and maintaining the property including the treatment plant, which is now more than 21 years old.

The DTSC also occupies a headquarters office, six field offices, two environmental services laboratories, and a public information center. Except for the Southern California environmental services laboratory, all of these facilities are leased from private owners. The environmental services laboratory is located in a state-owned facility operated and maintained by the Department of Health Services (DHS), which also operates laboratory functions at this location.

Drivers of Need: The drivers of infrastructure need for the Stringfellow property are specific to making capital improvements to the treatment plant at this site. Drivers include court rulings, the age and condition of existing facilities, and community health risks. More specifically, federal and state courts have ruled that the State of California is responsible for the remediation of the Stringfellow site, and liable for any future damages associated with leakage of the contaminants. In addition, the existing treatment plant was constructed as an interim rather than long-term measure and does not comply with the most recent standards for treating contaminants.

Five-Year Needs: In total, the DTSC has identified a five-year need of \$54.0 million. Of this amount, \$49.3 million is for the continuing phases of the Stringfellow treatment plant replacement project. This project will build a larger, more proficient treatment plant capable of handling a greater variety and an increased volume of toxics. Although the plant has been modified and upgraded to address increased volumes and concentrations of contaminants, 21 years of processing corrosive materials have damaged equipment and made reliability uncertain. As a result, there is risk of leakage that could lead to public health issues and environmental damage. The new plant would be capable of meeting the most recent standards for treating contaminants.

Additionally, \$4.7 million is requested to replace the Southern California environmental services laboratory. Inadequacies in the facility include insufficient space to segregate sampling functions by type, limiting the type of work that can be performed by the lab, Americans with Disabilities Act deficiencies, inadequate electrical capacity for current laboratory equipment, inadequate ventilation for laboratory functions, fire and life safety deficiencies, seismic deficiencies, and the presence of hazardous materials in the facility. The DTSC was provided \$200,000 to study various alternative solutions to meet this need, including co-location with other labs, renovation of the existing building, entering into a private lease, and construction of a new lab facility. This study is expected to be completed by Spring 2007, and until it is completed, the exact cost and scope of this project will not be known.

Funding Needs Reported by the Department of Toxic Substance Control

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$0	\$1,000	\$150	\$3,510	\$0	\$4,660
Environmental Restoration	0	49,361	0	0	0	49,361
Total	\$0	\$50,361	\$150	\$3,510	\$0	\$54,021

Proposal: The 2007 Plan proposes that over the next five years, \$49.3 million be provided to replace the Stringfellow treatment plant. Because of the risk to public health posed by contaminant leakages, it is essential that the state operate a treatment plant capable of properly handling the contaminants.

Although it is likely that DTSC will need to relocate their Southern California environmental services laboratory within the next five years, until the results of the pending study are available, it is premature to support funding for this project.

Consistency with Chapter 1016, Statutes of 2002: This proposal deals exclusively with the pretreatment plant project and is limited to a specific site where contaminants exist. It meets the criteria of Chapter 1016, Statutes of 2002, by protecting environmental resources.

Proposed Funding for the Department of Toxic Substance Control

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Environmental Restoration	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Total	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Funding Source						
General Fund	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Total	\$0	\$49,361	\$0	\$0	\$0	\$49,361

HEALTH AND HUMAN SERVICES AGENCY

Health and human services programs provide essential medical, dental, mental health and social services to many of California's most vulnerable and at-risk residents. These programs touch the lives of millions of Californians and provide access to critical services that promote their health, well-being, and ability to function in society.

The Health and Human Services Agency includes 11 departments and one board. Two departments, the Department of Developmental Services and the Department of Mental Health, identified infrastructure needs and submitted plans. A third department, the Department of Health Services, is not included in the 2007 Plan because it currently has no specific projects proposed over the next five years. However, the completion of the Southern California Lab Study may result in capital outlay requests for this department in a subsequent plan.

DEPARTMENT OF DEVELOPMENTAL SERVICES

The Department of Developmental Services (DDS) provides services and support to children and adults with developmental disabilities such as cerebral palsy, autism, epilepsy, and mental retardation. Services include physical, sensory, habilitation, behavioral, social development, education and employment programs, basic nursing, and physical health care. The DDS consumers receive services directly at five state-owned and operated developmental centers (DCs) and two smaller state-leased and state-operated community facilities. The DDS contracts with 21 nonprofit regional centers located throughout the state to provide services and support at the local level. In an ongoing effort to fulfill its mission under the Lanterman Act, the DDS is exploring ways to relocate consumers out of the developmental centers and into community-based programs. This is being done to ensure that individuals with developmental disabilities live in the least restrictive environment appropriate to their needs in accordance with the Olmstead Decision. This decision by the U.S. Supreme Court, requires states to provide community-based services for an individual if treatment professionals believe such services are appropriate, if the individual does not oppose the move, and if the move can be reasonably accommodated, given the resources of the state.

The DDS provides services to the following categories of individuals at the DCs:

- **Secure Treatment**—Typically young adults who have committed or allegedly participated in criminal offenses (felonies or misdemeanors) in the community, have come into the justice system, and have been found to be incompetent to stand trial. These individuals cannot be treated in a community setting because of the nature of their crimes or alleged offenses. Treatment at a state hospital would not be appropriate because of the consumers' developmental disabilities. Secure treatment consumers require a highly structured, secure treatment and training environment.
- **Behavioral**—Individuals with challenging behaviors that prevent them from being integrated into other developmental centers or community programs and require a high degree of structure and supervision. Behavioral consumers do not require the same high level of security that secure treatment consumers receive.
- **Medically fragile**—Individuals who require a lifetime of support, intensive medical and nursing intervention, sophisticated medical equipment, and assistive technology. Medically fragile consumers include those with severe birth defects, cranial anomalies or extensive physical disabilities, developmental problems as a result of near-drowning or brain and spinal cord injuries, and older individuals compromised by developmental disabilities, whose age-related illnesses and conditions require significant levels of medical support.
- **General Population**—Individuals with a wide range of health problems and/or disabilities that require continued DC placement for medical care or specialized training services. Consumers in this category include individuals with chronic medical conditions and physical disabilities, epilepsy, cerebral palsy, autism, sensory deficits, and visual and/or hearing impairments. Additionally, these individuals require a varying degree of support (e.g. acute, intermediate, and/or nursing care).

Existing Facilities: The DDS currently operates five state-owned DCs. All five DCs contain buildings that provide for the complete care and habilitation of consumers, including dormitory and hospital-type rooms, kitchens and dining rooms, activity

centers and fields, auditoriums, classrooms, swimming pools, administrative offices, and physical plants. The DCs include:

Agnews DC—Opened in 1888 and sits on 87 acres in San Jose, Santa Clara County. Agnews has approximately 689,000 square feet (sf) of facility space, a current population of 256 consumers, and 497 licensed available beds. This facility serves medically fragile and general population individuals with a wide range of special needs.

During fiscal year 2004-05, the DDS developed a plan to transition consumers living at Agnews DC into community-based placements as appropriate, and to close the facility by July 2008. In keeping with the Administration's commitment to provide services to individuals with developmental disabilities in the least restrictive environment possible, planning teams will assess consumers' needs and identify additional resources necessary to successfully move current Agnews DC consumers into community placements or other DCs.

Fairview DC—Opened in 1959 and sits on 146 acres in Costa Mesa, Orange County. This facility has approximately 1.1 million sf of facility space, a current population of 603 consumers, and 782 licensed available beds. Fairview DC serves medically fragile and general population individuals. Fairview DC also serves a small number of behavioral consumers who are adolescents and require both developmental and mental health services.

Lanterman DC—Opened in 1927 and sits on 302 acres in Pomona, Los Angeles County. Lanterman DC has approximately 1.1 million sf of facility space, a current population of 513 consumers, and 797 licensed available beds. Lanterman serves general population individuals.

Porterville DC—Opened in 1953 and sits on 668 acres in Porterville, Tulare County. Porterville DC has approximately 1.1 million sf of facility space, a current population of 684 consumers, and 968 licensed available beds. This facility serves general population individuals. It is also the only developmental center to have a secure treatment program. The secure treatment program serves approximately 300 consumers and is at capacity, with a waiting list of 36 individuals. The DDS indicates that the number of secure treatment consumers is growing because of screening procedures now in place at the Department of Corrections and Rehabilitation. To

meet the space and program needs for the expanding secure treatment population, a project currently is underway to provide an additional 96 beds, a police services building, and a recreation complex.

Sonoma DC—Opened in 1891 and sits on 950 acres in Eldridge, Sonoma County. This facility has approximately 1.3 million sf of facility space, a current population of 714 consumers, and 1,088 licensed available beds. Sonoma provides services to general population individuals.

Drivers of Need: The primary factor in the development of the DDS 2007 Plan is the need to provide housing for consumers in the DCs, including a growing secured treatment program, and the policy of encouraging community placement consistent with the Lanterman Act. The net result is that population at DCs have declined by about four percent per year. In line with the reduction in the number of consumers, the state is looking to close centers about every ten years, with Agnews DC scheduled to close in 2008.

Secondary drivers include infrastructure deficiencies attributable to the age of the facilities, consumer health and licensing requirements, and staff and consumer safety. The department hopes that eventually some buildings or even another DC will no longer be needed, thereby reducing the need attributable to the aging infrastructure.

Five-Year Needs: Based on the inflation-adjusted results of a 1998 Condition Assessment, the DDS indicates an overall net infrastructure need of \$620 million for the four DCs that will remain after the closure of Agnews DC, of which \$42.9 million is reflected for this five year period. The overall amount assumes the minimum level of improvements necessary to meet current operating needs and brings infrastructure into compliance with the existing Americans with Disabilities Act, seismic, health and fire prevention requirements. In addition, the department recognizes additional upgrades for residential, medical, food service and training areas that are based upon current treatment approaches for those who cannot or should not be placed within the community. Currently, space created through population declines has been used to help meet the need for adequate staff training areas.

Of the DDS's \$42.9 million request, \$23.5 million is for six new major capital outlay projects and three studies and \$19.4 million is for continuing phases of the

renovation of satellite (residential) kitchens and dining rooms at Porterville DC. Each new project or study is aimed at addressing either age-related utility deficiencies or the health and safety of consumers and staff.

Funding Needs Reported by the Department of Developmental Services

(Dollars in Thousands)

Project Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$5,300	\$34,031	\$3,520	\$0	\$0	\$42,851
Total	\$5,300	\$34,031	\$3,520	\$0	\$0	\$42,851

Proposal: The 2007 Plan proposes \$41.9 million for the DDS, with \$1.2 million proposed in the Governor’s Budget for the design of Personal Alarm Locator Systems at Fairview DC and Porterville DC, thereby improving the safety of staff who work with potentially violent consumers. Another \$383,000 is included in the Governor’s Budget for the design of modern air conditioning systems that will allow consumers year-round access to the school, gymnasium, and activity center at Fairview DC. Finally, the Governor’s Budget contains \$1.4 million for the working drawings phase of satellite kitchen and dining room renovations at Porterville DC.

Because of the condition of the facilities’ current infrastructure, and the likelihood that DCs will be needed for the immediate future, the 2007 Plan includes out-year proposals for electrical distribution improvements, emergency generators, and the installation of oxygen, suction and medical gas lines at Sonoma DC.

Consistency with Chapter 1016, Statutes of 2002: The 2007 Plan is consistent with the guidelines of Chapter 1016, Statutes of 2002, as the proposal will improve infrastructure at an existing developmental center and promote the health and safety of the patients and employees.

Proposed Funding for the Department of Developmental Services

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851
Total	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851
Funding Source						
General Fund	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851
Total	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851

DEPARTMENT OF MENTAL HEALTH

The Department of Mental Health (DMH) sets policy for statewide mental health services, and administers programs and services for the prevention and control of mental illness. The DMH also operates and maintains five state hospitals (SH) to house and treat mentally ill patients: Atascadero, Metropolitan, Napa, Patton, and Coalinga.

There are two categories of mentally ill patients at the state hospitals—those committed under the Lanterman-Petris-Short Act (LPS patients), and those that are committed by the courts and transferred from the California Department of Corrections and Rehabilitation (forensic patients). About 90 percent of individuals in the state hospitals are forensic patients and there is presently a waiting list of approximately 200 individuals. In general, LPS patients are deemed dangerous to themselves or others and are committed to a state hospital for evaluation and treatment. In contrast, forensic patients have either been convicted of a crime or have been found not guilty due to a mental illness. Forensic patients are further grouped into six categories depending on the Penal Code or Welfare and Institutions Code under which they are committed:

- Not guilty by reason of insanity
- Incompetent to stand trial
- Mentally disordered offender
- Transferred from the California Department of Corrections and Rehabilitation (CDCR)

- Sexually Violent Predator (SVP)
- Other penal code commitments

Existing Facilities: Each DMH state hospital is designed to provide for the complete care and habilitation of patients, and includes one- to four-bed hospital-type rooms, kitchens, dining rooms, off-unit treatment centers, courtyards, auditoriums, vocational classrooms, swimming pools, administrative offices, and physical plants. The hospitals are:

Atascadero SH—Opened in 1954 and sits on 448 acres in Atascadero, San Luis Obispo County. It is a completely self-contained residential facility surrounded by a maximum-security perimeter fence. Atascadero SH has approximately 846,000 square feet (sf) of facility space with a licensed capacity of 1,239 beds. Atascadero SH primarily houses and treats high-risk male forensic patients and has a population of 1,204.

Metropolitan SH—Opened in 1916 and sits on 162 acres in Norwalk, Los Angeles County. This hospital is arranged in a campus setting and has approximately 1.2 million sf of facility space, a population of 668 patients, and a licensed capacity of 1,041 beds. Metropolitan houses and treats both male and female LPS and low-risk forensic patients, and is the only SH that provides psychiatric services to children and adolescents.

Napa SH—Opened in 1875 and sits on 1,500 acres in Napa, Napa County. It is a campus setting and has approximately 1.5 million sf of facility space with a population of 1,182 patients and a licensed capacity of 1,260 beds. Napa SH houses and treats both male and female LPS and low-risk forensic patients.

Patton SH—Opened in 1893 and sits on 243 acres in Highland, San Bernardino County. It is a campus setting with approximately 1.3 million sf of facility space, a population of 1,487 and licensed capacity of 1,287 beds. Welfare and Institutions Code Section 4107(c) requires that by September 2009, Patton SH will have no more than 1,336 individuals. Patton SH houses and treats both male and female LPS and forensic patients.

Coalinga SH—Opened in 2005 and sits on 304 acres in Coalinga, Fresno County. Coalinga SH has approximately 1.1 million sf of facility space, a population of 447

patients and a licensed capacity of 1,500 beds. Because of nursing shortages, Coalinga SH patient population growth has been slower than anticipated. This new facility is a maximum-security psychiatric hospital to house and treat male SVPs and other high-risk forensic patients.

Drivers of Need: The predominant driver of the DMH's infrastructure needs is the growing forensic patient population. Increases in the population of forensic patients have resulted from new and stricter laws. The DMH anticipates an accelerated increase in forensic patients resulting from the passage of SB 1128 and Jessica's Law (Proposition 83) in 2006. As a result, pressure to construct beds shows few signs of abatement. Even assuming Metropolitan SH and Coalinga SH can be occupied at their full licensed capacity, the DMH indicates that additional beds will be necessary by 2008.

A second driver is the aging infrastructure. The older SHs are between 50 and 130 years old and have significant renovation and modernization needs. While 24-hour patient-occupied space was renovated in the late 1980s through the late 1990s, much of the core functions of these hospitals—activity space; main kitchen, serving kitchens, and dining areas; administrative buildings; and utilities—have changed little since first constructed.

Another driver of infrastructure is the need for additional off-unit treatment areas. In the case of *United States v. State of California*, under the Civil Rights of Institutionalized Persons Act, a consent judgment, negotiated with the United States Department of Justice and adopted by the federal court, requires that the DMH SHs follow an Enhancement Plan. This Enhancement Plan increases the amount of daily treatment received by each patient and requires that educational, skill-building, vocational training, and treatment services be provided outside of the patients' residential units.

Five-Year Needs: The original DMH request predated, and therefore did not reflect, passage of Proposition 83 (Jessica's Law) or SB 1128 (Alquist). Nevertheless, the DMH requested a total of \$282.9 million for capital outlay projects over the next five years. Of this total, \$170.6 million would be for three major projects that would provide up to 1,113 additional beds for forensic patients: fencing to secure up to 505 beds at Metropolitan SH, a 258-bed addition at Atascadero SH, and a 350-bed

addition at Patton SH. If the DMH's forensic population projections hold true, more beds will be necessary than currently requested.

The remaining \$112.3 million requested falls within the Critical Infrastructure Deficiencies category. Specifically, \$85.6 million would be expended on nine new projects to replace, renovate, and upgrade existing but deficient buildings and systems, and \$26.7 million would be for three continuing projects to replace outdated main kitchens and renovate residential kitchens at Patton, Napa, and Metropolitan SHs. Of the nine new projects, the most significant are the \$34.1 million kitchen project at Atascadero SH and the \$31.1 million renovation at Napa SH to provide off-unit treatment space and correct multiple code deficiencies.

Funding Needs Reported by the Department of Mental Health

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$39,011	\$20,488	\$39,571	\$12,484	\$768	\$112,322
Enrollment/Caseload/Population	3,454	22,328	5,708	60,575	78,505	170,570
Total	\$42,465	\$42,816	\$45,279	\$73,059	\$79,273	\$282,892

Proposal: As reflected in the SGP, the 2007 Plan proposes \$742.5 million for the DMH's capital outlay needs. Ninety percent of this total would be used to increase capacity at the SHs.

The Governor's Budget includes \$13.7 million for new fencing and security upgrades necessary to provide up to 505 secured beds at Metropolitan SH; continuing Napa, Patton, and Metropolitan SHs kitchen renovations; upgrading the telecommunication infrastructure at Metropolitan SH and providing a liquid oxygen system at Napa SH. This plan also includes \$33.4 million in 2008-09 to complete the fencing and security upgrades and kitchen renovations.

The 2007 Plan provides \$646.9 million in the out-years to address forensic population growth through the construction of a new 258-bed facility at Atascadero SH, a new 350-bed facility at Patton SH, and \$500 million for additional beds within the SH system that will be necessary due to Jessica's Law. While locations are not specifically identified at this point, this funding provides a placeholder until DMH can validate population growth and do more analysis of the best locations for new

beds. While the Atascadero SH expansion proposal is included, there are concerns about the ability of the SH to adequately staff these additional beds because of the high cost of living in the area. We would also note that the 350-bed expansion at Patton SH is contingent upon an adjustment to the population cap in Welfare and Institutions Code Section 4107(c).

To address infrastructure deficiencies in the out-years, the 2007 Plan provides \$38.2 million to remodel treatment areas, upgrade air conditioning, and construct a maintenance complex at Napa SH; \$7.0 million to demolish four old and seismically unsafe buildings at Metropolitan SH; and \$3.3 million to provide energy enhancements and replace the aquatic recreation building at Patton SH.

Consistency with Chapter 1016, Statutes of 2002: The 2007 Plan is consistent with the guidelines of Chapter 1016, Statutes of 2002, as all proposals will improve infrastructure at the existing SHs and promote the health and safety of the patients and employees.

Proposed Funding for the Department of Mental Health

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$10,829	\$19,807	\$32,067	\$12,484	\$768	\$75,955
Enrollment/Caseload/Population	2,869	18,904	155,708	210,575	278,505	666,561
Total	\$13,698	\$38,711	\$187,775	\$223,059	\$279,273	\$742,516
Funding Source						
General Fund	\$6,200	\$38,711	\$9,571	\$16,465	\$768	\$71,715
Lease Revenue Bonds	7,498	0	178,204	206,594	278,505	670,801
Total	\$13,698	\$38,711	\$187,775	\$223,059	\$279,273	\$742,516

DEPARTMENT OF CORRECTIONS AND REHABILITATION

The mission of the California Department of Corrections and Rehabilitation (CDCR) is to improve public safety through programs that have demonstrated success at reducing recidivism.

The CDCR is organized into twelve programs: Corrections and Rehabilitation Administration; Corrections Standards Authority; Juvenile Operations; Juvenile Education, Vocations, and Offender Programs; Juvenile Parole Operations; Juvenile Health Care Services; Adult Operations; Adult Parole Operations; Board of Parole Hearings; Community Partnerships; Adult Education, Vocations, and Offender Programs; and Adult Health Care Services.

Effective July 1, 2005, all agencies that previously reported to the Youth and Adult Correctional Agency were consolidated into the CDCR pursuant to the Governor's Reorganization Plan 1 of 2005 and Chapter 10, Statutes of 2005.

Existing Facilities: The CDCR operates 41 youth and adult correctional facilities, 44 camps, and 5 adult prisoner/mother facilities. The CDCR contracts for 19 adult parolee service centers and 13 adult community correctional facilities and it leases beds at 3 county jails. The CDCR also operates 192 youth and adult parole units and sub-units, 4 parole outpatient clinics, and 2 correctional training centers. In addition, the CDCR has 10 regional accounting offices and leases almost two million square feet of office space.

Currently, the CDCR houses approximately 173,000 adult inmates and 2,500 youth wards. The CDCR also supervises approximately 122,000 adult and 2,400 youth parolees.

The CDCR operates 4 licensed general acute care hospitals, 1 licensed skilled nursing facility, 1 hospice program for the terminally ill, 14 licensed correctional treatment centers, 3 hemodialysis clinics, and outpatient housing units at most correctional facilities.

The CDCR's infrastructure includes more than 42 million square feet of building space on more than 27,000 acres of land (42 square miles) statewide.

State correctional facilities average approximately 1 million square feet of building space and are sited on an average of 350 acres. Because correctional facilities must provide the confined population with all of the services generally provided in a small city, their infrastructure includes a variety of buildings and systems including:

- Housing units
- Pharmacies
- Kitchen and dining facilities
- Laboratories
- Medical, dental, psychiatric, and substance abuse treatment space
- Chapels
- Recreation areas
- Classrooms
- Libraries
- Firehouse plant operations
- Vocational and industry space
- Warehouse, administrative, and records space

In addition, correctional facilities have sophisticated energy, utility, telecommunications, and electronic security systems. Because of their size and often-remote locations, many correctional facilities operate their own water and wastewater treatment systems.

Some correctional facilities also produce a portion of their power through cogeneration plants. Because all operations must occur in a secure environment, correctional facilities have various features and systems to provide both internal and perimeter security, which include lethal electrified fences at 25 of the CDCR's 33 adult correctional facilities.

Many of the CDCR's institutions are showing signs of aging. The oldest of the CDCR institutions, San Quentin and Folsom, were built in 1852 and 1880, respectively. Between 1933 and 1965 ten more adult correctional facilities were added. Since the early 1980s, the CDCR established an additional 21 adult correctional facilities. The most recent, Kern Valley State Prison, was completed in June 2005.

The CDCR's youth correctional facilities are also quite old, as seven of the eight operating facilities were built prior to 1960. The newest, N.A. Chaderjian, was completed in 1991. At the time these facilities were built they served a younger

population that, in general, was incarcerated for less violent offenses than today's population.

Many of the newer correctional facilities are now 15 to 20 years old. Given the age and complexity of the institutions and their support systems, excessive wear and tear caused by crowding, rapidly changing technology, modifications and upgrades required for adult inmate and youth ward population needs, modern building codes, health and safety standards, and court mandates, the CDCR expects to continue to need a large and aggressive capital outlay program to support its public safety mission.

Drivers of Need: The primary infrastructure need for the CDCR is housing capacity for the incarceration of adult and youth offenders. The factors affecting the number of new cells and beds needed include population growth, crime rates, crowding policies, and the availability of cell and bed space. Other factors include the creation of new criminal penalties, statutory increases in sentences, programs that reduce recidivism, and statutory policies on work and behavior credits. Capital outlay needs are also affected by several lawsuits in state and federal court regarding deficiencies in general conditions of confinement and delivery of services to adult inmates and juvenile wards. In addition, the CDCR's own strategic initiatives to improve efficiency and quality of services drive capital needs. Furthermore, housing alien felons in state correctional facilities instead of federal prisons further exacerbates the need for additional state facilities.

The CDCR has identified primary drivers of need within each of its program categories. They are as follows:

- **Population (Inmate Housing)**—shortage of maximum-security beds. Based upon the Fall 2006 Population Projections, male inmate housing capacity will be exhausted sometime in 2007. All 33 CDCR prisons are now at or above maximum capacity. Twenty-nine of the prisons are so overcrowded that the CDCR is required to house approximately 18,500 inmates in prison gymnasiums, dayrooms, and program space. Approximately 1,700 inmates are sleeping in triple bunks. The shortage of maximum-security beds has led to increased confrontation between inmates and mission changes among the institutions to try to accommodate different groups of inmates, as well as exacerbating the risk of injury to staff.

- **Caseload (Health Care Services)**—specialized housing for the growing number of special health needs inmates, such as mental health and geriatric, within the prisoner population. This population shift is resulting in overcrowding and shortfalls in specialized housing and program space, as well as maximum-security cells that are often used to fulfill these needs. The CDCR’s medical service delivery system is under federal receivership (*Plata v. Schwarzenegger*). Furthermore, the CDCR’s mental health services delivery system is subject to court monitoring (*Coleman v. Schwarzenegger*). Lastly, the CDCR has entered a settlement to improve its delivery of dental services to inmates (*Perez v. Tilton*). The juvenile health care delivery system is also under legal scrutiny (*Farrell v. Tilton*). All of these legal cases may affect the CDCR’s capital outlay program by requiring additional projects and accelerating the timelines for project completion.
- **Facility/Infrastructure Modernization**—age and deteriorating condition of buildings, changing inmate security requirements and support systems, new or expanded program needs, essential utility expansion or upgrades, and inmate population growth. These factors necessitate the renovation, modification, or replacement of institution components so the CDCR can more efficiently and effectively provide its services and programs to both adult and juvenile inmates.
- **Critical Infrastructure Deficiencies**—age and deteriorating condition of buildings and associated security structures and support systems, essential utility replacement, and inmate population growth. In addition to the 12 institutions built before 1966, several of the newer institutions or their components are experiencing premature degradation due to abuses from inmates and deterioration over time. Furthermore, many of the utilities, particularly water and wastewater treatment facilities, are worn out or facing penalties and non-compliance issues.
- **Workload Space**—providing medical treatment space for the growing number of special health needs inmates. This growing population has further taxed the existing office and storage space to provide essential services.
- **Program Delivery Changes**—new or expanded program needs resulting from changes to existing program delivery system. These needs are driven by litigation, court mandates, and legislation addressing areas such as access to health care services, substance abuse programs, exercise time, and work training

programs. The space allotted for delivery of these services is inadequate to fully support these initiatives.

Five-Year Needs: The CDCR identified \$12.9 billion in needs for the next five years. This includes \$339 million to address critical infrastructure deficiencies, \$12.0 billion to address capacity needs driven by population increases, and \$394 million to modernize facilities to current building and program standards. In addition, \$56 million was identified for facility modifications resulting from various changes to existing programs and \$74 million was requested for projects requiring more space because of increased workload.

The \$339 million to correct critical infrastructure deficiencies includes large issues such as \$115 million to upgrade deficient utilities, including installation of temperature control systems at Ironwood State Prison in Blythe and a water treatment discharge disposal project at Chuckawalla Valley State Prison in Blythe. It includes \$72 million to deal with fire/life/safety issues including a fire alarm system upgrade at California Men's Colony in San Luis Obispo and statewide installation of fire protection sprinkler systems. In addition, the CDCR identified \$65 million to replace the dorms at California Rehabilitation Center, Norco; Sierra Conservation Center, Jamestown, and Deuel Vocational Institution, Tracy.

The CDCR requested \$12.0 billion to handle projected increases in segments of inmate population, including \$9.8 billion for infrastructure, housing, re-entry facilities, and program space, \$1.1 billion for dental treatment and office space to meet the requirements of the Perez court, \$700 million for new mental health facilities throughout the state because of the increasing population of seriously mentally ill inmates, and \$285 million for 2 new juvenile justice facilities to better house and program the wards.

Further, the CDCR identified \$394 million to modernize its existing facilities. This includes \$172 million for improvements to utilities serving CDCR facilities and \$134 million for security systems.

Facility modifications resulting from various changes to existing programs were identified in the amount of \$56 million. Finally, an additional \$73 million was requested for projects requiring more space because of increased workload, including \$25 million for new kitchens at California Men's Colony in San Luis Obispo

and Preston Youth Correctional Facility in lone and \$23 million for plant operations complexes at various Juvenile facilities throughout the state.

Funding Needs Reported by the Department of Corrections and Rehabilitation

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$46,944	\$162,850	\$41,919	\$71,751	\$15,321	\$338,785
Caseload/Population	10,467,487	473,650	1,047,098	3,936	0	11,992,171
Facility/Infrastructure Modernization	67,411	68,230	188,549	33,606	36,057	393,853
Program Delivery Changes	1,368	13,388	33,790	307	7,593	56,446
Workload Space Deficiencies	10,522	2,218	28,620	17,337	14,871	73,568
Total	\$10,593,732	\$720,336	\$1,339,976	\$126,937	\$73,842	\$12,854,823

Proposal: The 2007 Plan proposes \$10.2 billion for the next five years. Of this amount \$9.8 billion is directly tied to the Governor's initiative targeting prison reform, which was announced on December 21, 2006. The initiative is designed to confront California's dangerous overcrowding crisis and reduce recidivism.

Prison Reform Initiative:

Specifically, the Plan allocates \$2.7 billion to add 16,238 beds at existing facilities through infill projects and new construction while rectifying infrastructure problems that result from current overcrowding in these facilities. Infrastructure projects include improvements to water, sewer, and electrical systems that have been overburdened by overcrowding.

In addition to construction at existing facilities, the Plan provides \$4.4 billion to build local jails and juvenile facilities. This proposal will result in the addition of 45,000 local beds and 5,000 juvenile beds to the existing capacity. In 2005 alone, 233,388 individuals avoided incarceration or were released early from jail sentences due solely to a lack of jail space. This proposal would provide 20,000 beds for local use and 25,000 beds for inmates transferred by the state to local jails. These transfers are intended to allow offenders who pose a minimal public safety risk to be housed in their communities rather than in state prisons. In addition, females and juvenile offenders will be allowed to serve their sentences in local facilities and to benefit from family and community resources that will help reduce their rates of recidivism.

Through shared responsibility for the offender population statewide, local governments and the state will each have a greater stake in positive outcomes.

The Plan provides \$1.6 billion to construct new re-entry facilities throughout the state. These facilities will provide 5,000 to 7,000 beds in secure facilities for the purpose of transitioning inmates back to their communities upon the termination of their sentences. The overarching principal of the proposed re-entry facilities is to accomplish changes in parolee behavior by providing evidence-based programs for every inmate during incarceration in the re-entry facility and upon parole into the community. These re-entry facilities are proposed to be sited within urban locations, where community and governmental services can be provided seamlessly and transition with the parolee upon release.

The Governor's reform initiative also includes \$1 billion to incorporate mental health and dental services and to provide specialized treatment beds and program space for medical services as directed by the court-appointed Receiver in *Plata v. Schwarzenegger* (medical) and the *Coleman* and *Perez* courts.

Finally, the reform initiative includes \$117 million to complete the condemned inmate complex at San Quentin and \$55 million to construct a CDCR training academy for correctional officers in Southern California. Delays in the San Quentin project have caused the project to suffer inflationary price increases. This proposal allows the CDCR to account for the rising cost of construction materials and to complete the project. As the CDCR adds facilities, it will depend more than ever on a workforce able to address the needs of an expanding population of inmates. Adding a training facility to Southern California is expected to significantly increase the number of correctional officers the CDCR will be able to train and employ.

Additional Needs:

The remaining \$400 million includes \$155 million to modernize existing facilities and infrastructure, \$146 million to address critical infrastructure deficiencies, \$61 million to address issues created by increases in inmate populations, and \$38 million to resolve program delivery changes and workload space deficiencies.

The Plan includes \$155 million to modernize infrastructure at existing facilities. This amount includes \$57 million for wastewater projects at the Chuckawalla Valley State

Prison, Blythe, the California Correctional Center, Susanville, the California State Prison, Corcoran, the Centinela State Prison, Imperial, Mule Creek State Prison, Lone, and the Galt Correctional Training Center (GCTC). The CDCR has received notices concerning the management and discharge of wastewater from the regional water quality control boards at these prisons. Because the current arrangement between the CDCR and the City of Galt for the handling of wastewater is not sustainable, the project at the GCTC will allow the CDCR to continue to utilize this essential facility in the future. The amount also includes \$24 million to replace existing cell fronts at the California Institution for Men, Chino, the California Medical Facility, Vacaville, the Deuel Vocational Institution, Tracy, and the Correctional Training Facility in Soledad with a more secure design that is compliant with CDCR safety standards. \$20 million will be used to renovate the gas, storm, sewer, and water supply systems at Folsom State Prison in Represa. In addition, \$19 million is included for a kitchen renovation at California Medical Facility, Vacaville.

The Plan includes \$146 million to address ongoing critical infrastructure deficiencies not resulting from the Governor's initiative. The primary projects that make up that amount include \$48 million to install a new heating and ventilation system at the Ironwood State Prison in Blythe, and \$36 million to upgrade a fire alarm and suppression system at the California Men's Colony (CMC) in San Luis Obispo. The CMC system is needed to prevent the deadly effects of fire or other disasters that threaten older wooden structures such as those in use at that institution. The Plan also allocates \$11 million to construct a double security perimeter fence at Patton State Hospital, which continues to house mental patients referred through the court system. Finally, \$48 million will be used to carry minor capital improvements throughout the system and studies needed to prepare plans and develop designs for future capital projects.

Of the \$61 million to address increasing inmate populations, \$60 million is for mental health facilities at the CMC, San Luis Obispo and California Institution for Women, Corona to accommodate the expanding needs for mental health treatment.

For the remaining \$38 million of proposed projects, \$11 million is proposed to replace the central kitchen at the California Men's Colony in San Luis Obispo. An additional \$8 million is for the substance abuse office and program space at the California Rehabilitation Center in Norco. Lastly, this also includes \$7 million to construct 179

small management exercise yards at the California Correctional Center in Susanville, the Sierra Conservation Center in Jamestown, the San Quentin State Prison, the North Kern State Prison in Delano, the Correctional Training Facility in Soledad, and the California Correctional Institution in Tehachapi.

The statewide dental treatment and office space project requested by the Department is not being recommended in total for this five-year plan, but rather incorporated in the reform initiative for \$1 billion. The initial proposal submitted by the Department was based on a ratio of inmates to dentists that has not been approved by the court. It is currently being revised to reflect the approved ratio. The two new core treatment facilities being proposed at Stockton and one in the Southern region are not being proposed at this time. These projects as well as other projects for the CDCR's juvenile facilities are not being proposed at this time as the CDCR is proposing to shift a portion of the population of juvenile offenders housed in state facilities to locals while providing resources to support their program and housing needs.

Consistency with Chapter 1016, Statutes of 2002: The CDCR Plan is consistent with the state's planning priorities and is focused on rehabilitating and improving existing infrastructure and promoting infill development. The CDCR's individual projects are evaluated for their effect on the environment and projects are modified to minimize negative effects on a case-by-case basis.

Proposed Funding for the Department of Corrections and Rehabilitation

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$11,471	\$57,936	\$22,233	\$44,725	\$9,500	\$145,865
Caseload/Population	9,823,593	57,761	0	0	0	9,881,354
Facility/Infrastructure Modernization	56,636	12,013	32,591	17,437	35,868	154,545
Program Delivery Changes	911	6,444	478	307	7,593	15,733
Workload Space Deficiencies	10,522	0	1,246	10,548	0	22,316
Total	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813
Funding Source						
General Fund	\$376,369	\$134,154	\$56,548	\$73,017	\$52,961	\$693,049
Lease Revenue Bonds	9,526,764	0	0	0	0	9,526,764
Total	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813

EDUCATION

California's public education system includes local kindergarten through grade 12 school districts, local community college districts, California State University, University of California, Hastings College of the Law, and the California State Library. The education system serves over 8.4 million full time equivalent students at over 9,700 schools.

Kindergarten through 12th grade (K-12) schools will experience net increases in student enrollment of approximately 158,000 students by 2015-16. Additionally, our colleges and universities student population is expected to increase by approximately 220,000 full time equivalent students in the next five years. While some K-12 schools are experiencing declining enrollments, many other high growth areas lack the schools necessary to accommodate increased enrollment. As our system of approximately 9,600 K-12 school sites continues to age, the need for modernization assistance to keep classrooms current continues to increase.

The SGP proposes \$11.6 billion of additional general obligation bonds to provide state bond funding for K-12 schools into 2012-13. The \$11.6 billion is proposed to be split between the 2008 and 2010 elections. This total amount of funding, when combined with the \$7.3 billion contained in Proposition 1D on last November's ballot is estimated to provide for approximately 32,000 new classrooms to house approximately 826,000 students and almost 79,000 renovated classrooms providing state-of-the-art facilities for over 2 million students.

The \$11.6 billion of new proposed state general obligation bonds will be matched by school districts pursuant to statutory requirements proposed for the 2008 election cycle as specified in the 2008 bond section below. Allowing for financial hardships where the local match can be waived and for programs such as Charter Schools and Career Technical Education where the match may be paid over a multi-year period, it is estimated that school districts will provide \$7.1 billion over the SGP planning period, with another \$5 billion that will be paid beyond the SGP period.

This \$7.1 billion local match, together with the \$11.6 billion of additional bonds proposed above, the Proposition 1D amount of \$7.3 billion, plus the expected local match of \$3 billion for Proposition 1D, will provide total funding in the SGP period for K-12 schools of \$29 billion.

PUBLIC KINDERGARTEN TO GRADE 12 SCHOOL FACILITIES

California's public education system for students in K-12 includes over 1,000 local school districts, operating over 8,000 comprehensive schools and another 1,600 alternative schools serving over six million California students. The state, through the State Special Schools and Services Division of the Department of Education, also operates three residential schools for deaf and blind students and three diagnostic centers serving nearly 3,000 students.

Proposition 39-Approval of Local School Bonds: Funding for school facilities has most recently been a responsibility shared by the state and local school districts. The primary source of financing for the local share of construction costs is voter-approved local bonds. In 2000, voters statewide approved the Smaller Classes, Safer Schools, and Financial Accountability Act (Proposition 39) that reduced voting requirements for passage of local school bonds from a two-thirds majority to 55 percent, provided certain accountability requirements were included. Between 1986 and June 2000, local bond measures totaling over \$18 billion received the necessary two-thirds voter approval, while over \$13 billion were defeated that had over 55 percent voter approval.

Since enactment of Proposition 39, local communities have increasingly been able to fund a greater share of school construction through passage of local bonds. From March 2000 through the November 7, 2006 election, voters have approved approximately 368 local bond measures authorizing about \$38 billion for school construction and modernization.

K-12 EDUCATION STATE SCHOOL FACILITY PROGRAM

The state's share of school construction costs is financed primarily through voter-approved general obligation bonds (state bonds). The State School Facility Program, administered by the State Allocation Board, provides state bond funding primarily in the form of per-pupil grants for school districts with appropriate eligibility to acquire school sites, construct new school facilities, or modernize existing school facilities. Program participants apply for either new construction or modernization grants.

The current new construction grant program provides funding generally on a 50/50 state and local match basis. A new construction project grant is intended to provide the state's share for all necessary project costs, including:

- Funding for design
- Costs related to the approval of the plans and specifications by all required agencies
- Construction of the buildings
- Site acquisition
- General site development
- Educational technology
- Unconventional energy
- Change orders
- Furniture and equipment

The current modernization grant program generally provides funding on a 60/40 state and local match basis. School buildings are eligible for modernization project grants every 20 years for portable classrooms or every 25 years for permanent structures pursuant to Chapter 572, Statutes of 2003, (AB 1244). The modernization project grant can be used to fund a large variety of work, including:

- Air conditioning
- Insulation
- Roof replacement
- Purchase of new furniture and equipment
- Demolition and replacement of existing facilities of similar nature

School districts that are unable to provide some, or the entire, local match requirement may be eligible for state financial hardship funding, which may provide up to 100 percent of project cost. In order to receive financial hardship assistance, a district must have made all reasonable efforts to meet specified criteria, including the requirements to attain a 60 percent level of bonded indebtedness and an attempt to pass a local bond in the past two years.

Drivers of Need: Increases in enrollment projected for many of California's public school districts will drive a need for increased school facility construction funding. Although the Department of Finance's Demographic Research Unit projects

reductions in net statewide school district enrollment during the next five years totaling approximately 47,000 students, the trend will reverse, resulting in an increase in enrollments of approximately 158,000 students by 2015-16. Most of the growth will be inland as population growth migrates to the under-developed areas of California's valleys. While some schools are experiencing declining enrollments, many other high-growth areas lack the schools necessary to accommodate increased enrollment. The counties projected to have the strongest growth in the near term are Riverside, Kern, San Bernardino, Tulare, Placer, and San Joaquin. Also, some large declining enrollment districts have very overcrowded sites requiring new construction to adequately house students. Most notably, in order to meet the requirements of the recent settlement in the Williams lawsuit, the Los Angeles Unified School District along with three other school districts must relieve the most critically overcrowded schools (also known as "Concept 6" schools) by 2012. Thus, given the need for new schools to be in place before the population arrives, new school construction funding needs will continue to exceed net student growth projected during the five-year planning period. Based on current eligibility calculations as of December, 2006, school districts have reported eligibility for new construction of \$9.9 billion, although this is not a comprehensive estimate of need and has not been updated for most recent enrollment trends in all districts. Additionally, as of January, 2007, the Office of Public School Construction (OPSC) reported applications totaling \$1.2 billion in new construction projects and 93 new construction applications were awaiting eligibility determination.

Furthermore, as our system of over 8,000 comprehensive school sites continues to age, the need for modernization assistance to keep classrooms current continues to increase during this five-year period.

Finally, school reform measures also drive the need for school construction to support new modes of instruction. Because our primary and secondary school system helps develop tomorrow's workforce, it is important to ensure that facilities for both Charter Schools and Career Technical Education stimulate innovation so all students have the opportunity to participate in the high skill technical jobs that will fuel the economy of the future. Because Career Technical Education (CTE) has languished in the public school system for many years and the demand for Charter Schools is growing, the SGP continues the emphasis on assisting schools in meeting these special facility needs. Also, research has shown that smaller learning

environments are beneficial to student learning, allowing for more direct interaction with teachers and administrators and minimizing the possibility that students will get lost in the crowd. In order to complement the significant investments the state has made in curricula reform and accountability, the SGP continues to encourage smaller learning environments in our high school districts that normally house students in larger school environments.

Five-Year Needs: An infrastructure funding need of \$28.4 billion for primary and secondary schools is estimated for the five-year period of 2007-08 through 2011-12. This includes both an estimated state share of \$18.4 billion for new construction, charter schools, career technical education projects, and modernization, with an estimated \$10 billion of local match from school districts. The new construction and modernization estimates are derived primarily from total project costs over a three-year period, calculating the average annual need for each type of project, and projecting those estimates forward for five years. Charter school and career technical education amounts are based on multiple factors and judgment because sufficient historical information is not available. These five-year needs recognize that a portion of the need will be met from existing state bond balances from Proposition 55 from the 2004 election cycle and Proposition 1D from the 2006 election cycle, as well as proposed state funding from two new bonds proposed for the 2008 and 2010 election cycles. The estimated state need for the new bond measures assume a shift in the traditional cost sharing ratio and thus the local match amounts are estimated to increase accordingly. It is estimated that as of July 1, 2007, a total of \$ 8.2 billion of Proposition 55 and Proposition 1D bond funds will remain available, leaving a projected unfunded gap of \$10.2 billion in state funding through 2011-12.

Funding Needs Reported for Kindergarten through Grade 12 School Facilities

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
Total	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000

Proposal: The Administration proposes to meet this need as part of the SGP. The starting point for the 2007 Plan is the recently approved Proposition 1D, which provided \$7.3 billion to address K-12 facility needs through 2008-09. This funding is estimated to provide approximately 9,800 new classrooms housing almost 255,000

students and approximately 38,400 renovated classrooms to serve 989,000 students through the following components:

- \$1.9 billion for new construction—Funds will be allocated on a per un-housed pupil basis through the current School Facility Program and match requirements administered by the State Allocation Board.
- \$3.3 billion for modernization—Funds will be allocated on a per-pupil basis for eligible school sites through the current School Facility Program and match requirements administered through the State Allocation Board.
- \$500 million for charter school new construction and modernization—Funds will be allocated through the current Charter School Facility Program administered by the State Allocation Board and California School Finance Authority with new provisions to prioritize projects that utilize existing school sites.
- \$500 million for career technical education facilities—Funds will be allocated through a competitive matching grant program based on the cost of the improvements and administered by the State Allocation Board in cooperation with other entities. Applications will be based primarily on the strength of the instructional plan. Competitive applications will require sequenced instructional programs developed in cooperation with industry partners and community colleges to ensure industry relevance and articulation with higher education for more advanced skill development for the students.
- \$1 billion for overcrowding relief grants—Funds will be allocated to schools defined as overcrowded based on having a pupil density equal to or greater than 175 percent of the current guidelines determined by the Superintendent of Public Instruction. Grants are available for the purpose of replacing a portion of portable classrooms with new hard construction and may include funding for site acquisition if the new construction is placed on a new site. A district does not need new construction or modernization criteria to be eligible for this program.
- \$100 million for incentives to meet high performance school design standards—Funds will be allocated to school districts that meet high performance rating criteria (HPRC). The HPRC will be used to determine if a project qualifies for the grant and will determine the amount of the grant provided for the costs of

design and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials, other uses of acoustics conducive to teaching and learning as well as other characteristics of high performance schools.

- Of the amount allocated for new construction and modernization, up to \$200 million is available for small high school development in a program modeled pursuant to Chapter 894, Statutes of 2004 which provides program requirements and funding incentives to address the higher facility costs for creating smaller high school environments.
- An additional \$200 million is also made available from the new construction amount above to address critical seismic safety projects.

The Administration recognizes the need for additional resources to support K-12 facilities through 2011-12, beyond the remaining balances of Propositions 1D and 55. As previously mentioned, the Governor's Budget proposes legislation for two additional bond measures, one in 2008 and one in 2010. The proposal for 2008 would address K-12 facility needs for the 2009-10 and 2010-11 fiscal years, while the 2010 bond proposal would address facility needs through the remainder of the five-year period and into 2012-13. These proposals are described in detail below.

2008 EDUCATION BOND

The bond measure proposed for the 2008 election cycle is estimated to fund construction through 2010-11 and provide approximately 12,800 new classrooms housing approximately 330,000 students and over 25,300 renovated classrooms providing state-of-the-art capacity for approximately 653,000 students. The bonds are proposed to be allocated as follows:

- New Construction—\$2.931 billion to assist high-growth school districts that are projected to have increases in enrollment through 2010-11. This amount is predicated on grant reductions calculated to revise the traditional 50-percent state/50-percent local cost-sharing ratio to 40-percent state/60-percent local. This assumes the state's assistance for acquisition of sites will be restricted to a participation level assuming 150 percent of current site density planning standards.

- **Modernization**—\$1.539 billion to address rehabilitation needs for buildings that are over 20 to 25 years old recognizing that teaching techniques, building codes, and technology change over time. This component assists schools with major building system replacements that cannot be funded completely through normal deferred maintenance and operating funds, and is predicated on grant reductions calculated to revise the cost sharing ratio to 40-percent state/60-percent local funding, similar to new construction.
- **Charter Schools**—\$1.0 billion to provide dedicated funding for Charter Schools as a part of addressing the educational needs of K-12 students and housing enrollment growth. Charter Schools provide an added dimension to parental choices in ensuring an appropriate environment for their child's education. These funds are predicated on a 50-percent state/50-percent local sharing ratio because Charters do not have the ability to levy local bonds. Instead, state bond funds are used to advance the local share and are paid back with operating or other revenue over time.
- **Career Technical Education Facilities**—\$1.0 billion to provide a dedicated fund source for matching grants to provide state of the art technical education facilities to ensure our comprehensive high schools can provide the cutting edge skills essential to the high wage technical sectors of our state economy. These funds are predicated on a 50-percent state/50-percent local sharing ratio to provide added incentive to build these high cost classrooms.
- Of the amount allocated for new construction and modernization, up to \$200 million is available for small high school development.

2010 EDUCATION BOND

The subsequent bond measure for K-12 schools in 2010 will address needs extending into 2012-13. This increment will provide for the same purposes as the 2008 bond and is predicated on continuation of the cost containment measures described previously. This level of funding is estimated to provide over 9,300 new classrooms serving 241,000 students and almost 15,000 renovated classrooms serving about 387,000 students. The bonds are proposed to be allocated as follows:

- **New Construction**—\$1.792 billion

- Modernization—\$889 million
- Charter Schools—\$500 million
- Career Technical Education Facilities—\$500 million
- Small High Schools—\$200 million is available from amounts for New Construction and Modernization

As previously mentioned, Proposition 39 has given local school districts greater ability to raise local school facilities funds and has expanded opportunities to improve current school facilities, which should help schools meet future facility needs. This is important as competing statewide infrastructure needs make current funding policies for K-12 school construction unsustainable within a prudent debt service ratio. The 2007 Plan provides state general obligation bond assistance for funding K-12 school facility needs through 2011-12, but assumes some cost containment measures for the 2008 and 2010 bonds. Therefore, it will be necessary for schools to plan for additional bond measures and alternative financing strategies to ensure students are housed in appropriate school facilities during the five-year plan period and, more importantly, for the years thereafter when state bonds may not be available.

Consistency with Chapter 1016, Statutes of 2002 (AB 857): K-12 is exempt from Chapter 1016 by the Chapter's own terms.

Proposed Funding for Kindergarten through Grade 12 School Facilities

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
Total	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
Funding Source						
Existing GO Bonds	\$3,983,000	\$3,833,000	\$369,000	\$0	\$0	\$8,185,000
Proposed GO Bonds	0	0	2,979,000	3,491,000	3,681,000	10,151,000
Local Match	1,831,000	1,732,000	2,130,000	2,242,000	2,089,000	10,024,000
Total	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000

STATE SPECIAL SCHOOLS

The State Special Schools and Services Division (Division) within the Department of Education provides diverse and specialized services and resources to individuals with exceptional needs, their families, and service and care providers. The Division provides technical assistance, assessment services, educational resources, and educational programs which prepare students for transition to adulthood and promote their independence, cultural awareness, and personal growth. The Division operates diagnostic centers and residential schools for deaf and blind students which serve a population of nearly 3,000 students. The Division currently has approximately 1,100 staff, which represents nearly 40 percent of all Department of Education employees.

The programs administered by the Division include:

- **Diagnostic Centers**—These centers provide assessments to special education students and conduct training programs for educators and families across California. The centers are located in Fremont (Northern Region), Fresno (Central Region), and Los Angeles (Southern Region). Referrals are made through local school districts for special education students making inadequate progress despite utilization of local resources, and for students with complex behavioral and learning profiles that cannot be assessed locally.
- **California School for the Deaf**—The two Schools for the Deaf in Riverside and Fremont provide instructional programs to more than 1,000 deaf and hard of hearing students from preschool through high school. The School for the Deaf

in Fremont was the first special education program in California, originally established in San Francisco in 1860. The schools adhere to the California State Curriculum Frameworks and Instructional Materials guidelines, which guide the education of all students in California. Full intramural athletic programs are provided at the Schools. Students are enrolled as day or residential students, depending on required commute distance. The elementary school department serves elementary and special needs children from first through fifth grades. This program is designed to develop language skills, increase vocabulary, and prepare students to achieve in the higher grades. Prior to leaving secondary school, students may participate in an apartment living program that provides an environment for the students to acquire independent living skills necessary for successful integration upon graduation.

- California School for the Blind**—The California School for the Blind (CSB) in Fremont provides comprehensive educational services, in both the regular academic year and summer programming, to approximately 130 students who are blind, visually impaired, or deafblind, and most of whom have multiple disabilities. CSB also supports more than 2,000 blind students and their teachers in local school districts via teacher training, assessment, and technical assistance. Students range from ages 3 through 21. These students can be day or residential students, depending on commute distance. Elementary school children are provided classroom instruction with an emphasis on the use of Braille, low vision aids, assistive technology, organizational skills, independent living skills, social skills, and instructional independence. Secondary aged students are enrolled in a transition program to prepare them for the world of work and independent living, or are enrolled in the partnership program between CSB and the Fremont Unified School District. Many students are served in short-term intensive programming, including summer programs, which aim to return students to their home districts better prepared to engage in the general education curriculum. CSB collaborates with other blindness education agencies to provide statewide support to school age blind children and their families.

Existing Facilities: The Division has six facilities comprised of the three residential schools and three diagnostic centers referenced above. These facilities provide 960,000 square feet (sf) of program space on 176 acres. The school facilities include

classrooms, gymnasiums, dining commons, multipurpose rooms, assessment rooms and dormitories for residential students. The diagnostic centers include interview and assessment rooms, observation rooms, training rooms with videoconferencing capabilities, counseling rooms, waiting areas for parents, and offices for teachers and other professional staff.

Drivers of Need: The Division needs to provide safe and adequate space to the existing population of students and to accommodate changes in program delivery methods. The Division identified numerous drivers of space need for its infrastructure program, which have been grouped into the following two categories:

- **Condition of Buildings**—These drivers consist of such factors as the age of buildings, their seismic condition, Americans with Disabilities Act (ADA) accessibility, ventilation requirements, and electric load systems that affect the need for renovation of existing facilities or the need for new facilities to address the specific condition.
- **Legislative Changes to Program Delivery**—These are drivers that reflect changes to program delivery developed and implemented through legislation both at the state and federal level. The Individuals with Disabilities Education Act (I.D.E.A.) and the Hughes Bill (A.B. 2586) are two examples of legislation that have increased the need for additional classrooms, offices, and other facilities.

Five-Year Needs: The Division requests \$76.8 million over the five-year period for 11 projects. Of the \$76.8 million requested in fiscal years 2007-08 through 2011-12, approximately eight percent (\$6.2 million) is for critical infrastructure deficiency projects, 31 percent (\$24.1 million) is for facility and infrastructure modernization projects, and 61 percent (\$46.5 million) is for workload space deficiency projects.

The programmatic drivers identified above were developed in 1997 when the Department of General Services, in consultation with Division staff, developed the Division's master plans for the long-term facility needs at Riverside and Fremont. The projects in the Division's 2007 Plan are projects identified in the existing master plans for the Riverside and Fremont facilities.

Funding Needs Reported by the State Special Schools

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$6,187	\$0	\$0	\$0	\$0	\$6,187
Facility Infrastructure Modernization	16,517	6,613	162	783	0	24,075
Workload Space Deficiencies	10,383	1,118	2,266	24,923	7,850	46,540
Total	\$33,087	\$7,731	\$2,428	\$25,706	\$7,850	\$76,802

Proposal: \$68.4 million is proposed for the five-year period in recognition of the many needs at the Division's facilities, including:

- Designing and building six support cores (areas designated for administrative, educational, and storage needs), three classrooms for the Early Childhood Education (ECE) pre-school through third-grade students (total of 6,700 sq. ft.), a bus loop with covered walkways for the ECE students, and renovating three administrative/educational buildings (total of 14,200 sq. ft.) which will include the installation of a heating, ventilating, and air conditioning (HVAC) system and the installation of approximately eight new heating, hot water boilers for 16 existing facilities. The existing boiler plant is to be decommissioned once all of the buildings have been removed from the steam heating system. This project will provide enhanced facilities to help the Division meet faculty and students' needs, as well as, provide for improvements that will promote energy efficiency.
- \$6.2 million for two continuing critical infrastructure deficiency projects.
- \$15.7 million for a facility infrastructure modernization project.
- \$46.5 million for six workload space deficiency projects.

The 2007 Plan includes six projects to address deficient workload space at the Riverside campus, with one project recommended to commence in 2007-08, and the remaining in the out years of the plan. These projects include additional space for warehouse and shop facilities, and group meeting places. One infrastructure modernization project is recommended to begin in 2008-09 to further improve upon the physical education and after school programs provided by the Division and which were not addressed adequately when the campus was designed in the 1950's. One project, recommended to begin in 2010-11, will address some of the workload

space deficiencies at the Diagnostic Center in Northern California. All projects are contingent upon completion of a budget package for each project to ensure the most accurate estimate of costs.

The Division has been moving forward to identify and prioritize projects that address the most serious deficiencies first, which are at the Riverside facility. In recognition of these needs, the SGP included \$50 million to provide incentives for the design of facilities that are energy efficient and utilize renewable energy. The Division is also taking into consideration the campus' ability to handle new projects in terms of physical plant needs, as well as, staff involvement, and disruption to student activities and Division programs.

Consistency with Chapter 1016, Statutes of 2002: The State Special Schools are exempt from Chapter 1016 by the Chapter's own terms.

Proposed Funding for the State Special Schools

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$6,187	\$0	\$0	\$0	\$0	\$6,187
Facility/Infrastructure Modernization	0	783	759	14,110	0	15,652
Workload Space Deficiencies	10,383	1,118	2,266	24,923	7,850	46,540
Total	\$16,570	\$1,901	\$3,025	\$39,033	\$7,850	\$68,379
Funding Source						
General Fund	\$0	\$1,901	\$3,025	\$636	\$1,754	\$7,316
Lease Revenue Bonds	16,570	0	0	38,397	6,096	61,063
Total	\$16,570	\$1,901	\$3,025	\$39,033	\$7,850	\$68,379

HIGHER EDUCATION

California Master Plan for Higher Education: The California Master Plan for Higher Education (Master Plan) was first adopted in 1960 as a means of organizing and balancing the goals and expectations of the three higher education segments. Although capital infrastructure is not the primary focus of the Master Plan, the policies and commitments embodied in the Master Plan exert a major influence on the nature and magnitude of the state's higher education infrastructure need. In particular, the following two major principles of the Master Plan play a significant role in driving the capital needs of the three segments:

- **Mission and Function:** The Master Plan reduced duplication of effort between institutions by assigning a specific mission to each segment. For example, the University of California (UC) is designated as the state's primary research institution and is given almost exclusive jurisdiction in public higher education for doctorate degrees. The California State University's (CSU) primary mission is undergraduate education and graduate education through the master's degree level, with an emphasis on polytechnic fields and teacher education. The California Community Colleges (CCC) were charged with providing academic and vocational instruction at the lower division levels, as well as providing remedial, noncredit, and community education services.
- **Access, Admission and Transfer Provisions:** A key element of the Master Plan involves the commitment to providing access to higher education for every student willing and able to benefit from attendance. The Master Plan specifies different admission pools for each segment to help facilitate this commitment to access. For example, the UC must offer admission to any California resident in the top one-eighth of their high school graduating class who applies on time, while the CSU must offer a similar admission policy to the top one-third of the state's high school graduates. In general, the CCC must admit any student capable of benefiting from instruction. The Master Plan also establishes vigorous policies for transfers between the two and four-year institutions.

Year-Round Operations for Higher Education: In general, the state's public higher education segments do not have the same level of enrollment during the summer months as exists during the regular academic year (i.e., fall through spring). Increasing enrollment during the summer term, known as "year-round operation," has been suggested as one approach for addressing the capital needs associated with the significant enrollment growth projected for higher education within the next decade.

The use of year-round operation as a means of reducing California's need for new higher education infrastructure has been discussed and utilized, to a limited extent, for more than 30 years. For example, as of 2005-06, 17 CSU campuses and 9 UC campuses operate on a year-round basis. Although the goal of reducing the need for new state infrastructure has received widespread support, the extent to which year-round operation will help to achieve this goal remains a subject of debate. All three

higher education segments are committed to increasing summer enrollments, and the UC and the CSU are phasing in additional campuses to year-round operations. However, the segments maintain that capital planning should not be based on the assumption that summer enrollment will be equivalent to enrollments in the regular academic year, or “full summer enrollment”. In particular, the UC and the CSU note that no higher education institution in the country has demonstrated an ability to achieve full summer enrollment. Numerous factors influence the actual summer enrollment rate, including:

- **Limited Financial Aid:** Most financial aid programs are not structured to accommodate summer enrollment in addition to the regular academic year. This factor, along with the need of many students to work in the summer, presents a significant disincentive for summer enrollment.
- **Academic and Cultural Resistance:** Academic programs have historically been designed on the regular academic year, and faculty members are hired based on the regular academic schedule. Although the segments have committed to changing this model to a more year-round approach, both time and funding will be required to more fully integrate the summer term.

All three segments assumed some level of summer enrollment in developing their five-year infrastructure plans. While increased summer enrollment should be pursued as one method of reducing the state’s need for new infrastructure, each segment must incorporate realistic expectations regarding year-round operation into capital planning. These expectations may well be different between segments and even within one system, based on a variety of factors, including historical trends and geographic influences.

Higher Education Compact: The Higher Education Compact (Compact), which was signed by Governor Schwarzenegger in May 2004 covering fiscal years 2005-06 through 2010-11, contains performance standards that the UC and CSU commit to adhere to in return for a specified level of annual funding from the state for operations and capital outlay. The capital outlay provisions of the Compact call for the state to provide UC and CSU each \$345 million per year. The voters approved this level of infrastructure funding for the UC and the CSU through 2007-08 by approving Proposition 1D. In addition to funding for the compact, \$200 million was included in Proposition 1D for the expansion of the UC telemedicine program.

Telemedicine provides video-conferencing for medical services in rural areas. This enables rural doctors to work with specialists in elite teaching hospitals and provide better treatment to patients. The infusion of infrastructure funding for this program is enabling all five medical schools to create or expand its telemedicine program.

Proposition 1D also provides \$750 million per year for the California Community Colleges (CCC), which resulted in a total of \$3.1 billion for all of the higher education segments for a two-year period. The SGP proposes to continue this level of state support for the UC, CSU and CCC beyond 2007-08 through additional bond measures on the 2008 and 2010 ballots, totaling \$11.5 billion. These funds will be used to meet an increased student enrollment of approximately 130,000 at the UC and CSU campuses and to continue the current level of CCC support. Furthermore, the SGP proposes \$70 million (lease-revenue bonds) to help fund new facilities that will place the UC at the vanguard of research into alternative fuels and energy conservation.

UNIVERSITY OF CALIFORNIA

The University of California (UC) system is comprised of ten campuses. The Master Plan designates the UC as the primary state-supported academic institution for research with exclusive jurisdiction in public higher education instruction in the professions of law, medicine, dentistry, and veterinary medicine. Sole authority is vested in the UC to award doctoral degrees in all fields, except that the doctorate in Education may be awarded by the CSU. Joint doctoral degrees may also be awarded with the CSU system.

UC has three primary missions:

- Instruction of qualified individuals through offering undergraduate, graduate, professional, and post-doctoral programs.
- Research programs with an emphasis on teaching research at both the undergraduate and graduate levels.
- Public service, including outreach and K-14 improvement programs, cooperative agricultural extension programs, and health science programs, including teaching hospitals.

The UC system is expected to enroll 216,255 full-time equivalent students (FTES) in 2007-08 and is estimated to grow to 238,705 FTES by the year 2011-12, consistent with the annual enrollment growth of 2.5 percent agreed to under the Compact. (The Compact projects enrollment growth through 2010-11; the projection for 2011-12 assumes the continued annual enrollment growth of 2.5 percent.)

Existing Facilities: The UC operates facilities at ten campuses encompassing nearly 112 million square feet (sf) in 5,500 buildings on approximately 30,000 acres. Of the 112 million sf, state-supportable facilities account for 55 million sf (50 percent) of total space. These state-supported facilities include classrooms, laboratories, auditoriums, administrative and student services buildings, gymnasiums, theaters, art studios, and libraries. In addition, campuses contain a variety of facilities used for auxiliary functions such as housing, food service, parking, and recreational facilities. These auxiliary facilities, as well as, certain Medical Center facilities, are self-supporting and the state does not contribute to their funding.



Drivers of Need: The UC identified capital outlay needs in two general categories: the need for new space to address enrollment and programmatic growth, and the need for systematic renewal of existing space to address both safety and programmatic concerns. Overall, the primary programmatic drivers of the UC need for space (either new or renewed space) are the nature of the educational programs provided and the level of enrollment. In addition, the physical condition and functional utility of existing facilities affect the UC's capital outlay needs.

- **Enrollment demand:** The UC's undergraduate enrollment planning is based on the UC's student access requirements under the Master Plan, which provides that the top 12.5 percent of California high school graduates, as well as, those transfer students from the California Community Colleges (CCC) who have

successfully completed specified college work, are eligible for admission to the UC. Graduate and professional enrollment planning is based on assessment of state and national needs, program quality, and available financial aid for students. In May 2004, Governor Schwarzenegger and the UC and the CSU segments agreed to the Compact, which provides a long-term resource plan through 2010-11. This Compact addresses the state's commitment to provide adequate financial support for the UC and the CSU, as well as the segment's commitments to achieve high priority outcomes for the state. Included in the Compact is an agreement to provide funding for projected enrollment increases of approximately 2.5 percent (5,000 students) annually systemwide.

As noted above, this will bring the total enrollment from 216,255 FTES in 2007-08 to 238,705 FTES in 2011-12. This is consistent with the Compact through 2010-11, and assumes continued enrollment growth of 2.5 percent for 2011-12.

- **Program needs:** Almost half of the 55 million sf in existing state-supportable facilities is complex laboratory space. The high proportion of laboratory space in the UC's existing facilities reflects the UC's role as the state's primary academic research institution and the state's investment over time to support instruction and research programs in science, engineering, and other technical areas. For this type of space, the complexity of the facilities and the rapid advances in technology drive a continual and considerable need. In addition, the UC notes that modern facilities represent a significant factor in the recruitment of top-ranked faculty.

With regard to the physical condition of existing facilities, the UC noted that there has been a lack of funding for the systematic renewal of building systems that wear out with normal use and require replacement on a regular basis. These systems, including controls and fans for heating, ventilation, and air conditioning systems, electrical equipment, and built-in laboratory equipment, may require replacement two to three times during the life of a building.

Five-Year Needs: The UC requested approximately \$3.8 billion, as follows:

- \$573.8 million in fiscal year 2007-08, consisting of 47 percent for enrollment growth, 40 percent for program delivery changes, 9 percent for modernization and 4 percent for critical infrastructure deficiencies.

- For years 2008-09 through 2011-12, the UC requested approximately \$3.2 billion total, or an average of \$810.2 million per year. Of this amount, approximately 61 percent is for enrollment growth, 31 percent is for modernization or renovation, and 8 percent is for critical infrastructure deficiencies.

The UC's plan contained project-specific requests for fiscal year 2007-08, with the out-year requests consisting of a combination of the continuing phases of existing projects and an estimate of the funding required for three program categories: critical infrastructure deficiencies, enrollment growth, and modernization. The UC's plan in 2007-08 also contains funding from Proposition 1D for capital improvements to expand and enhance medical education programs with an emphasis on telemedicine aimed at developing high-tech approaches to health care.

The UC's requested need was calculated using a variety of methodologies. In order to evaluate the space needs generated by the drivers identified above, the UC established eight separate types of capital need:

- General campus standard instruction and research (I & R) capacity space
- General campus non-standard I & R program space
- Health sciences instruction and research space
- Library and information resources space
- Student academic support space
- Administrative and logistical support space
- Utility systems and site development expansion

Under each of these categories, the amount of space required is driven primarily by the level of enrollment, the amount of space allocated for different activities, known as "space standards," and the assumptions regarding the extent to which facilities are used, known as "utilization standards" (i.e., hours of the day and days of the week that the space is used). The total space needs estimated by these calculations are then translated into funding levels by estimating the total cost per square foot of designing and constructing the various types of space. For example, the UC assumed that classroom space would have a unit cost (including design and construction) of \$470 per sf, class laboratories of \$630 per sf, and academic office and research space of \$800 per sf.

In this context, the dollars associated with square foot calculations refer to dollars per assignable square foot (asf). The “assignable” square footage of a facility describes space made available for programmatic uses, whereas the more general “square foot” term usually includes areas such as mechanical rooms, stairwells, communication areas, and restrooms. The UC most commonly describes infrastructure in terms of asf in order to correlate facility needs to program type and student count. This factor becomes significant in comparing the UC’s stated costs with other agencies and departments, because costs allocated per asf will reflect a higher unit cost per facility than the same facility cost described in general square foot terms. The UC attributes the variance primarily to the higher costs experienced for construction of research laboratories that require a number of built-in items, such as fume hoods and specialized heating/ventilation systems, that are needed to support the UC student and faculty instruction and research.

The UC also adjusted its space calculations by assuming that a portion of enrollment growth would be accommodated through the expansion of summer instruction, thereby reducing the need for new classroom and class laboratory space. In particular, the UC assumed that summer term enrollment would represent 40 percent of the average of fall, winter and spring enrollment, consistent with an approved phasing plan for implementation of year-round operations. Nine general campuses currently operate on a year-round basis.

In estimating the costs associated with modernization and renewal of existing space, UC developed the comprehensive Facilities Renewal Resource Model for assessing facilities renewal needs and estimating the cost associated with renewal of existing buildings, utilities systems, and site infrastructure. The model takes a systems approach to estimating renewal needs and costs. It deconstructs a building into component systems that need to be renewed on a predictable schedule, establishes life cycles for each of the components, and establishes unit costs for renewing the components. Using these elements, the model includes a profile of each building, and predicts the year that renewal or replacement of each system should take place based on the original date of construction of the building or the date of the most recent renovation of each component system. With this information, the model can generate annual renewal costs by building component by campus by year, which can be aggregated into a total the UC system cost per year.

Based on this model, the UC estimated an average funding need of approximately \$197 million per year for major renovation projects to address system renewal needs. In addition, the UC assumed that approximately \$43 million would be needed annually to address renovations associated with programmatic changes and modernization, resulting in a total renewal cost of approximately \$240 million per year. The UC noted that this total annual estimate does not include the funding required to address an \$800 million backlog of deferred maintenance in existing facilities on all campuses. This deferred maintenance cost would be funded through the operating budget, separate from funding under the five-year infrastructure plan.

Funding Needs Reported by the University of California

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$21,706	\$112,806	\$3,150	\$99,278	\$38,762	\$275,702
Enrollment/Caseload/Population	273,016	486,863	418,682	651,570	416,120	2,246,251
Facility/Infrastructure Modernization	50,068	241,745	275,300	245,500	250,950	1,063,563
Program Delivery Changes	229,000	0	0	0	0	229,000
Total	\$573,790	\$841,414	\$697,132	\$996,348	\$705,832	\$3,814,516

Proposal: As reflected in the SGP, and consistent with the Compact, the 2007 Plan proposes \$1.9 billion to address the UC's infrastructure needs. Of this amount, approximately 52 percent addresses enrollment growth, 27 percent modernization or renovation, 12 percent for program delivery changes, and 8 percent represent critical infrastructure deficiency projects.

In addition, this five-year plan includes \$70 million (lease revenue bonds) to ensure the UC becomes the premier institution for alternative energy and fuels research. This includes \$30 million for a new energy and nanotechnology Helios Research Facility to conduct research on the conversion of solar energy into a carbon-neutral form of energy and \$40 million to establish the Energy Biosciences Institute dedicated to bioscience research.

Consistency with Chapter 1016, Statutes of 2002: The UC is exempt from Chapter 1016 by the Chapter's own terms.

Proposed Funding for the University of California

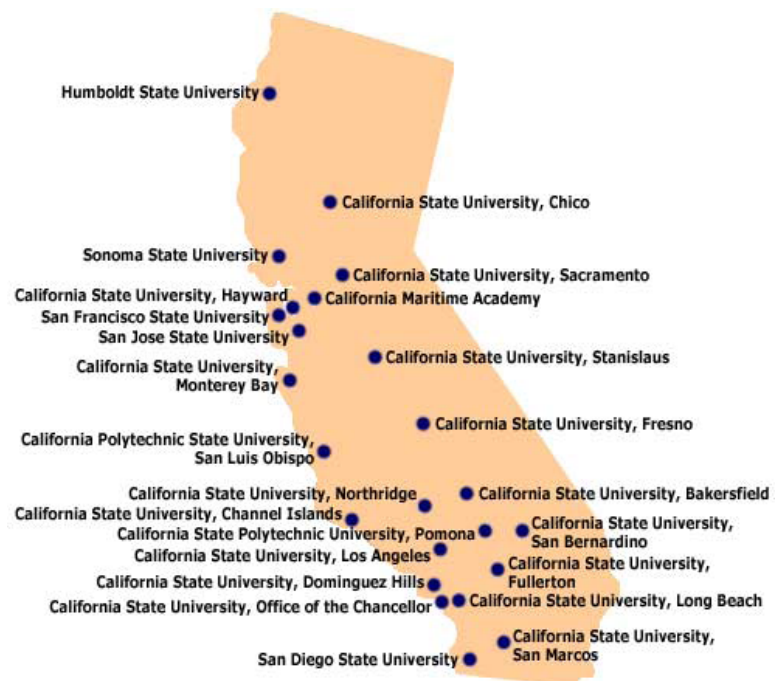
(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$21,081	\$77,489	\$3,150	\$43,913	\$38,762	\$184,395
Enrollment/Caseload/Population	273,016	137,852	213,726	198,419	183,743	1,006,756
Facility/Infrastructure Modernization	50,068	129,659	128,124	102,668	122,495	533,014
Program Delivery Changes	229,000	0	0	0	0	229,000
Total	\$573,165	\$345,000	\$345,000	\$345,000	\$345,000	\$1,953,165
Funding Source						
Proposed GO Bonds	\$503,165	\$345,000	\$345,000	\$345,000	\$345,000	\$1,883,165
Lease Revenue	70,000	0	0	0	0	70,000
Total	\$573,165	\$345,000	\$345,000	\$345,000	\$345,000	\$1,953,165

CALIFORNIA STATE UNIVERSITY

The California State University (CSU) educates students for attainment of degrees, credentials or certificates in the liberal arts and sciences, and certain applied fields and professions. The CSU graduates 10 percent of the California workforce, prepares an estimated 60 percent of California's teachers, and approximately 10 percent of the nation's teachers. The CSU offers more than 1,800 bachelors and master's degree programs in over 240 subject areas. Many of these programs are offered in a way that allows students to complete their degree requirements through part-time, late afternoon, and evening study. The CSU offers a doctorate in Education, and a limited number of doctoral degrees offered jointly with the University of California (UC) and with the Claremont Graduate School.

The CSU system has 23 campuses, comprised of 22 university campuses and the California Maritime Academy. The system has seven off-campus centers that serve upper division and graduate students. The CSU system is expected to enroll 355,954 full-time equivalent students (FTES) in 2007-08, and is estimated to grow to 392,907 FTES by the year 2011-12, consistent with the annual enrollment growth of 2.5 percent agreed to under the Higher Education Compact (the Compact). (The Compact projects enrollment growth through 2010-11; the projection for 2011-12 assumes continued annual enrollment growth of 2.5 percent.)

Existing Facilities: As of fall 2006, the CSU system had a total of 2,149 buildings with 68.8 million square feet (sf) on 23,135 acres of land. These include 1,808 State-supported facilities with academic and non-housing related space including classrooms, laboratories, administrative and student services buildings, gymnasiums, auditoriums, theaters, and libraries. In addition, campuses contain a variety of auxiliary facilities, including housing, food service, parking, and recreational facilities, which are self-supporting.



Drivers of Need: The CSU identified capital outlay needs in two general categories: the need for new space to address enrollment growth, and the need to renovate or modernize existing space to address both safety and programmatic concerns. Overall, the primary programmatic drivers of space (either new or renewed space) are the nature of the educational programs provided and the level of enrollment.

- **Enrollment Demand:** The CSU's capital program is based upon enrollment targets established by the CSU Chancellor's Office in consultation with campuses and compared against population and enrollment projections prepared by the Department of Finance and by the California Postsecondary Education Commission. These enrollment targets are consistent with the CSU's student access requirements under the Master Plan, which provides that the top one-third of California high school graduates, as well as, qualified transfer students from the California Community Colleges campuses, are eligible for admission to the CSU. Over the five-year planning period, the CSU assumed an enrollment increase averaging approximately 2.5 percent per year. This is

consistent with the Compact. The projection assumes continued enrollment growth of 2.5 percent for 2011-12. As noted above, this will bring the total enrollment from 355,954 FTES in 2007-08 to 392,907 FTES by the year 2011-12.

- **Program Needs:** The foundation programs for each CSU campus consist of liberal arts, sciences, business administration, and education. Programs in applied fields and professions other than those in the foundation programs are allocated within the system on the basis of (1) needs of the state, (2) needs of the campus service area, and (3) identification of employment opportunities.

Five-Year Needs: The CSU requested approximately \$6.0 billion for the five-year period, as follows:

- \$343.0 million in fiscal year 2007-08, consisting of 66 percent for enrollment growth and 34 percent for facility modernization.
- For years 2008-09 through 2011-12, the CSU requested approximately \$5.7 billion, with a significant portion of this funding requested in 2010-11 (over \$1.7 billion), decreasing to \$1.2 billion in 2011-12.
- Of the \$5.7 billion requested in years 2008-09 through 2011-12, approximately 53 percent is for modernization projects, 37 percent is to address enrollment growth, and 10 percent is for critical infrastructure deficiencies.

The CSU's requested need was calculated using a variety of methodologies. In order to address its unique programmatic needs, the CSU established two major categories of space types: instructional space and administrative space. Under the umbrella of instructional space, five subcategories were identified:

- Lecture
- Lab
- Graduate research
- Instructional activity
- Faculty space

Under the category of administrative space, four subcategories were identified:

- General administration
- Library

- Media
- Plant operations

Under each of these categories and subcategories, the amount of space required (new or renovated) is driven primarily by the level of enrollment, the amount of space allocated for different activities, known as “space standards”, and the assumptions regarding the extent to which facilities are utilized, known as “utilization standards” (i.e., hours of the day, days of the week that the space is used). Once the total amount of space need is calculated, the CSU then evaluates the physical and functional adequacy of its existing inventory.

For existing facilities, capital projects must first be justified based on the programmatic need for renovated space. At the campus level, individual academic programs identify and document facilities that are functionally inadequate. This process may involve deans, department chairs, faculty members, and staff, as well as, program consultants and campus facilities planning staff. The following are some examples of programmatic functional inadequacies:

- The need to renovate engineering labs to address technological changes made over the last 20 years.
- The expansion of physical education programs into the areas of kinetics, physical therapy, and wellness programs for varied populations, including performers, athletes, and the elderly.
- The transformation within libraries from card catalogues to computer technology and electronic resources.
- The expansion and conversion of underutilized campus facilities to nursing skills labs, simulation labs, and smart classrooms.
- The conversion of disbursed administrative space for student services’ admissions and records, financial aid, and academic counseling into “one-stop-shopping” consolidated space.

Upon identification of programmatic deficiencies, the CSU evaluates the physical condition of the facility to determine if other capital renewal, such as an upgrade of the heating and ventilation system, should also be addressed. Capital renewal may constitute up to 50 percent of the total project funding. On a systemwide basis,

the CSU monitors the physical condition of its facilities through use of a statistical model that predicts the need for building upgrades. The model provides analysis of specific buildings based on the age of the buildings, projected life cycle of the main building components, standard costs to replace the building components, and any renewal, renovation, and repair work previously completed. This model, developed under contract in 1999, is being used to produce a schedule of major repairs required for a campus based on the projected life cycle of the main components (such as the building exterior, roof, and mechanical systems) for each building on campus.

In order to assign a cost to the total capital needs identified, the CSU developed cost guidelines to provide a base unit construction cost per square foot for new facilities. The unit costs vary according to the type of space. For example, general classroom space is estimated at \$370 per sf. While these guidelines are not considered absolute cost limits, variations from the guidelines must be justified and approved. The cost guidelines specify construction costs for 20 different types of space. As a method of calculating an overall cost estimate, the CSU averaged the costs among the various types of space and produced an average cost for new space of \$386 per sf. To this average base unit construction cost, the CSU added costs for design, project management, and equipment for a total new space construction cost average of \$536 per sf. For renovation projects, the CSU estimated the costs at approximately 65 percent of the cost of new construction, or \$348 per sf.

In this context, the dollars associated with square foot calculations refer to dollars per assignable square feet (asf). The “assignable” footage of a facility describes space made available for programmatic uses, whereas the more general “square foot” term usually includes areas such as mechanical rooms, stairwells, communication areas, and restrooms. The CSU most commonly describes infrastructure in terms of asf in order to correlate facility needs to program type and student count. This factor becomes significant in comparing CSU’s stated costs with other agencies and departments, because costs allocated per asf will reflect a higher unit cost per facility than the same facility cost described in general square foot terms.

In addition to the assumptions identified above regarding space, utilization, and costs, the CSU’s total need estimate was also affected by assumptions regarding the level of enrollment growth to be accommodated by summer instruction or

year-round operation. The CSU has agreed to develop a plan for phasing-in implementation of year-round operation on a campus-by-campus basis. Seventeen campuses currently operate on a year-round basis.

Funding Needs Reported by the California State University

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$387	\$154,509	\$205,004	\$143,222	\$150,495	\$653,617
Enrollment/Caseload/Population	225,440	463,036	631,123	625,794	361,807	2,307,200
Facility/Infrastructure Modernization	117,211	733,242	503,048	966,552	730,819	3,050,872
Total	\$343,038	\$1,350,787	\$1,339,175	\$1,735,568	\$1,243,121	\$6,011,689

Proposal: As reflected in the SGP, and consistent with the Compact, the 2007 Plan proposes \$1.7 billion to meet the CSU's infrastructure needs. Of this amount, approximately 48 percent is allocated to modernization, 44 percent to address enrollment growth, and 8 percent to correct critical infrastructure deficiencies.

The Governor's Budget includes new projects for one art center and a satellite mechanical plant, two new classroom and faculty office buildings, ten nursing renovation projects, and one land acquisition project. The subsequent years are not project specific but are lump sum requests to address growth and renovation projects that are expected to be required in future years.

The 2007 Plan for CSU is comprised of \$1.5 billion in state capital outlay projects and \$250 million in capital renewal projects (i.e., projects for the systematic replacement of building mechanical, electrical, plumbing systems, and building shell that have exceeded their useful life based on manufacturer's standards). The \$50 million per year in capital renewal projects will be allocated from the CSU's Higher Education Compact amount of \$345 million, and will be budgeted in the CSU's support budget.

Consistency with Chapter 1016, Statutes of 2002: The CSU is exempt from Chapter 1016 by the Chapter's own terms.

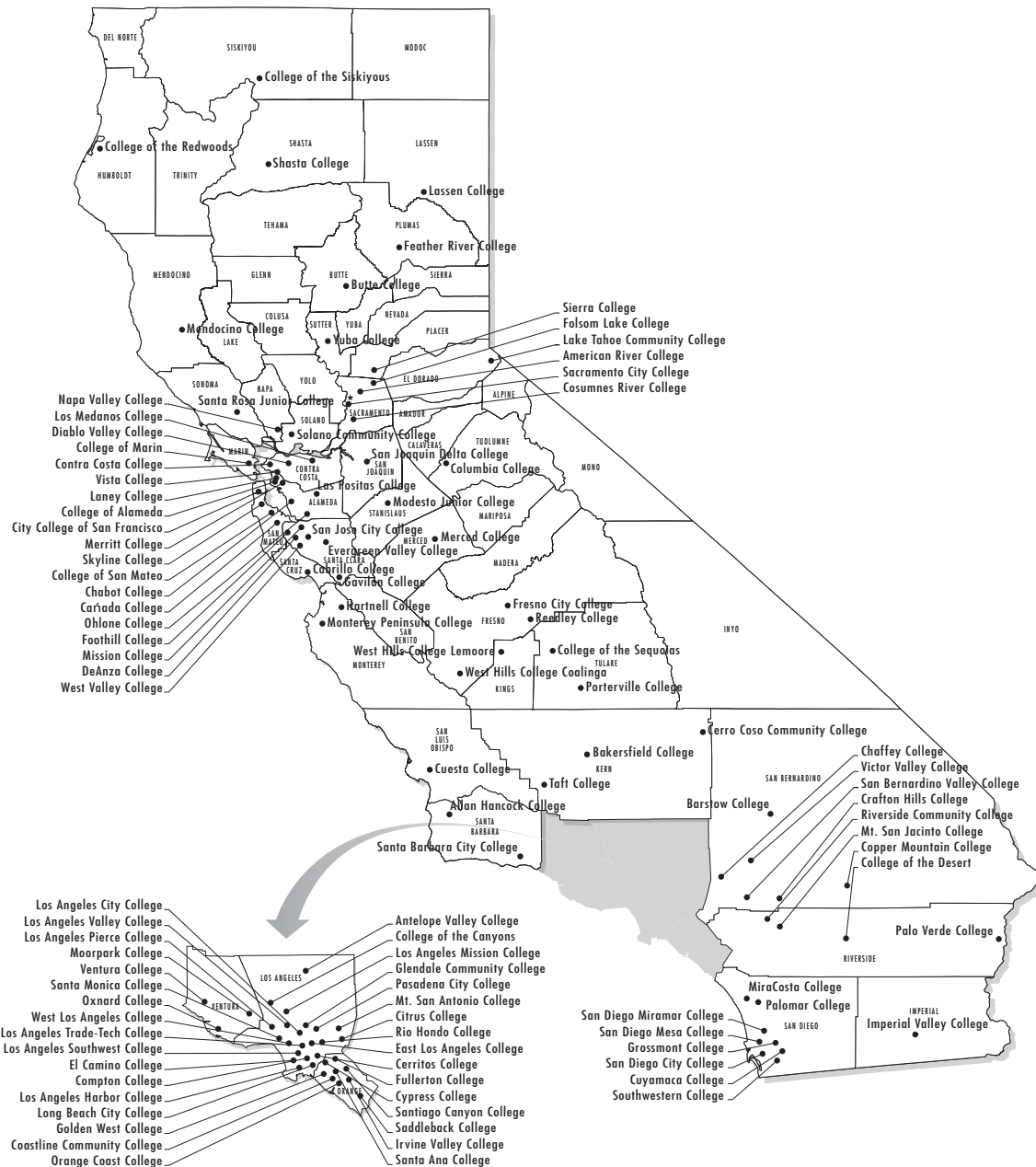
Proposed Funding for the California State University

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$387	\$30,225	\$33,280	\$34,500	\$34,500	\$132,892
Enrollment/Caseload/Population	224,224	149,967	129,425	127,650	127,650	758,916
Facility/Infrastructure Modernization	121,436	164,808	182,295	182,850	182,850	834,239
Total	\$346,047	\$345,000	\$345,000	\$345,000	\$345,000	\$1,726,047
Funding Source						
Existing GO Bonds	\$346,047	\$0	\$0	\$0	\$0	\$346,047
Proposed GO Bonds	0	345,000	345,000	345,000	345,000	1,380,000
Total	\$346,047	\$345,000	\$345,000	\$345,000	\$345,000	\$1,726,047

CALIFORNIA COMMUNITY COLLEGES

The Board of Governors of the California Community Colleges (CCC) is responsible for providing statewide leadership to California's 72 locally governed community college districts. These districts operate 110 college campuses and 65 off-campus centers. The CCC system forms the largest post-secondary educational system in the world, currently serving over 2.5 million students through both vocational and academic program offerings.

Under the Master Plan for Higher Education, the primary mission of the CCC is to provide academic and vocational instruction at the lower-division level. In addition, colleges in the CCC system provide remedial instruction to students enrolled in the UC and the CSU systems, as well as, providing noncredit and community service classes. The Master Plan directs the CCC to provide these services to any high school graduate or adult who wishes to attend and may benefit from instruction.



Existing Facilities: According to an annual system-wide space inventory submitted by the districts, the CCC's infrastructure consists of 72 community college districts

with 110 full service campuses, 65 off- campus centers and 21 separately reported district offices. Assets include over 20,000 acres of land, 4,629 buildings, and 58.5 million gross square feet (gsf) of space. In addition, the system has many off-campus outreach centers. The CCC's space inventory was provided on a statewide level and broken down into the following categories:

- Lecture
- Laboratory
- Office
- Library
- Audio Visual/Television
- Physical Education
- Maintenance & Warehouse
- Storage
- Other

Examples of "Other" types of space include faculty lounges, meeting rooms, theaters, multi-purpose rooms, greenhouses, and child development demonstration areas. In addition, campuses contain facilities used for auxiliary functions such as food service, parking, and recreational facilities that must be self-supporting and locally funded. Many of the existing facilities currently have functional or physical deficiencies that make the space less than adequate for its intended use. Some examples of functional deficiencies include:

- The need to renovate engineering labs to address technological changes made over the last 20 years.
- The renovation of science labs to meet current safety requirements (e.g., adequate number of fume hoods, drain piping replacement, etc.).
- Upgrade electrical capacity and wiring to keep pace with the current classroom technology.

The Facility Utilization Space Inventory Options Net project (FUSION) is a web-based project planning and management tool that went online in 2003. The FUSION was developed to track the condition of facilities, which has assisted the CCC in assessing its space needs. In addition to facility conditions, enrollment projection data is also

programmed into the FUSION so that the CCC can identify space needs and plan projects in order to bring facilities on-line in an efficient manner.

Drivers of Need: The Department of Finance estimates a net full-time equivalent student (FTES) enrollment increase of approximately 148,000 students over the next five years based on current enrollment assumptions. An FTE is defined as one student taking 525 contact hours of instruction in an academic year. In developing its estimate of total need, the CCC identified enrollment as the primary driver of need for funding infrastructure projects.

Enrollment projections were used to identify the amount of facilities needed to accommodate 100 percent of enrollment demand at all colleges. Before costs were determined, enrollment projections were converted to assignable square footage using statutory formulas pursuant to the requirements, standards, and guidelines contained in the Education Code, Title 5. To identify costs for these projects, two methods were used. For fiscal years 2007-08 and 2008-09, the CCC provided project specific costs as identified by districts. For fiscal years 2009-10 through 2011-12, the CCC provided specific costs as identified by districts and also developed a cost formula and applied it to the square footage needed to meet enrollment demands where specific projects were not identified by the districts. The \$565 per assignable square feet (asf) cost estimate used in the plan is an average cost for all occupancies, based on the CCC building cost guidelines for new facilities. To this average base unit construction cost, the CCC added costs for design, project management, and equipment.

In this context, the dollars associated with square foot calculations refer to dollars per assignable square feet (asf). The “assignable” footage of a facility describes space made available for programmatic uses, whereas the more general “square foot” term usually includes areas such as mechanical rooms, stairwells, communication areas, and restrooms. The CCC most commonly describes infrastructure in terms of asf in order to correlate facility needs to program type and student count. This factor becomes significant in comparing CCC’s stated costs with other agencies and departments, because costs allocated per asf will reflect a higher unit cost per facility than the same facility cost described in general square foot terms.

Five-Year Needs: The CCC's five-year plan estimates space needs will increase from approximately 39.4 million to 50.1 million asf, an increase of 27 percent. This results in a net need over the five-year period of 10.7 million asf. This estimate includes projected enrollment as estimated by the CCC.

CCC has identified three categories of space deficiencies:

- **Critical Life Safety Renovations**—The need associated with the renovation of existing facilities or the need for new facilities to address critical infrastructure deficiencies. This category includes projects identified by districts that pose health, fire, life, and seismic safety concerns.
- **Modernization/Renovation**—Over 75 percent of the CCC's facilities are over 25 years old, and 41 percent are over 40 years old. Generally, these facilities are lacking in functional upgrades to keep pace with technology. As such, the CCC identified a need for modernization and renovation of existing facilities by analyzing their inventory of facilities over 25 years old.
- **Replacement of Temporary Buildings**—One goal of the CCC is to replace temporary buildings, many of which are beyond their useful lives, with permanent facilities. The CCC evaluated the space needed to replace temporary buildings older than ten years.

The CCC adjusted its identified space need by assuming that the amount of space needed during the traditional fall and spring semesters would be reduced by providing instruction during off-peak times. While the CCC is similar to the UC and the CSU in assuming that a portion of enrollment can be accommodated during summer enrollment, the CCC also assumes that some of the local colleges will use other types of alternative scheduling, such as early morning and weekend classes, to reduce its overall space requirements. Through these various alternative scheduling methods, the CCC assumes that its needs for additional new space will be reduced by approximately 15 percent from 10.7 million asf to 9 million asf. In addition, the CCC reports that 28.4 million asf will need to be modernized in the same five-year period for a total infrastructure need of 37.4 million asf.

The CCC Board of Governors' five-year plan has reported \$20.7 billion in district infrastructure needs to fund the 37.4 million asf. The \$20.7 billion is comprised of \$12.8 billion (62 percent) for modernization of existing facilities and \$7.9 billion

(38 percent) for new facilities to accommodate enrollment growth. Of this identified need, \$8.8 billion is requested from state general obligation bonds and assumes districts will contribute \$2.9 billion for a total of \$11.7 billion and \$9 billion will be deferred to future years. The deferral recognizes that the CCC could not modernize all of its aged buildings in five years.

For 2007-08, the CCC requested \$546.6 million of state funding for 68 projects (36 new and 32 continuing projects). The community college districts will contribute up to 50 percent of project costs on 45 of those projects, totaling \$257 million for the 2007 Plan. In the CCC project prioritization and selection process, the commitment of local funds makes the projects more competitive for selection.

Funding Needs Reported by the California Community Colleges

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$175,811	\$117,288	\$156,616	\$146,791	\$148,291	\$744,797
Enrollment/Caseload/Population	679,312	883,461	962,068	1,954,210	1,588,221	6,067,272
Facility Infrastructure Modernization	271,500	272,843	627,549	2,125,674	1,597,476	4,895,042
Total	\$1,126,623	\$1,273,592	\$1,746,233	\$4,226,675	\$3,333,988	\$11,707,111

Proposal: Consistent with the SGP, the 2007 Plan proposes \$3.5 billion to address the CCC infrastructure needs over the next five years. Of this, approximately 60 percent represents enrollment growth, 24 percent facility infrastructure modernization, and 16 percent critical infrastructure deficiencies. For 2007-08, \$546.6 million is proposed for 68 projects (36 new and 32 continuing projects). For years 2008-09 through 2011-12, SGP proposes \$3 billion for planned projects and conceptual proposals. In addition, for years 2012-2015, SGP proposes \$3 billion for future needs as reported by the Chancellor's Office. Advance planning for this need avoids any interruption in building and maintaining CCC's infrastructure.

The 2007 Plan will be funded in small part from the remaining funds in Proposition 47 (\$3.9 million) and Proposition 55 (\$63.3 million). The major portion of the 2007-08 budget will require \$479.4 million from the 2006 California Community College Capital Outlay Bond Fund.

Although the CCC has reported a net need of \$11.7 billion for capital outlay projects, this plan recommends a funding level of approximately \$3.5 billion over the next five years and \$3 billion over the remaining four years of the SGP. In addition, the CCC's 5-year plan assumes \$2.9 billion of local bond fund money to assist in meeting the district's infrastructure needs.

Consistency with Chapter 1016, Statutes of 2002: The CCC is exempt from Chapter 1016 by the Chapter's own terms.

Proposed Funding for the California Community Colleges

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$85,301	\$120,000	\$120,000	\$120,000	\$120,000	\$565,301
Enrollment/Caseload/Population	329,593	450,000	450,000	450,000	450,000	2,129,593
Facility/Infrastructure Modernization	131,728	180,000	180,000	180,000	180,000	851,728
Total	\$546,622	\$750,000	\$750,000	\$750,000	\$750,000	\$3,546,622
Funding Source						
Existing GO Bonds	\$546,622	\$531,359	\$52,174	\$1,725	\$0	\$1,131,880
Proposed GO Bonds	0	218,641	697,826	748,275	750,000	2,414,742
Total	\$546,622	\$750,000	\$750,000	\$750,000	\$750,000	\$3,546,622

GENERAL GOVERNMENT

Many departments, boards, offices, and commissions do not belong to an agency structure in state government. Collectively, they are referred to as “general government.” These organizations have a total budget of approximately \$12 billion. The organizations have various missions and responsibilities and directly report at the cabinet level in the Governor’s Administration.

Three departments identified infrastructure needs and submitted plans:

- Department of Food and Agriculture
- Military Department
- Department of Veterans Affairs

DEPARTMENT OF FOOD AND AGRICULTURE

The Department of Food and Agriculture (DFA) provides leadership in the development of various policies related to issues important to both producers and consumers of food and agricultural products. The DFA has three major program areas:

Agricultural Protection—The objective of this program is to prevent the introduction and establishment of serious plant and animal pests and diseases not indigenous to California, particularly those that can be transmitted to humans, cause serious financial losses to the agricultural industry in California, or adversely affect the supply of agricultural products to the consumer. Program staff carries out the following activities either directly or in concert with the U.S. Department of Agriculture and county agricultural commissioners:

- Prevent the introduction and establishment of non-indigenous pests
- Protect the livestock industry against losses of animals by theft and straying
- Control the establishment of noxious non-indigenous weeds
- Facilitate the orderly marketing of nursery stock
- Assure seed quality

- Certify that agricultural commodities for the domestic and foreign export markets meet sanitary standards

Marketing Program—The purpose of this program is to assure orderly domestic and international marketing of California’s agricultural products and to protect consumers and producers through the enforcement of measurement standards, fair pricing practices, and reliable marketplace transactions.

In order to achieve these goals, the DFA:

- Develops and enforces weights and measurement standards for all level of commerce
- Assists the dairy industry in maintaining stable marketing conditions
- Assures that producers are paid for their products
- Gathers and disseminates marketing and economic information
- Identifies and helps resolve marketing problems
- Provides mediation to resolve problems between producers and handlers

Support to Local Fairs—This program provides financial and administrative assistance to fairs, and partially reimburses counties for carrying out agricultural programs authorized by the Food and Agricultural Code under the supervision of the Department of Food and Agriculture.

California has a total of 80 county fairs, citrus fruit fairs, and district fairs. Nonprofit corporations under contract with county boards of supervisors manage the majority of county fairs. Citrus fruit fairs are state instrumentalities operated by nonprofit corporations. District fairs are operated by district agricultural associations, which are state institutions with Governor-appointed directors. State support for these local fairs is administered by Assistance to Fairs and County Agricultural Activities, which oversees budget approval and the capital outlay program.

Existing Facilities: The facility inventory includes approximately 607,000 square feet for 16 inspection facilities, 9 employee residences, 3 non-veterinary laboratories, 5 greenhouses, 7 warehouses, 5 veterinary laboratories, and headquarters office facilities.

A portion of the infrastructure is maintained in the State of Hawaii, where the DFA operates a laboratory to rear sterile fruit flies for eventual release over designated agriculture areas of California to help eradicate the Mediterranean Fruit Fly.

Drivers of Need: The significant driver of infrastructure need for the DFA is the inefficiencies associated with aging facilities. The current California Animal Health and Food Safety (CAHFS) laboratories located in the San Joaquin Valley do not comply with code requirements and are not equipped to enable the program to operate at capacity. In addition, the Department seeks to maintain a permanent facility for their Glassy Winged Sharpshooter program. This program protects grape and stone fruit industries from a serious threat of pest infestation.

Five-Year Needs: The DFA has identified \$96.4 million in capital outlay needs over the next five years, which include the following:

- Consolidation and replacement of the two CAHFS facilities currently located in Fresno and Tulare into one new facility located in Tulare
- Replacement of the CAHFS facility located in Turlock
- Exercise the purchase option of its lease-purchase agreement of the Glassy Winged Sharpshooter facility in Arvin

Funding Needs Reported by the California Department of Food and Agriculture

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$2,515	\$4,868	\$46,823	\$41,062	\$0	\$95,268
Workload Space Deficiencies	1,096	0	0	0	0	1,096
Total	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364

Proposal: The 2007 Plan proposes \$96.4 million to purchase the currently leased Arvin facility and to consolidate the existing three laboratories into two new facilities. This includes \$1.1 million to purchase the Arvin facility, which houses the Glassy Winged Sharpshooter program. The costs to construct a similar facility meeting all the program needs would exceed \$9 million. This facility will continue to help the

program operate at capacity while minimizing the risks of uncontrollable diseases affecting the grape industry and consequently California's \$3.2 billion wine industry. The Plan also includes \$95.3 million to replace and/or consolidate the three existing CAHFS laboratories into two new fully functioning labs that meet all health, safety, and program needs and requirements. The current CAHFS laboratories located in the San Joaquin Valley face serious space deficiencies, health hazards, and deterioration due to age. These facilities do not meet current program needs and specifications.

These labs monitor poultry and cattle for diseases such as Foot and Mouth Disease and Avian Influenza. The Fresno and Turlock labs cannot meet the requirement of cattle and large poultry inspection due to size deficiencies. The Tulare lab does not have sufficient physical space to expand the size of its facility to be able to examine more than a few large specimens at a time. Bio-containment issues are prevalent at the labs, making cross contamination a threat as well.

Consistency with Chapter 1016, Statutes of 2002: The DFA's proposal is consistent with the provisions of Chapter 1016, Statutes of 2002. Specifically, the DFA promotes infill development when possible by renovating existing infrastructure and developing facilities in areas currently served by existing infrastructure; protects environmental and agricultural resources by developing infrastructure in appropriate locations; and promotes efficient development, to the extent possible, by ensuring that new projects use existing infrastructure, such as roads, sewer, and utilities.

Proposed Funding for the California Department of Food and Agriculture

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$2,515	\$4,868	\$46,823	\$41,062	\$0	\$95,268
Workload Space Deficiencies	1,096	0	0	0	0	1,096
Total	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364
Funding Source						
General Fund	\$2,515	\$0	\$0	\$0	\$0	\$2,515
Lease Revenue Bonds	0	4,868	46,823	41,062	0	92,753
Agricultural Fund	1,096	0	0	0	0	1,096
Total	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364

Comparison to previous Plan: The amount reported in the CDFA 2007 Plan is significantly less than the amount previously reported in the 2006 Plan. The CDFA is

reevaluating its long term capital outlay needs and is currently performing a study regarding the agricultural inspection station program.

MILITARY DEPARTMENT

The Military Department (Department) is responsible for the command, leadership, and management of the Joint Forces Headquarters, California Army and Air National Guard, State Military Reserve, California State Defense Forces, and California Cadet Corps. The Department provides military support to federal and state governments, as well as manpower and equipment in response to natural and civil emergencies. In addition, the Department conducts youth programs throughout the state that bring structure, discipline and effective leadership training methods to the educational setting. Furthermore, through the Military Support to Civil Authorities program, the Department also functions as a supporting service to civilian programs such as Homeland Security/Homeland Defense, fire and rescue, law enforcement, care and shelter, construction and engineering, hazardous material disposal, and logistical support.

Existing Facilities: The Department operates 109 active armories, 4 aviation centers, 31 field maintenance shops, 4 repair parts storage and distribution centers, 2 combined support maintenance shops, and 2 maneuver area training equipment sites. There are an additional three armories under construction. The Department also operates three major training properties consisting of troop lodging, administration, warehouse, maintenance, and range facilities. In total, these facilities encompass a combined area of 10.7 million square feet.

The armories provide assembly areas for troop deployments for civil and natural disasters. In addition, the armories are available to serve local community needs for such things as youth club activities, local emergency operation centers, and voter polling sites. Finally, they are used for emergency shelters and can provide a base of operations for the California Department of Forestry and Fire Protection during wild land fire activities. The various maintenance shops provide support services to the Department for the upkeep and repair of ground equipment and aircraft.

Drivers of Need: The Department identifies infrastructure needs in three general categories: the need to upgrade or replace aging facilities, the need to adapt to

changing program requirements and new federal mandates, and the need to react to changing demographics. Programmatically, much of the infrastructure requirements are driven by the need to house and train the California Army National Guard and to maintain the various ground/air vehicles and equipment located at these armories. As a secondary driver, the Department seeks separate facilities for housing and training the participants of the youth programs.

- **Aging Facilities:** The Department indicates that over 90 percent of the state's armories are at least 40 years old. Most maintenance facilities, aviation fields, and training sites also date to 1967 or earlier. Electrical, sewage and telephone systems were sized for smaller facilities and cannot meet the demands of modern technology. The requirements of today's technology have outstripped the ability of the facilities to support its assigned units. Additionally, many facilities require hazardous substance abatement and have ineffective heating and cooling systems.
- **Changing Requirements:** The Department indicates that the design of most armories is now inadequate to meet modern requirements. For example, when first constructed, units were only staffed at 50 percent capacity. Now all units are authorized to be staffed at 100 percent capacity, resulting in increased use that further strains facilities. Also, most of the facilities are not Americans with Disabilities Act compliant and, therefore, cannot be used as shelters for the general public. Additionally, facilities that once were designed for male-only units now support mixed gender units, thus requiring the changing of shower, bath, and locker facilities. The maintenance shops that were originally designed to support jeeps and other small vehicles now support larger vehicles that do not fit through the bay doors. Finally, the amount of equipment supported by these facilities has sharply increased, infringing on parking, and overwhelming the vehicle maintenance capabilities at local armories, training centers, and maintenance facilities.
- **Revised Federal Standards:** While not an independent driver of need for state-owned properties, force protection standards were expanded in 2003 by the Department of Defense (DoD) to incorporate National Guard facilities. In order to receive federal participation for construction projects, the state must comply with the standards that include a 148-foot setback distance for buildings that regularly contain more than 50 National Guard personnel. As a result, the amount of

land needed for armories and headquarters facilities has increased significantly, thereby raising the costs of acquisition and preventing many renovation projects from being eligible for federal funds.

- **Shifting Demographics:** The Department indicates that many of the armories are not located near the state's current population centers because of the state's migration patterns over the past 50 years. As a result, several regions of the state are underserved. Alternatively, in other areas, armories originally situated in rural or suburban areas are now boxed in by development and unable to expand or meet force protection requirements. This impact has led to the closure of armories in San Jose and Salinas.

Five-Year Needs: Based on the standards provided by the US Army, and in conjunction with the Department's Real Property Development Plan and Facility Retention and Disposal Study, the Department reports the total cost to resolve its net infrastructure needs is \$1.1 billion, of which \$438.4 million is reflected in this five-year period. This \$1.1 billion would add 5.3 million square feet (sf) of building space to its current 3.8 million sf. Further, this would result in 11.2 million sf of parking space for vehicles and aircraft being added to its current 5.3 million sf. The Department notes that there is an additional 1.6 million sf of building and parking space for the California Air National Guard for which capital outlay requirements are federally funded, and therefore do not create any additional five-year needs for the state.

The overall needs are comprised of \$268 million for armory renovation and modernization, \$470 million for armory replacement, and \$350 million for training site upgrades. The Department indicates that of the 109 active armories in the state, 73 are candidates for major renovation or replacement. The total deficiency of armory space is over 2.6 million sf, representing approximately 50 percent of total authorized armory space.

Most major capital projects are either solely funded through the federal government or are largely driven by federal government funding, with the state providing land acquisition costs and a share of design and construction management costs. Historically, the Department has had very limited success in receiving federal funds for capital outlay projects, because the federal approach to allocating construction awards is to focus on each state's single highest priority, even though the California National Guard is much larger than the National Guard of other states. Of the 20

projects in this plan for which federal construction funding of \$209.4 million has been sought, only one – \$6.3 million for the Camp San Luis Obispo Field Maintenance Shop – is currently scheduled to receive federal funds over the next five years. A second project, the Consolidated Headquarters Facility, is the Department's top priority, and it is expected that federal funds of \$86.3 million will be scheduled when a new version of the federal plan is released in February 2007.

Each year, the Department receives a share of federal funds to be used at its discretion for the design of projects for which federal funds have been requested, but not yet awarded. The 2007 Plan includes many such projects, but recognizes that the actual construction date is largely contingent upon the receipt of federal funds. As a result, the actual construction date for a project may be several years later than indicated in this plan. The Department indicates that a few projects are not eligible for federal funds, but are significant projects and, therefore, should be fully funded by the state. Other projects, while potentially eligible for federal funds, are relatively small (less than \$10 million) and may not represent the best way to maximize federal dollars under the existing methodology.

The Department has requested the following for 2007-08 through 2011-12:

- A state headquarters complex
- Sixteen armory renovations and expansions and seven new or replacement armories
- Six new or replacement organizational maintenance shops
- Four training facilities and two support facilities at Camp San Luis Obispo
- Minor capital outlay projects for armories (kitchen upgrades and latrine renovations)

Funding Needs Reported by the Military Department

Category Description	(Dollars in Thousands)					Total
	07/08	08/09	09/10	10/11	11/12	
Critical Infrastructure Deficiencies	\$2,402	\$19,231	\$42,933	\$26,354	\$95,771	\$186,691
Enrollment/Caseload/Population	0	0	0	0	2,933	2,933
Facility/Infrastructure Modernization	0	0	400	4,046	896	5,342
Program Delivery Change	11,653	24,293	116,789	0	0	152,735
Workload Space Deficiencies	215	6,939	26,639	14,144	42,802	90,739
Total	\$14,270	\$50,463	\$186,761	\$44,544	\$142,402	\$438,440

Proposal: The 2007 Plan proposes \$408.5 million for the Department. Because of the condition of the current infrastructure and the lack of space to house current programs, a number of armory, maintenance shop, and training facility projects have merit and the majority of requested Department projects in the five-year plan address these issues. While these projects are included in the Plan, the timeline is dependent on the Department's ability to secure federal construction funds. To the extent General Fund is available, some consideration may be given towards funding a critical project solely with state funds.

The Governor's Budget includes \$375,000 to upgrade the dining facilities and latrines at the Barstow armory.

Consistency with Chapter 1016, Statutes of 2002: The proposed projects in the 2007 Plan are consistent with the guidelines of Chapter 1016, Statutes of 2002. The proposals for consolidated armories and maintenance shops promote infill development through their location in urban areas. The other proposals make efficient use of facilities through the rehabilitation and expansion of existing facilities. Additionally, every new site undergoes a state and federal environmental review to ensure that sensitive habitats are not compromised.

Proposed Funding for the Military Department

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
Critical Infrastructure Deficiencies	\$375	\$19,311	\$34,745	\$25,707	\$94,980	\$175,118
Enrollment/Caseload/Population	0	0	0	0	2,933	2,933
Facility/Infrastructure Modernization	0	0	400	4,046	400	4,846
Program Delivery Change	0	9,249	8,813	116,789	0	134,851
Workload Space Deficiencies	0	7,154	26,639	14,144	42,802	90,739
Total	\$375	\$35,714	\$70,597	\$160,686	\$141,115	\$408,487
Funding Source						
General Fund	\$169	\$34,774	\$55,808	\$57,777	\$51,894	\$200,422
Federal Funds	206	940	14,789	102,909	89,221	208,065
Total	\$375	\$35,714	\$70,597	\$160,686	\$141,115	\$408,487

DEPARTMENT OF VETERANS AFFAIRS

The California Department of Veterans Affairs (CDVA) administers the following benefits for veterans and their dependents:

- Assistance in presenting claims for veterans benefits under federal laws
- Beneficial opportunities through direct low-cost loans to acquire farms and homes
- Rehabilitative, residential, and medical care services in a home-like environment at the Veterans Homes of California
- Operation of State Veterans Cemeteries

To be admitted to a state veterans home, a person must be aged or disabled and have served in active duty in the armed forces of the United States during wartime or peacetime. In addition, the veteran must have been discharged or released under honorable conditions, be eligible for hospitalization or domiciliary care according to the laws of the United States Department of Veterans Affairs (USDVA), and be a current resident of California. Honorably discharged veterans, their spouses, and their minor children are eligible for interment in national and state cemeteries.

Existing Facilities: The CDVA operates veterans homes in Yountville, Barstow, and Chula Vista. Depending on location, the homes offer a continuum of care consisting of residential domiciliary, assisted living, intermediate nursing, skilled nursing, and acute care. Combined, these homes provide a total capacity of 1,925 beds. In addition, there are 698 individuals waiting to acquire residency because the type of care needed from the homes is currently full. These veterans homes include:

- **Veterans Home of California, Yountville**—Yountville is situated on 500 acres in Yountville, Napa County. It was established by veterans of the Mexican and Civil Wars and opened in 1884. Entrusted to the state in 1900, Yountville has approximately 120 buildings with over 1.0 million square feet (sf) of space, a population of 1,095 residents, and a capacity of 1,125 beds. Yountville has a waiting list of 550 individuals. Yountville also has a state veterans cemetery with remaining capacity of 1,000 interments. A project to remodel the Home's activity center has just started and a renovation project to provide a ward appropriate for residents with Alzheimers/Dementia will finish construction in mid-2007.
- **Veterans Home of California, Barstow**—Barstow is located on 22 acres in the California high desert near Barstow, San Bernardino County. The home opened in 1996 with 6 buildings comprising 213,000 sf of space and a 400-bed capacity. Presently, 165 residents live at the Barstow home. Barstow serves assisted living and intermediate care individuals. However, the CDVA indicates a waiting list of 54 skilled nursing individuals, and therefore, the Governor's Budget includes a proposal to reopen a skilled nursing facility in January 2008.
- **Veterans Home of California, Chula Vista**—Chula Vista is located on 25 acres in Chula Vista, San Diego County. The Home opened in 2000 and has the same six-building configuration as Barstow. Chula Vista has 364 residents and a 400-bed capacity. Chula Vista has a waiting list of 94 individuals.

In addition to the veterans homes, the CDVA operates a veterans cemetery in Shasta County near Redding. This 120-acre cemetery provides 8,500 burial sites and approximately 9,000 sf of buildings.

Drivers of Need: The CDVA has categorized its specific capital outlay needs predominantly into two areas—Critical Infrastructure Deficiencies and Population. Aging infrastructure at the Yountville facility is the immediate driver of the CDVA's capital outlay needs, as the facility and some of its buildings are nearly 100 years old

and require renovation and modernization. To determine the magnitude of these infrastructure needs, a comprehensive study is underway and is expected to be completed in September 2007.

Additionally, CDVA veterans home needs are driven by variation in veteran populations. More specifically, as the veteran population ages and becomes disabled, California will need to provide additional beds in veterans homes to accommodate them. The USDVA estimates that by 2009, California will have a shortfall of 3,700 beds. To help address this need, Government Code Section 15819.65 and Military and Veterans Code Section 1104.1 provide authority for the CDVA to construct new homes totaling close to 1,000 beds. The Greater Los Angeles and Ventura County (GLAVC) Veterans Homes project will provide 516 new beds at three sites in Southern California. Once GLAVC is fully funded, the CDVA will be authorized to begin work on homes of up to 150 beds in Redding and up to 300 beds in Fresno.

Other infrastructure needs are driven by CDVA-operated veterans cemeteries. When veterans pass away, additional cemetery space will be required to serve as their final resting place.

Five-Year Needs: The overall cost to meet the CDVA's infrastructure needs is pending the outcome of the Yountville study – currently the only CDVA veterans home facility with needs related to its aging infrastructure. The cost for the GLAVC project can be used as a proxy to roughly estimate the cost to address population-driven demand for additional beds. As the study is not complete, the CDVA limited their requests for Yountville to \$48.6 million over the next five years. Given Yountville's age, the SGP includes \$100 million lease revenue bonds for projects at the facility, which are expected to generate \$150 million in matching federal funds. In addition to Yountville's need, the estimated future project costs for GLAVC, Redding, and Fresno are \$219.3 million. Finally, \$2.1 million is requested for Barstow and Chula Vista for improved air conditioning and an expanded dining area for skilled nursing residents, respectively. Therefore, a conservative estimate of the CDVA's five-year needs is \$520 million, which is comprised of the Department's request of \$270 million and the SGP amount of \$250 million.

The majority of funding for most CDVA major capital outlay projects is provided by the USDVA's State Home Construction Grant Program, which is authorized to fund up to 65 percent of project costs. However, for a project to qualify for these federal funds, the CDVA must submit a signed certification that sufficient state funds are available for the project. Then, the project will be prioritized by the USDVA based on the needs addressed. For example, a project such as GLAVC that corrects a critical deficiency is viewed as a higher priority than providing additional beds in an underserved area, which in turn is listed as a higher priority than general renovation projects.

In past years, there have been sufficient federal funds for all projects that have met the necessary criteria. However, GLAVC, Redding and Fresno will require most of this program's funds over the next three years. For any projects deemed general renovation by the federal program (administrative and training facilities, utilities, compliance with the Americans with Disabilities Act, etc) the CDVA will likely have difficulty in obtaining matching federal funds during this time.

Funding Needs Reported by the Department of Veterans Affairs

(Dollars in Thousands)						
Category Description	07/08	08/09	09/10	10/11	11/12	Total
<u>VHC-GLAVC, Fresno & Redding</u>						
Population	\$31,144	\$74,218	\$113,924	\$0	\$0	\$219,286
Total-GLAVC, Fresno & Redding	\$31,144	\$74,218	\$113,924	\$0	\$0	\$219,286
<u>VHC-Yountville</u>						
Critical Infrastructure Deficiencies	\$17,188	\$3,060	\$10,533	\$8,833	\$6,881	\$46,495
Workload Space Deficiencies	0	0	0	0	2,100	2,100
98145.452	\$17,188	\$3,060	\$10,533	\$8,833	\$8,981	\$48,595
<u>VHC-Barstow</u>						
Critical Infrastructure Deficiencies	\$598	\$0	\$0	\$0	\$0	\$598
Total-Barstow	\$598	\$0	\$0	\$0	\$0	\$598
<u>VHC-Chula Vista</u>						
Workload Space Deficiencies	\$0	\$0	\$100	\$1,391	\$0	\$1,491
Total-Chula Vista	\$0	\$0	\$100	\$1,391	\$0	\$1,491
Grand Total	\$48,930	\$77,278	\$124,557	\$10,224	\$8,981	\$269,970

Proposal: As reflected in the SGP, the 2007 Plan proposes \$456.4 million for the CDVA. Of this total, \$228.1 million in bond funds and matching federal funds have

already been appropriated in existing law, but is currently not encumbered. As described in prior sections of this plan, these funds will be used for new veterans homes throughout the state and for renovations at the Yountville Veterans Home. In addition, this plan and the SGP anticipate the needs of Yountville and include funding for renovation projects in 2009-10 through 2011-12. These projects are expected to receive \$250 million in bond funds and matching federal funds, of which \$205 million is reflected in this plan.

The remaining \$23.3 million consists of \$13.8 million federal funds to complete the Member Services Building renovation at the Yountville home and \$9.5 million in General Fund and federal funds for steam distribution upgrades at Yountville, improvements to the cooling ability at Barstow, and expansion of a skilled nursing facility dining room at Chula Vista.

Consistency with Chapter 1016, Statutes of 2002: The 2007 Plan is consistent with the guidelines of Chapter 1016, Statutes of 2002, as all proposals either promote the rehabilitation of facilities at the existing veterans homes or provide new homes in underserved areas of the state. In determining the location for new veterans homes, the CDVA further achieves these guidelines by seeking sites on land currently served by streets and utilities, and ensuring the sites undergo environmental review.

Proposed Funding for the Department of Veterans Affairs

(Dollars in Thousands)

Category Description	07/08	08/09	09/10	10/11	11/12	Total
<u>VHC-GLAVC, Fresno & Redding</u>						
Enrollment/Caseload/Population	\$31,144	\$74,218	\$98,692	\$15,232	\$0	\$219,286
Total-GLAVC, Fresno & Redding	\$31,144	\$74,218	\$98,692	\$15,232	\$0	\$219,286
<u>VHC-Yountville</u>						
Critical Infrastructure Deficiencies	\$14,057	\$21,539	\$52,181	\$90,800	\$56,483	\$235,060
Workload Space Deficiencies	0	0	0	0	0	0
Total-Yountville	\$14,057	\$21,539	\$52,181	\$90,800	\$56,483	\$235,060
<u>VHC-Barstow</u>						
Critical Infrastructure Deficiencies	\$598	\$0	\$0	\$0	\$0	\$598
Total-Barstow	\$598	\$0	\$0	\$0	\$0	\$598
<u>VHC-Chula Vista</u>						
Workload Space Deficiencies	\$0	\$0	\$100	\$1,391	\$0	\$1,491
Total-Chula Vista	\$0	\$0	\$100	\$1,391	\$0	\$1,491
Grand Total	\$45,799	\$95,757	\$150,973	\$107,423	\$56,483	\$456,435
Funding Source						
General Fund	\$824	\$0	\$100	\$1,296	\$2,113	\$4,333
Existing GO Bonds	0	1,539	1,949	0	0	3,488
Lease Revenue Bonds	8,223	51,631	78,692	40,000	0	178,546
Federal Funds	36,752	42,587	70,232	66,127	54,370	270,068
Total	\$45,799	\$95,757	\$150,973	\$107,423	\$56,483	\$456,435

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SUMMARY OF PROPOSED EXPENDITURES AND FUNDING

EXPENDITURES

This section numerically summarizes the 2007 Plan and discusses its financial framework. In total, the Plan proposes state-appropriated funding of \$91 billion with an additional \$21.8 billion provided by sources outside of the state treasury over the next five years. Programmatically, this consists of:

- \$57.4 billion for Transportation
- \$35.7 billion for Education
- \$11.5 billion for Public Safety
- \$2.5 billion for Water
- \$1.6 billion for Natural Resources
- \$1.4 billion for Courts
- \$2.7 billion for various other state needs

By fund source, the Plan consists of:

- \$27.6 billion of existing GO bond funds
- \$17.6 billion of proposed new GO bond funds
- \$14.9 billion of special funds
- \$11.5 billion of lease revenue funds
- \$1.3 billion of General Fund
- \$0.2 billion of other state funds
- \$18.0 billion of federal funds
- \$21.8 billion of funds not appropriated by the state

The components of this proposal are displayed in Figure 5-1

Figure 5-1

Statewide Funding by Department, by Fund Source, and by Project Category

Department	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Legislative, Judicial and Executive						
Judiciary	\$19,527	\$160,702	\$83,600	\$661,060	\$513,376	\$1,438,265
Office of Emergency Services	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
Department of Justice	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Agency subtotal	\$19,527	\$203,991	\$108,129	\$1,049,829	\$513,376	\$1,894,852
State and Consumer Services						
California Science Center	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437
Department of General Services	\$11,076	\$93,401	\$517,318	\$67,733	\$26,110	\$715,638
Agency subtotal	\$14,563	\$96,553	\$576,116	\$67,733	\$26,110	\$781,075
Business, Transportation and Housing						
Department of Transportation	\$8,544,337	\$12,973,236	\$12,053,672	\$12,122,470	\$11,694,332	\$57,388,047
California Highway Patrol	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781
Department of Motor Vehicles	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131
Agency subtotal	\$8,643,564	\$13,028,468	\$12,075,816	\$12,223,679	\$11,741,432	\$57,712,959
Resources						
California Tahoe Conservancy	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
California Conservation Corps	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Department of Forestry and Fire Protection	\$162,406	\$242,158	\$119,615	\$141,281	\$79,162	\$744,622
State Lands Commission	\$0	\$277	\$170	\$1,560	\$0	\$2,007
Department of Fish and Game	\$2,922	\$0	\$0	\$0	\$0	\$2,922
Wildlife Conservation Board	\$140,848	\$107,500	\$107,500	\$93,265	\$82,309	\$531,422
Department of Boating and Waterways	\$6,140	\$13,460	\$7,110	\$12,640	\$12,140	\$51,490
State Coastal Conservancy	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946
Department of Parks and Recreation	\$43,929	\$28,376	\$52,511	\$74,186	\$132,403	\$331,405
Santa Monica Mountains Conservancy	\$17,013	\$17,010	\$11,310	\$5,950	\$10	\$51,293
San Gabriel/LA River/Mountain Conservancy	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
San Joaquin River Conservancy	\$12,000	\$12,000	\$12,000	\$6,023	\$2,000	\$44,023
Baldwin Hills Conservancy	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150
San Diego River Conservancy	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
Coachella Valley Mountains Conservancy	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542
Department of Water Resources	\$257,916	\$369,414	\$523,131	\$730,530	\$639,665	\$2,520,656
Agency subtotal	\$837,430	\$937,507	\$941,380	\$1,104,769	\$973,081	\$4,794,167
Environmental Protection Agency						
Department of Toxic Substances Control	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Agency subtotal	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Health and Human Services						
Department of Developmental Services	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851
Department of Mental Health	\$13,698	\$38,711	\$187,775	\$223,059	\$279,273	\$742,516
Agency subtotal	\$16,710	\$66,423	\$198,902	\$223,059	\$279,273	\$784,367
Corrections and Rehabilitation						
Department of Corrections and Rehabilitation	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813
Agency subtotal	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813
Education						
K-12 Education	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
State Special Schools	\$16,570	\$1,901	\$3,025	\$39,033	\$7,850	\$68,379
University of California	\$573,165	\$345,000	\$345,000	\$345,000	\$345,000	\$1,953,165
California State University	\$346,047	\$345,000	\$345,000	\$345,000	\$345,000	\$1,726,047
California Community Colleges	\$546,622	\$750,000	\$750,000	\$750,000	\$750,000	\$3,546,622
Agency subtotal	\$7,296,404	\$7,006,901	\$6,921,025	\$7,212,033	\$7,217,850	\$35,654,213
General Government						
Department of Food and Agriculture	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364
Military Department	\$375	\$35,714	\$70,597	\$160,686	\$141,115	\$408,487
Department of Veterans Affairs	\$45,799	\$95,757	\$150,973	\$107,423	\$56,483	\$456,435
Agency subtotal	\$49,785	\$136,339	\$268,393	\$309,171	\$197,598	\$961,286
Infrastructure Planning	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Grand Total	\$26,782,116	\$21,660,697	\$21,147,309	\$22,264,290	\$21,002,681	\$112,857,093

Figure 5-1**Recommended, By Fund**

General Fund	\$411,166	\$356,912	\$196,229	\$201,347	\$137,944	\$1,303,598
Special Fund	\$3,402,046	\$2,800,144	\$2,793,783	\$2,919,830	\$2,954,258	\$14,870,061
Existing GO Bond	\$9,097,848	\$8,157,740	\$4,483,337	\$4,104,976	\$2,245,768	\$28,089,669
Proposed GO Bonds	\$0	\$772,467	\$4,355,248	\$5,956,413	\$5,957,153	\$17,041,281
Lease Revenue Bonds	\$9,776,400	\$285,164	\$851,671	\$806,507	\$336,309	\$12,056,051
Federal Funds	\$2,155,958	\$4,648,527	\$3,345,021	\$3,461,036	\$4,363,591	\$17,974,133
Other State Funds ¹	\$29,980	-\$1,064	\$20	-\$360,319	\$44,609	-\$286,774
Non-State Appropriated Funds ²	\$1,908,718	\$4,640,807	\$5,122,000	\$5,174,500	\$4,963,049	\$21,809,074
Total³	\$26,782,116	\$21,660,697	\$21,147,309	\$22,264,290	\$21,002,681	\$112,857,093

Recommended, By Project Category

Critical Infrastructure Deficiencies	\$ 6,612,439	\$ 6,867,259	\$ 6,733,752	\$ 7,593,754	\$ 7,171,699	\$ 34,978,903
Enrollment/Caseload/Population	\$ 10,684,439	\$ 888,702	\$ 1,047,551	\$ 1,001,876	\$ 1,042,831	\$ 14,665,399
Environmental Acquisitions and Restoration	\$ 260,089	\$ 245,254	\$ 188,642	\$ 120,208	\$ 111,278	\$ 925,471
Facility/Infrastructure Modernization	\$ 369,048	\$ 487,953	\$ 526,513	\$ 515,770	\$ 553,133	\$ 2,452,417
Transportation, Highway and Transit	\$ 8,482,000	\$ 12,973,000	\$ 12,053,333	\$ 12,119,000	\$ 11,694,333	\$ 57,321,666
Program Delivery Changes	\$ 229,911	\$ 51,090	\$ 52,392	\$ 782,282	\$ 307,593	\$ 1,423,268
Public Access and Recreation	\$ 116,325	\$ 97,388	\$ 75,768	\$ 50,487	\$ 66,241	\$ 406,209
Workload Space Deficiencies	\$ 26,865	\$ 49,051	\$ 468,357	\$ 79,913	\$ 54,574	\$ 678,760
Infrastructure Planning	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Total	\$26,782,116	\$21,660,697	\$21,147,308	\$22,264,290	\$21,002,682	\$112,857,093

^{1/} Other State Funds includes reimbursements and non-governmental cost funds.

^{2/} These resources consist of local matching funds and non-governmental funds from public-private partnerships. Since these funds are from local governments or private sources, they do not flow through the state treasury and therefore, are not appropriated by the state. However, it is anticipated that the state will be able to leverage these funds through the use of state funds to increase the number of infrastructure projects across the state. Included in these funds are \$11 billion in public-private partnership funds, local tax measures and savings from design-build authority for Transportation and \$10.1 billion in local match for K-12. The Department of Water Resources notes that the federal government directly funds flood control projects to the tune of \$683 million.

^{3/} In some instances the amounts of infrastructure funding proposed in the 2007 Plan are different from, but not inconsistent with, the amounts displayed in the Governor's Strategic Growth Plan (SGP). The reasons for this stem partly from the fact that the SGP is a ten year proposal which began with the 2006-07 fiscal year. This document lays out the expenditure plan for years two through six of that larger vision. In addition, the SGP includes areas of infrastructure needs that are outside the scope of the five year plan, such as local assistance funding and public-private partnerships.

METHODS OF FUNDING INFRASTRUCTURE

PAY-AS-YOU-GO, LONG-TERM FINANCING, & PUBLIC PRIVATE PARTNERSHIPS

Historically, the state has employed two approaches to funding infrastructure: “pay-as-you-go” and long-term financing. Pay-as-you-go entails making direct cash payments without the use of any deferred payments or debt instruments. Long-term financing encompasses a variety of debt instruments or long-term funding arrangement including the sale of general obligation or lease-revenue bonds, leases with purchase-options or installment purchase agreements. A third technique for funding public infrastructure whose use is increasing rapidly internationally is public-private-partnerships (PPP). PPPs have the potential to leverage extensive private funding for public infrastructure, deliver projects more quickly and operate them more efficiently.

PAY-AS-YOU-GO FUNDING

Figure 5-2 reflects the total amounts of pay-as-you-go funding over the past ten years and for the five years comprising this plan. This type of funding includes federal funds, special funds, and the General Fund. As will be illustrated in the following sections, the primary recipient of pay-as-you-go funding is the Department of Transportation with about 90 percent of each year’s total. The recent and proposed increases in pay-as-you-go funding reflect the Administration’s emphasis on improving the state’s transportation infrastructure, water management, flood control system and correctional facilities. Figure 5-3 displays total projected pay-as-you-go funding included in the Plan by department and fund source.

Figure 5-2

Pay-As-You-Go Capital Outlay Expenditures
1996/97 - 2011/12
(Dollars in Millions)

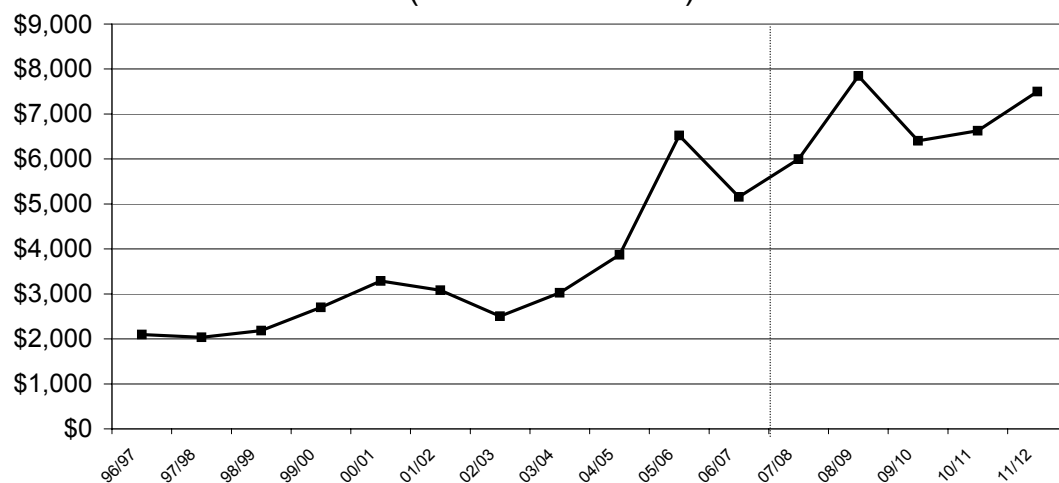


Figure 5-3

Proposed Five-Year Pay-As-You-Go Expenditures
(Dollars in Millions)

Program Name	General Fund	Federal Fund	Special Fund	Other Fund	Total
Judiciary	\$-	\$-	\$422.2	\$-	\$422.2
Office of Emergency Services	32.9	-	-	-	32.9
California Science Center	43.6	-	-	21.8	65.4
Department of General Services	-	-	25.4	0.9	26.3
Department of Transportation	-	17,461.0	13,887.4	-	31,348.4
California Highway Patrol	-	-	170.8	-	170.8
Department of Motor Vehicles	-	-	154.1	-	154.1
Conservancies	-	10.0	142.4	22.3	174.7
Department of Forestry and Fire Protection	145.8	-	-	-	145.8
Department of Boating and Waterways	-	-	-	49.7	49.7
Department of Parks and Recreation	-	25.0	64.5	15.2	104.7
Department of Water Resources	-	-	-	112.2	112.2
Department of Toxic Substances Control	49.4	-	-	-	49.4
Department of Developmental Services	41.9	-	-	-	41.9
Department of Mental Health	71.7	-	-	-	71.7
Department of Corrections and Rehabilitation	693.0	-	-	-	693.0
DOE - State Special Schools	7.3	-	-	-	7.3
Department of Food and Agriculture	2.5	-	1.1	-	3.6
Military Department	200.4	208.1	-	-	408.5
Department of Veterans Affairs	4.3	270.1	-	-	274.4
Other departments	10.7	-	2.2	7.5	20.4
Total	\$1,303.6	\$17,974.1	\$14,870.1	\$229.6	\$34,377.4

Federal Funds: Federal trust funds are the largest share of funding for the pay-as-you-go infrastructure expenditures. Figure 5-3 shows that \$18 billion in federal funding is expected to be available for infrastructure over the next five years. Although federal funds are growing, the expenditure of federal funds is restricted to specific programs. In California, five major areas receive federal funds for infrastructure projects—highway construction, flood control projects, water supply projects, veterans homes, and the military. Of these, highway construction projects receive the vast majority of funds, with the State Highway Construction Program projected to receive an average \$3.5 billion annually over the next five years, for a total of \$17.5 billion.

Special Funds: Special funds will provide \$14.9 billion for infrastructure projects over the next five years, the distribution of which is reflected in Figure 5-3. The largest source of special funds is the State Highway Account, which is used to support Transportation projects, with proposed expenditures of \$13.9 billion or 93 percent of the total special fund infrastructure. As with federal funds, special funds are limited to specific programs and not available for general infrastructure needs.

General Fund: General Fund appropriations for pay-as-you-go funding of infrastructure projects is projected to total \$1.3 billion over the next five years. Because of competing budgetary demands to address other state program operations, General Fund appropriations for infrastructure typically are used only when no other fund source is available. During the next five years, proposed annual General Fund appropriations for projects will average \$250 million per year, compared to \$260 million over the past ten years. Although the General Fund is a relatively minor contributor to pay-as-you-go infrastructure funding, it is almost the only source of funding for debt service on infrastructure bonds. Consequently, overall, the General Fund is a major contributor to total infrastructure funding, paying approximately \$4.1 billion of debt service in 2006-07 and approximately \$31.6 billion over the next five years.

Other Funds: The Other Funds category totals \$230 million for the five years of the Plan. Other funds include state enterprise funds and reimbursements from non-state sources. For example, the Department of Water Resources is projected to receive an annual total of \$22.4 million in reimbursements over the five-year period, which

represents the flow of local government payments through the state treasury for flood control projects.

LONG-TERM FINANCING

The objective of long-term financing is to spread major costs over many years in order to better manage expenses. Long-term financing also serves to spread the costs of long-term capital investments across the generations who will receive benefits from their purchase or construction. Long-term financing includes general obligation or lease-revenue bonds, as well as capital acquisition through lease-purchase or capitalized purchase-option agreements. However, nearly all of the state's long-term financing is achieved through the use of bonds. (For more information on the definition, use, and history of the various long-term financing tools, see Appendices 4 through 6.)

Since 2000, the voters have approved a total of \$85.1 billion in new GO bonds, primarily for K-12 education, higher education, and various natural resources programs. In addition, since 2000, the Legislature has authorized \$4.9 billion in lease revenue bonds to meet state infrastructure needs. The Governor's Strategic Growth Plan proposes an additional \$29.4 billion of GO bonds and nearly \$12 billion in new lease revenue bonds. The 2007 Plan reflects expenditures of \$44.6 billion in existing and proposed new GO bonds and \$12.1 billion in lease revenue bonds over the next five years.

When projects are financed through bonds (i.e. debt financed), final dollar costs are significantly higher than the initial expenditures charged to the bond funds. The bonds must be paid off through debt service or lease revenue payments, which include interest and other financing expenses that increase final payment. However, while the costs of long-term financing are significantly higher in absolute dollars, after taking into account the effect of inflation on future debt service payments, the true cost increase is substantially less.

PUBLIC PRIVATE PARTNERSHIPS

In its publication "Closing the Infrastructure Gap: The Role of Public-Private Partnerships", the consulting and financial advisory firm of Deloitte describes the

variety of contractual arrangements that constitute public-private partnerships (PPP). That description is reprinted verbatim below.

A public-private partnership, or PPP, refers to a contractual agreement formed between a government agency and a private sector entity that allows for greater private sector participation in the delivery of public infrastructure projects. In some countries involvement of private financing is what makes a project a PPP. PPPs are used around the world to build new and upgrade existing public facilities such as schools, hospitals, roads, waste and water treatment plants and prisons, among other things. Compared with traditional procurement models, the private sector assumes a greater role in the planning, financing, design, construction, operation, and maintenance of public facilities. Risk associated with the project is transferred to the party best positioned to manage it. Some of the most common PPP models are described below.

Design-Build (BD): Under this model, the government contracts with a private partner to design and build a facility in accordance with the requirements set by the government. After completing the facility, the government assumes responsibility for operating and maintaining the facility. This method of procurement is also referred to as Build-Transfer (BT)

Design-Build-Maintain (DBM): This model is similar to Design-Build except that the private sector also maintains the facility. The public sector retains responsibility for operations.

Design-Build-Operate (DBO): Under this model, the private sector designs and builds a facility. Once the facility is completed, the title for the new facility is transferred to the public sector, while the private sector operates the facility for a specified period. This procurement model is also referred to as Build-Transfer-Operate (BTO).

Design-Build-Operate-Maintain (DBOM): This model combines the responsibilities of design-build procurements with the operations and maintenance of a facility for a specified period by a private sector partner. At the end of that period, the operation of the facility is transferred back to the public sector. This method of procurement is also referred to as Build-Operate-Transfer (BOT).

Build-Own-Operate-Transfer (BOOT): The government grants a franchise to a private partner to finance, design, build and operate a facility for a specific period of time. Ownership of the facility is transferred back to the public sector at the end of that period.

Build-Own-Operate (BOO): The government grants the right to finance, design, build, operate and maintain a project to a private entity, which retains ownership of the project. The private entity is not required to transfer the facility back to the government.

Design-Build-Finance-Operate/Maintain (DBFO, DBFM or DBFO/M): Under this model, the private sector designs, builds, finances, operates and/or maintains a new facility under a long-term lease. At the end of the lease term, the facility is transferred to the public sector. In some countries, DBFO/M covers both BOO and BOOT.

PPPs can also be used for existing services and facilities in addition to new ones. Some of these models are described below.

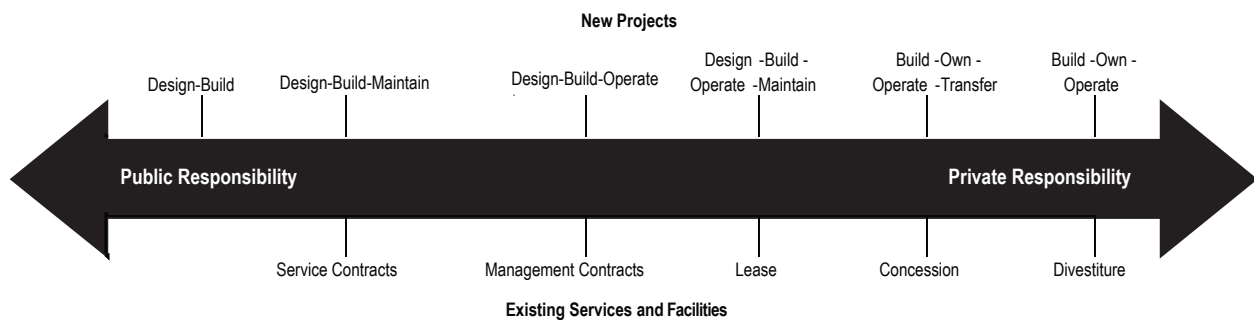
Service Contract: The government contracts with a private entity to provide services the government previously performed.

Management Contract: A management contract differs from a service contract in that the private entity is responsible for all aspects of the operations and maintenance of the facility under contract.

Lease: The government grants a private entity a leasehold interest in an asset. The private partner operates and maintains the asset in accordance with the terms of the lease.

Concession: The government grants a private entity exclusive rights to provide, operate, and maintain an asset over a long period of time in accordance with performance requirements set forth by the government. The public sector retains ownership of the original asset, while the private operator retains ownership over any improvements made during the concession period.

Divestiture: The government transfers an asset, either in part or in full, to the private sector. Generally the government will include certain conditions with the sale of the asset to ensure that improvements are made and citizens continue to be served.



Like other methods of funding infrastructure, PPP can be tremendously useful in some situations, but not suitable for others. To identify when PPP is in the best interests of a public sector entity, that entity must first establish clear objectives for itself. Having done that, the entity must establish clear performance measures for itself and its partners, evaluate on a life-cycle basis the value of a PPP compared to other options, and establish a realistic allocation of risk between itself and its partners for project execution. The advantages and disadvantages of different funding options are summarized in Figure 5-4.

Figure 5-4

Comparison of Different Funding Options

OPTION	ADVANTAGES	DISADVANTAGES
Pay-as-you-go	<ul style="list-style-type: none"> • Lowest total cost--no financing or long-term debt commitment. • Suitable for all projects. • Administratively simpler than long-term financing. 	<ul style="list-style-type: none"> • Large initial outlay can displace funding for other critical programs. • Resources for this approach are scarce.
General obligation bonds	<ul style="list-style-type: none"> • Lowest debt financing costs of all long-term options. • Suitable for most projects. 	<ul style="list-style-type: none"> • More expensive than pay-as-you-go. • Results in long-term commitment for debt service costs. • Project approval waits for a general election; delay can affect costs and programs operations. • Cash impact of debt service begins earlier than for lease-revenue bonds. • Interim financing may be needed.

Lease Revenue bonds	<ul style="list-style-type: none"> • Faster authorization than proposed, but not yet approved, GO bonds, so can be more timely in meeting program needs and avoid inflationary cost increases. • Lesser initial impact on cash flow than general obligation bonds. 	<ul style="list-style-type: none"> • Slightly more costly than general obligation bonds, on a net present value basis. • Not suitable for certain projects. • Results in long-term debt service commitment. • Interim financing required.
Lease-purchase or purchase option	<ul style="list-style-type: none"> • Private development may reduce construction time and costs. • Minor initial appropriations or cash outlay. • Fewer process controls allow faster completion. • Some flexibility in when and whether to purchase. 	<ul style="list-style-type: none"> • Total costs may be higher than other financing options. • The highest financing costs (taxable rates and developers' profits). • Leases are initially higher than status quo rents. • Fewer process controls means less oversight. • Commits the state to future payments, which in some cases count as long-term debt. • Lease costs do not always count fully towards purchase options.
Revenue bonds	<ul style="list-style-type: none"> • Only needs legislative authorization. • Suitable to finance assets that actually can generate revenue. 	<ul style="list-style-type: none"> • Slightly more costly than general obligation bonds, on a net present value basis. • Not feasible for most infrastructure projects. • Results in long-term debt service commitment. • Interim financing required as revenue cannot be generated until asset is usable.
Public-Private	<ul style="list-style-type: none"> • Can shift certain project risks to the private sector. • Private sector can handle all project delivery components. • Minimal responsibility for long term management of the asset needed in some cases. • Project delivery potentially significantly quicker than traditional state processes. 	<ul style="list-style-type: none"> • Not suitable for all projects. • Requires careful and clear contractual terms with private sector regarding division of risk, cost controls, and performance measures. • May result in adverse public reaction to fees or tolls for services the public has traditionally received without a direct charge.

THE STATE'S DEBT POSITION

California and most other states have long used debt financing as a tool for infrastructure investment, as does private industry. Financial markets recognize it as a legitimate and appropriate funding technique, as long as it is employed prudently. However, what constitutes a "prudent" or "reasonable" debt position is relative. Both the bond market and the bond rating agencies consider a number of factors when reaching a conclusion about the reasonableness of a state's debt position. The same level of debt may be considered either reasonable or imprudent depending upon the state's performance over a range of factors.

Figure 5-5 provides two measures of California's current debt position relative to other populous states.

Figure 5-5

State Long-Term Debt^a California Compared to the Next Most Populous States

State ^b	Percent of Personal Income ^d					Debt Per Capita ^d				
	1999	2002	2004	2005 ^e	2006 ^e	2000	2002	2004	2005 ^e	2006 ^e
National Average	3.0	2.7	3.1	3.2	3.2	\$ 820	\$ 810	\$ 944	\$ 999	\$ 1,060
California (50 state rank)	2.6 (23rd) ^c	2.5 (20th) ^c	3.2 (19th) ^c	3.6 (17th) ^c	4.6 (11th) ^c	\$ 733 (19th) ^c	\$ 795 (20th) ^c	\$ 1,060 (15th) ^c	\$ 1,172 (13th) ^c	\$ 1,597 (9th) ^c
Texas	1.3	0.9	0.8	1.0	1.0	\$ 251	\$ 238	\$ 220	\$ 279	\$ 307
Michigan	1.7	1.5	2.2	2.2	2.1	\$ 449	\$ 438	\$ 670	\$ 691	\$ 683
Pennsylvania	2.3	2.3	2.2	2.3	2.3	\$ 603	\$ 671	\$ 711	\$ 730	\$ 762
Georgia	2.9	2.9	2.9	2.8	2.7	\$ 679	\$ 804	\$ 827	\$ 803	\$ 784
Ohio	2.7	2.6	2.7	2.9	2.9	\$ 698	\$ 749	\$ 806	\$ 866	\$ 915
Illinois	2.6	2.8	5.8	6.2	5.9	\$ 815	\$ 908	\$ 1,943	\$ 2,019	\$ 2,026
Florida	3.5	3.4	3.5	3.4	3.2	\$ 883	\$ 959	\$ 1,023	\$ 1,008	\$ 976
New Jersey	5.2	5.6	5.9	7.4	7.9	\$ 1,935	\$ 2,066	\$ 2,332	\$ 2,901	\$ 3,276
New York	6.6	5.9	6.7	7.2	6.7	\$ 2,020	\$ 2,045	\$ 2,420	\$ 2,593	\$ 2,569

a. Debt includes all state tax-supported debts

b. These states are the ten largest in terms of total population

c. Numerical rank among all 50 states

d. Source: 2006 Moody's State Debt Medians

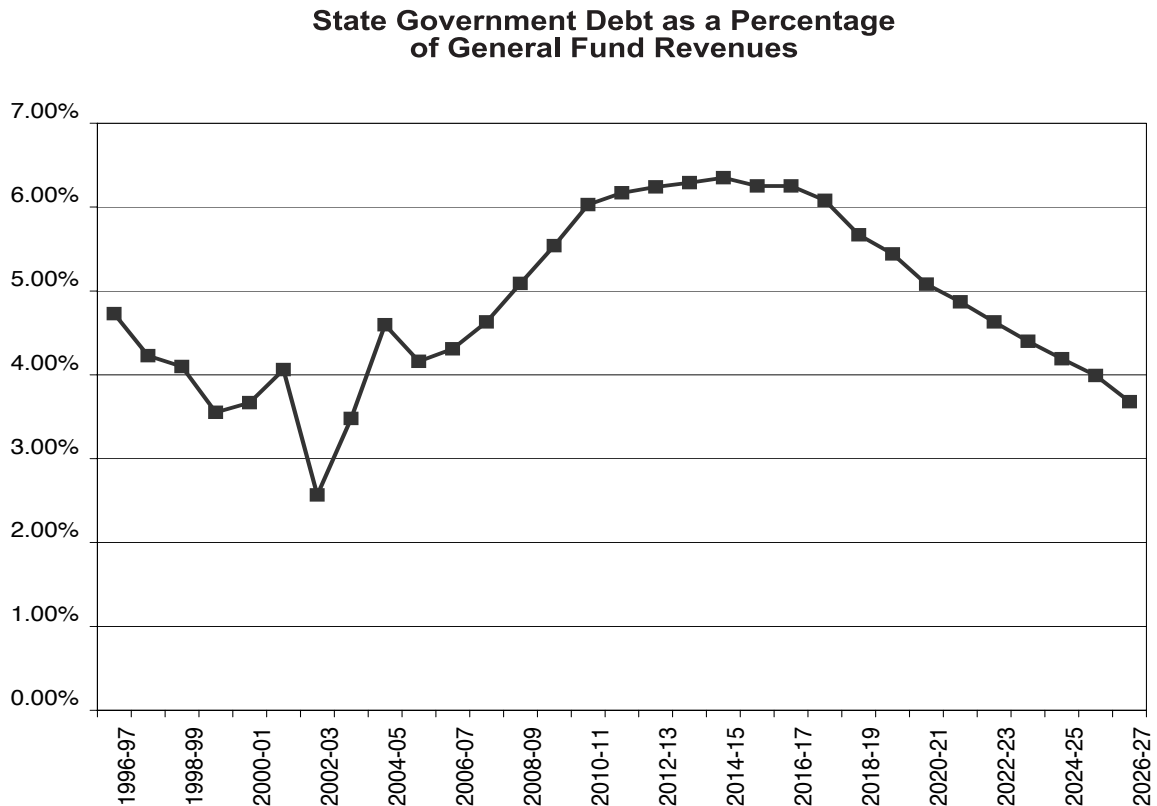
e. California's value and rank are adjusted to remove the Economic Recovery Bonds' effect on these measures.

Debt as a Percentage of Personal Income: The ratio of a state's debt to the total personal income of its residents indicates the potential for a state government to transform the income of its residents into revenues through taxation, thereby generating resources to repay its obligations. California's total outstanding debt

as a percentage of personal income is 4.6 percent as of April 2006 (the latest data available), compared to the Moody's state average of 3.2 percent and median of 2.5 percent. The increase in the state's ratio since 1996 indicates that the state's wealth, as measured by personal income, grew more slowly than the amount of its outstanding debt. California's ranking compared to other states moved to 11th in 2006, compared to 17th in 2005.

Debt Per Capita: The ratio of debt per capita indicates the relative magnitude of debt supported by a state's citizens. This ratio measures each state resident's share of the total debt outstanding. California's per capita debt is \$1,597 for the year 2006 compared to Moody's state average of \$1,060 and median of \$754. From years 1999 through 2006, increases in this ratio indicate that debt levels grew faster than its population. California's ranking compared to other states moved to 9th in 2006 compared to 13th in 2005.

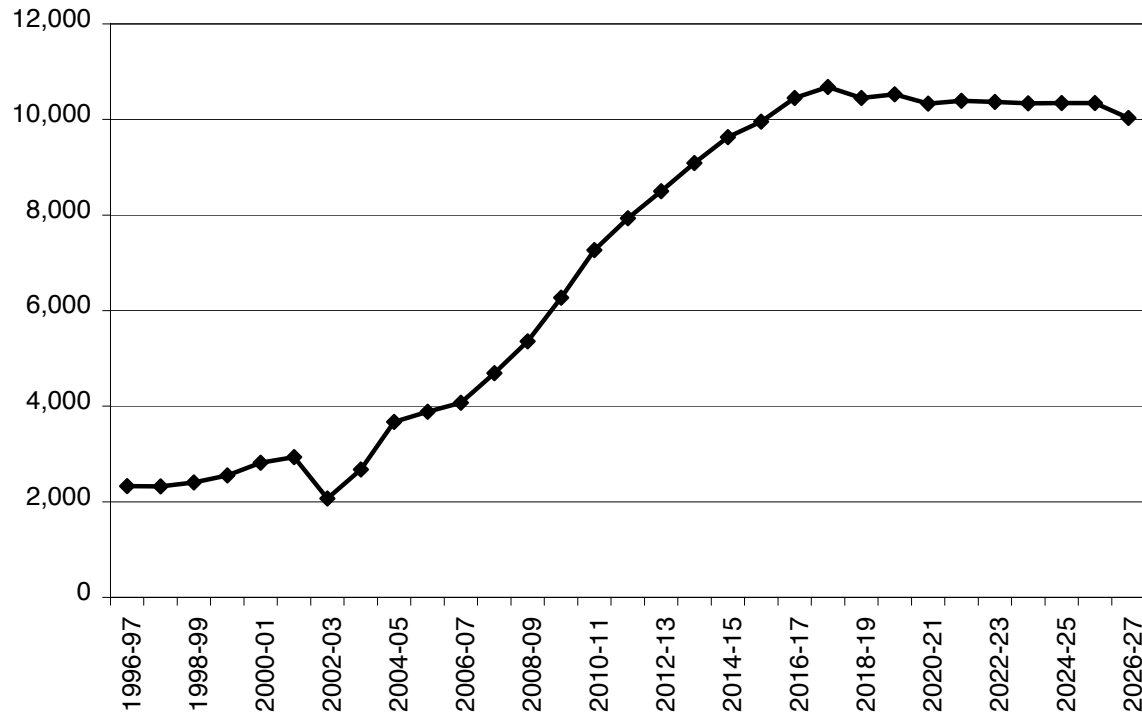
Debt Service Ratios: The debt service ratio expresses the state's debt service level as a percentage of its General Fund revenues. Figure 5-6 shows the state's varying debt ratio from 1996-97 projected through 2026-27 based on the SGP proposal. The historical trends of this measurement are accentuated by the interrelation of the numerator and denominator in the debt ratio equation. An economic upturn or downturn that increases or reduces General Fund revenues significantly compared to typical years can also significantly alter the debt ratio, even though the state's debt service costs have not changed significantly. As the graph demonstrates, between 1996-97 and 1999-00, when state revenue growth was vigorous, the debt service ratio declined rapidly from 4.7 percent to 3.6 percent, before starting an upward trend. Other factors can also affect the debt ratio besides the amount of bonds authorized. In 2002-03 and 2003-04, the state restructured its general obligation debt service by pushing principal and interest costs into the future, which explains the lower debt service ratio for these two years.

Figure 5-6

Debt Service Costs: Figure 5-7 illustrates historical debt service costs from 1996-97 through 2005-06. In addition, the chart projects annual debt service amounts through 2026-27 to reflect existing debt payments and proposed bond authorizations. While the increase in absolute dollars could be perceived as increasing to an undesirable level, it is important to remember that General Fund revenues will be increasing during the same time period. Consequently, as a relative portion of the state budget, the increase is less dramatic. As a matter of affordability, Figure 5-6, which reflects the ratio of debt service to General Fund revenues, is a more meaningful depiction of the financial impact on the state of the projected increased debt. Furthermore, by 2009-10 the Economic Recovery Bonds (see below) will be paid off, freeing up additional General Fund resources not otherwise committed to other programmatic purposes. (For more information on the state's debt history, see Appendices 5 and 6)

Figure 5-7

State Government Annual Debt Service (Dollars in thousands)



AFFORDABILITY

The financial impact of the proposed new debt included in this Plan is best assessed in the longer-term context of the Governor's ten-year vision for infrastructure funding as outlined in his Strategic Growth Plan. The general obligation bond portion of the SGP is displayed in Figure 5-8.

FIGURE 5-8

Proposed New General Obligation Bonds

Title/Purpose	Allocation	2008	2010	2012	2014	Total
Education	\$11.6 billion for K-12 educational facilities and \$11.5 billion for higher education public school facilities.	\$13.7	\$9.4			\$23.1
Water Supply	\$4 billion for water supply.	\$4.0				\$4.0
Judiciary	\$2 billion for the state court system.	\$2.0				\$2.0
Other Public Service Infrastructure	\$0.3 billion for the Department of General Services to complete seismic renovations on 29 state buildings.	\$0.3				\$0.3
Subtotal of Proposed Bonds		\$20.0	\$9.4	\$0.0	\$0.0	\$29.4

Proposals to be deferred from the ballot						
High Speed Rail Construction of high speed rail from San Francisco to Los Angeles with adjacent upgrades	\$0.95 billion in passenger rail connectivity projects and \$9 billion to establish high speed rail system in California.	\$10.0				\$10.0

Figure 5-9 compares the state's "base" debt service costs and debt ratios to the debt service costs and ratios that are projected to occur when additional bonds proposed in the SGP are added to the base. The base debt service numbers assume the sale of all currently authorized bonds, including those not yet issued (see Appendix 7 for a listing of all authorized bonds currently outstanding and those authorized, but not yet issued). Under the state's base debt commitment, the debt ratio is projected to peak at 5.85 percent in 2010-11. When additional bonds proposed in the SGP are added to

the base debt figures, the debt ratio is projected to peak at 6.35 percent in 2014-15. The superficial difference between these two peaks, however, greatly overstates the net impact the SGP's bond proposal will have on the state's overall fiscal situation.

Figure 5-9

Debt Service Ratio
General Obligation and Lease Revenue Bonds
(Dollars in Millions)

Year	Revenue	Base		Strategic Growth Plan	
		Debt Service	Debt Service Ratio	Debt Service	Debt Service Ratio
2006 - 07	\$94,519.0	\$4,071.5	4.31%	\$4,071.5	4.31%
2007 - 08	101,277.0	4,690.5	4.63%	4,690.5	4.63%
2008 - 09	105,187.0	5,352.4	5.09%	5,356.3	5.09%
2009 - 10	113,175.0	6,210.9	5.49%	6,269.0	5.54%
2010 - 11	120,536.0	7,053.6	5.85%	7,268.8	6.03%
2011 - 12	128,671.0	7,413.9	5.76%	7,933.1	6.17%
2012 - 13	136,197.0	7,553.4	5.55%	8,496.4	6.24%
2013 - 14	144,405.0	7,685.7	5.32%	9,087.2	6.29%
2014 - 15	151,625.3	7,782.1	5.13%	9,629.2	6.35%
2015 - 16	159,206.5	7,727.1	4.85%	9,957.2	6.25%
2016 - 17	167,166.8	8,004.0	4.79%	10,449.8	6.25%
2017 - 18	175,525.2	8,047.1	4.58%	10,677.4	6.08%
2018 - 19	184,301.4	7,742.4	4.20%	10,452.0	5.67%
2019 - 20	193,516.5	7,754.4	4.01%	10,527.6	5.44%
2020 - 21	203,192.3	7,505.3	3.69%	10,329.3	5.08%
2021 - 22	213,352.0	7,517.3	3.52%	10,389.2	4.87%
2022 - 23	224,019.6	7,451.2	3.33%	10,368.1	4.63%
2023 - 24	235,220.5	7,388.8	3.14%	10,338.9	4.40%
2024 - 25	246,981.6	7,396.9	2.99%	10,346.2	4.19%
2025 - 26	259,330.6	7,397.2	2.85%	10,345.6	3.99%

Assumptions:

Sales are based on the estimated needs or evenly spread if no needs data was available.

No High Speed Rail bonds are sold.

Assumes an interest rate of 5.75%.

Maturity life of a General Obligation Bond is 30 years.

Maturity life of a Lease Revenue Bond is 25 years.

Assumes all fixed rate bonds

Assumes no refundings

The difference between these two peaks is only 0.5 percent and does not happen for nearly a decade. In the intervening years—especially during the next few years—the

difference is considerably smaller. This gradual increase in debt costs is a reflection of the lag time between authorizing the bonds and completion of the infrastructure projects which they will fund. (Because of federal arbitrage rules, bonds are generally sold at or near the completion of projects, and initial construction costs are covered by low-interest short-term bridge loans). By the time significant debt service expenses are incurred, the state's current structural budget problems will have to be rectified and the state will have ample opportunity to plan for the largely predictable size and timing of the additional costs.

More importantly, two other factors substantially mitigate the impact of the SGP bond proposals on the state's overall fiscal situation. First, as currently outstanding debt is gradually paid off annually, the state's debt ratio will decline. If, instead of being redirected to augment other areas of the budget, the percentage of the state budget currently committed to debt service were to stay at its current level, it would cover most of the new debt service costs resulting from the SGP-proposed bonds. Since the percentage of the state budget attributable to debt service would not increase, its continued commitment to that purpose would not cause a reduction in the percentage of the budget dedicated to other programs. Secondly, the Economic Recovery Bonds (ERBs) approved by the voters in 2004 through Proposition 57 and funded by a special local quarter cent sales tax set aside, are projected to be paid off in August 2009. When this happens, the residual effect from a resulting three-part series of transactions will be to free up General Fund dollars not currently committed to any state program. This fund source is projected to be \$1.5 billion in 2010. Combined with continuing the current percentage of the budget committed to debt service for that purpose, dedicating the funding freed up from retiring the ERBs will help ensure that the SGP is affordable.

In summary, both the Governor's 2007 Five-Year Infrastructure Plan, and his longer-term Strategic Growth Plan are readily affordable from a purely financial standpoint. Furthermore, from the standpoint of the urgent need to revitalize and expand the state's straining infrastructure, we cannot afford not to implement these plans.

BOND ACCOUNTABILITY

It is the obligation of state government to be accountable to the people for how bond proceeds are spent. Accountability consists both of ensuring expenditures are made toward long-lasting, meaningful improvements with meaningful goals and objectives, and providing the public ready access to information on the use of bond proceeds. To that end, the Governor recently signed an executive order requiring all agencies and departments to be accountable to spend the bond proceeds in a manner consistent with the provisions of the bond and to ensure the bonds are spent efficiently, effectively and in the best interests of the people of the State of California.

This executive order lays out a three part accountability structure. The first part of this structure is Front-End Accountability. Front-End Accountability reaffirms the departments will follow a specified criteria and/or processes for expending the bond funds and requires the expenditures achieve the outcomes that were intended. Department of Finance will determine that a department's plan is adequate prior to any expenditures occurring. Also, each department must develop a list of all expenditures from the bond proceeds and make that list available to the public.

The second part of this structure is In-Progress Accountability. During this step each department will document all ongoing actions it is taking to ensure the funded activity or project is staying within the scope and cost that was defined by the department when funding was approved. In addition, the departments will provide semi-annual reports to the Department of Finance of its actions to ensure funded activity or project will be executed in a timely fashion and achieve its intended purpose.

The final part of this structure is Follow-Up Accountability. Follow-Up Accountability translates into audits to verify bond expenditures (1) were made according to the

Front-End Accountability criteria and processes, (2) were consistent with all legal requirements, and (3) achieved the intended outcomes.

Finally, the Department of Finance has been charged with establishing a web site to provide the public with readily accessible information on how proceeds of bonds are being utilized. All projects, grants and expenditures and ultimate audits will be tracked on this web ensuring the public full transparency.

A copy of the Governor's Executive Order S-02-07 can be found in Appendix 10.

APPENDIX 1

MAJOR PROJECT CATEGORIES

CATEGORIES FOR EXISTING INFRASTRUCTURE

Critical Infrastructure Deficiencies. Condition of existing facilities impairs program delivery or results in an unsafe environment. Such projects would correct conditions that significantly limit the efficiency and effectiveness of program delivery. Also included would be projects that correct code deficiencies that pose a hazard to employees, client populations, or the public, such as compliance with Fire Marshal regulations, flood control projects, seismic projects, and health related issues such as asbestos abatement and lead removal.

Facility/Infrastructure Modernization. Building is structurally sound but modernization of facility will result in an upgrade or betterment that will enable or enhance program delivery. Such projects could include lighting, HVAC, utilities (sewer, water, electrical) and remodeling of interior space to increase efficiency.

Workload Space Deficiencies. Additional space required to serve existing programs because of increased workload (not E/C/P based). Within this category departments could divide the category into specified types of space such as offices, storage, laboratories, classrooms, field offices, etc.

Enrollment/Caseload/Population (E/C/P). Changes to E/C/P estimates resulting in a reduction or increase in the amount of existing space needed or a change in the use of existing space.

Environmental Restoration. Land restoration or modification for environmental purposes. Examples include wetlands restoration for habitat purposes.

Program Delivery Changes. Modifications to existing facilities necessitated by authorized changes to existing programs or newly required programs.

CATEGORIES FOR NEW FACILITIES/INFRASTRUCTURE

Workload Space Deficiencies. Additional space required to serve existing programs because of increased workload (not E/C/P based). Within this category departments could divide the category into specified types of space such as offices, storage, laboratories, classrooms, field offices, etc.

Environmental Acquisitions and Restoration. Land acquisitions and restoration of newly acquired land for the improvement or protection of wildlife habitat.

Public Access and Recreation. Acquisitions or projects to facilitate, or allow public access to state resources and landholdings such as coastal and park acquisitions as well as development of access points to beaches for recreation or for open space preservation.

Enrollment/Caseload/Population (E/C/P). Changes to E/C/P estimates resulting in the need for additional space.

Program Delivery Changes. New facility needs resulting from authorized changes to the existing program delivery systems.

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Legislative, Judicial and Executive						
<u>0250 Judiciary</u>						
Critical Infrastructure Deficiencies-Existing						
New Fourth Appellate District, Division 3, Courthouse in Santa Ana	\$3,086	\$0	\$0	\$0	\$0	\$3,086
New Fourth Appellate District, Division One Courthouse-San Diego	14,052	1,575	51,781	0	0	67,408
New Sixth Appellate District Courthouse-San Jose	9,155	1,152	37,129	0	0	47,436
Calaveras County - New San Andreas Courthouse	3,392	3,157	45,720	0	0	52,269
Contra Costa County-New Antioch Area Courthouse	51,410	0	0	0	0	51,410
Lassen County - New Susanville Court	1,478	3,647	31,014	0	0	36,139
Los Angeles County - New Long Beach Courthouse	34,141	12,324	16,386	258,605	0	321,456
Madera County - New Madera Courthouse	3,440	4,011	87,263	0	0	94,714
Mono County - New Mammoth Lakes Court	725	12,295	0	0	0	13,020
Plumas and Sierra Counties -- New Portola/Loyalton Court	5,318	0	0	0	0	5,318
Riverside County - New Riverside Mid County Courthouse	3,283	2,331	3,101	47,439	0	56,154
San Benito County - New Hollister Courthouse	5,990	1,428	2,021	29,131	0	38,570
San Bernardino County - New San Bernardino Courthouse	23,679	17,331	268,297	0	0	309,307
San Joaquin - New Stockton Court	14,243	12,079	0	185,073	0	211,395
Tulare County - New Porterville Court	4,426	3,264	73,525	0	0	81,215
Statewide Trail Court Facilities	0	1,200,000	1,400,000	2,000,000	3,611,103	8,211,103
Judiciary Total	\$177,818	\$1,274,594	\$2,016,237	\$2,520,248	\$3,611,103	\$9,600,000
<u>0690 Office of Emergency Services</u>						
Program Delivery Changes-New						
Headquarters Expansion	\$791	\$8,207	\$0	\$0	\$0	\$8,998
Workload Space Deficiencies-New						
OES Southern Region Emergency and Operations Center (REOC)	7,892	1,428	23,583	0	0	32,903
Office of Emergency Services Total	\$8,683	\$9,635	\$23,583	\$0	\$0	\$41,901
<u>0820 Department of Justice</u>						
Program Delivery Changes-Existing						
Statewide DNA Laboratory/Sacramento Campus	\$35,397	\$388,287	\$0	\$0	\$0	\$423,684
Department of Justice Total	\$35,397	\$388,287	\$0	\$0	\$0	\$423,684
Legislative, Judicial and Executive Total	\$221,898	\$1,672,516	\$2,039,820	\$2,520,248	\$3,611,103	\$10,065,585
State and Consumer Services						
<u>1100 California Science Center</u>						
Critical Infrastructure Deficiencies-Existing						
Minor Capital Outlay 08, Trench Drain	\$0	\$50	\$0	\$0	\$0	\$50
Minor Capital Outlay 08, Acoustic Treatment	0	364	0	0	0	364
Down Escalator, Ahmanson Building	464	0	0	0	0	464
CAAM Renovation and Expansion Project	3,487	3,152	58,798	0	0	65,437

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Program Delivery Changes-Existing						
Science Center Master Plan Phase III, Preliminary Plans	0	0	0	0	5,400	5,400
California Science Center Total	\$3,951	\$3,566	\$58,798	\$0	\$5,400	\$71,715
1760 Department of General Services						
Critical Infrastructure Deficiencies-Existing						
Sacramento Public Safety Communications Decentralization	\$4,829	\$3,854	\$30,142	\$0	\$0	\$38,825
Structural Retrofit - Legislative Office Building - Main, Sacramento	0	1,035	1,570	23,470	0	26,075
Structural Retrofit - Program Management	750	800	0	0	0	1,550
Structural Retrofit - Metropolitan State Hospital - Library	334	363	3,520	0	0	4,217
Structural Retrofit - Neumiller Infirmary, San Quentin	352	17,922	0	0	0	18,274
Structural Retrofit - Hospital B50 - Lanterman State Hospital, Pomona	1,870	3,402	31,830	0	0	37,102
Structural Retrofit - 30 Building, Patton State Hospital	0	264	19,577	0	0	19,841
Structural Retrofit - 70 Building, Patton State Hospital	0	0	774	11,313	0	12,087
Structural Retrofit - N Building, Patton State Hospital	0	0	0	1,668	26,110	27,778
Structural Retrofit - Vocational Bldg. 43, San Quentin	427	462	15,771	0	0	16,660
Structural Retrofit - Metro State Hospital - Vocational Rehab	795	3,631	0	0	0	4,426
Structural Retrofit - Sonoma Dev. Serv. Ctr - Multipurpose Complex	599	3,254	0	0	0	3,853
Structural Retrofit - Metropolitan State Hospital - Volunteer Center	467	1,605	0	0	0	2,072
Structural Retrofit - Atascadero State Hospital - East West Corridor	655	4,394	0	0	0	5,049
Structural Retrofit - Metropolitan State Hospital, Wards 313 and 315	757	4,407	0	0	0	5,164
Structural Retrofit - Stockton State Office Building	437	2,177	0	0	0	2,614
Structural Retrofit - National Guard Armory, Stockton	1,672	0	0	0	0	1,672
Structural Retrofit - Yountville East Ward (Wing A) Holderman Hospital	2,278	0	0	0	0	2,278
Structural Retrofit - DHS Los Angeles Laboratory/Office	306	1,347	0	0	0	1,653
Renovation of J and H Buildings, Patton State Hospital	3,998	42,761	0	0	0	46,759
Structural Retrofit-Sierra Conservation Center, Jamestown Bldgs E & F	168	1,394	0	0	0	1,562
Structural Retrofit - CIW Walker Clinic, Corona	255	2,522	0	0	0	2,777
Structural Retrofit - CIW Infirmary, Corona	244	2,272	0	0	0	2,516
Structural Retrofit - CMF Vacaville - Inmate Housing Wings U, T, and V	688	11,332	0	0	0	12,020
Structural Retrofit - Susanville CCC Vocational Building F	331	5,945	0	0	0	6,276
Structural Retrofit - Metropolitan State Hospital - Wards 206 and 208	363	4,074	0	0	0	4,437
Structural Retrofit - CCI Tehachapi Chapels Building H	200	1,898	0	0	0	2,098
Workload Space Deficiencies-Existing						
Demolish Resources State Office Building, Sacramento	0	1,094	17,277	0	0	18,371
CDCR Office Consolidation	0	0	242,000	0	0	242,000
Bonderson State Building Replacement - Capital Lease	0	0	109,203	0	0	109,203
Workload Space Deficiencies-New						
Red Bluff State Office Building	0	9,045	0	0	0	9,045

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
PRISM (Public Safety Radio Integrated System Management)	0	0	55,009	0	0	55,009
Department of General Services Total	\$22,775	\$131,254	\$526,673	\$36,451	\$26,110	\$743,263
State and Consumer Services Agency Total	\$26,726	\$134,820	\$585,471	\$36,451	\$31,510	\$814,978
Business, Transportation and Housing						
<u>2660 Dept of Transportation</u>						
Critical Infrastructure Deficiencies-Existing						
Oakland District Office Building Seismic Retrofit Project	\$62,337	\$0	\$0	\$0	\$0	\$62,337
Facility/Infrastructure Modernization-Existing						
Critical infrastructure deficiencies for District 1	0	236	338	3,470	0	4,044
Highway and Transit Projects						
Highway and Transit Projects	8,482,000	12,973,000	12,053,333	12,119,000	11,694,333	57,321,666
Department of Transportation Total	\$8,544,337	\$12,973,236	\$12,053,671	\$12,122,470	\$11,694,333	\$57,388,047
<u>2720 Dept of the California Highway Patrol</u>						
Critical Infrastructure Deficiencies-Existing						
Oakhurst Area Office -- Replacement	\$636	\$9,021	\$0	\$0	\$0	\$9,657
San Diego Area Office -- Alterations	6,223	0	0	0	0	6,223
Oceanside Area Office -- Replacement	1,064	16,337	0	0	0	17,401
Various Capital Outlay Studies	225	51	0	0	0	276
Critical Infrastructure Deficiencies for CHP Area and Division Offices	0	1,784	8,382	80,044	43,304	133,514
Facility/Infrastructure Modernization-Existing						
Facility Modernizations for CHP Area Offices	0	204	253	3,253	0	3,710
Department of the California Highway Patrol Total	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781
<u>2740 Department of Motor Vehicles</u>						
Critical Infrastructure Deficiencies-Existing						
Sacto HQ 6th Fl Asbestos Abatement, Seismic Retro, Renovation and Building Reskin	\$82,391	\$0	\$0	\$0	\$0	\$82,391
Victorville Field Office Space	3,824	0	0	0	0	3,824
Critical Infrastructure Deficiencies for DMV Offices	0	11,797	520	15,799	3,796	31,912
Workload Space Deficiencies-Existing						
Redding Field Office Reconfiguration Project	2,371	0	0	0	0	2,371
Reconfiguration of the San Bernardino DMV Office	2,393	0	0	0	0	2,393
Study Funds - Statewide	100	0	0	0	0	100
Workload Space Deficiencies for DMV Field Offices	0	12,645	12,989	2,113	0	27,747
Program Delivery Alterations for DMV Field Offices	0	3,393	0	0	0	3,393
Department of Motor Vehicles Total	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131
Business, Transportation, and Housing Agency Total	\$8,643,564	\$13,028,468	\$12,075,815	\$12,223,679	\$11,741,433	\$57,712,959
Resources						
<u>3125 California Tahoe Conservancy</u>						

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Environmental Acquisitions and Restoration-New						
Implementation of the Environmental Improvement Program for the Lake Tahoe Basin	\$16,519	\$16,481	\$16,481	\$16,481	\$16,481	\$82,443
California Tahoe Conservancy Total	\$16,519	\$16,481	\$16,481	\$16,481	\$16,481	\$82,443
California Conservation Corps						
Critical Infrastructure Deficiencies-Existing						
Minor Capital Outlay Projects	\$184	\$0	\$0	\$0	\$0	\$184
Sierra Placer Municipal Sewer And Water Tie-In	3,507	0	0	0	0	3,507
California Conservation Corps Total	\$3,691	\$0	\$0	\$0	\$0	\$3,691
Department of Forestry and Fire Protect						
Critical Infrastructure Deficiencies-Existing						
Humboldt-Dei Norte Unit Headquarters/Fortuna Forest Fire Station - Relocate Facilities	\$3,903	\$0	\$29,637	\$0	\$0	\$33,540
Morgan Hill Forest Fire Station/Santa Clara Unit Headquarters- Replace Various Buildings	16,153	0	0	0	0	16,153
Sky Londa Forest Fire Station - Replace Facility	481	4,527	0	0	0	5,008
Las Posadas Forest Fire Station- Replace Facility	4,784	0	0	0	0	4,784
San Mateo-Santa Cruz Unit Headquarters- Relocate Auto Shop	6,766	0	0	0	0	6,766
Parlin Fork Conservation Camp - Replace Facility	24,029	0	0	0	0	24,029
San Mateo- Santa-Cruz Unit Headquarters - Construct Expanded Dispatch Support Bldg.	1,294	0	0	0	0	1,294
Fawn Lodge Forest Fire Station - Replace Facility, Intall new well	6,664	0	0	0	0	6,664
Red Bluff Forest Fire Station/Unit Headquarters - Replace FFS and Various UH Buildings	23,577	0	0	0	0	23,577
Vina Helitack Base - Replace Facility	4,474	0	0	0	0	4,474
Westwood Forest Fire Station - Replace Facility	5,654	0	0	0	0	5,654
Grass Valley Air Attack Base - Replace Facility	400	3,398	0	0	0	3,798
Butte Unit Headquarters - Relocate Auto Shop	737	0	874	6,474	0	8,085
Shasta-Trinity Unit Headquarters - Relocate Facility	1,953	0	25,862	0	0	27,815
MacDoel Forest Fire Station - Relocate Facility	530	0	3,164	0	0	3,694
Yreka Forest Fire Station - Replace Facility	16,423	0	0	0	0	16,423
Higgins Corner Forest Fire Station - Replace Facility	1,035	0	4,662	0	0	5,697
Bieber Forest Fire Station/Helitack Base - Relocate Facility	18,565	0	0	0	0	18,565
Alta Forest Fire Station - Relocate Facility	600	0	4,548	0	0	5,148
Ishi Conservation Camp - Replace Facility	32,250	0	0	0	0	32,250
Bear Valley Helitack Base/Forest Fire Station - Replace Water System	533	585	3,034	0	0	4,152
Hemet-Ryan Air Attack Base - Replace Facility	40	21,399	0	0	0	21,439
Cuesta Conservation Camp/SLO Unit Autoshop - Relocate Facility	1,808	1,464	22,167	0	0	25,439

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Fenner Canyon Conservation Camp - Construct Admin Bldg/CCV Apparatus Bldg.	6,627	0	0	0	0	6,627
Elsinore Forest Fire Station - Relocate Facility	2,104	0	5,016	0	0	7,120
Las Tablas Forest Fire Station - Relocate Facility	982	0	6,107	0	0	7,089
Temecula Forest Fire Station - Relocate Facility	1,252	0	7,073	0	0	8,325
Paso Robles Forest Fire Station - Replace Facility	8,286	0	0	0	0	8,286
Devore Forest Fire Station - Relocate Facility	978	0	5,904	0	0	6,882
Growlersburg Conservation Camp - Replace Facility	47,565	0	0	0	0	47,565
Pine Mountain Forest Fire Station - Relocate Facility	562	0	5,402	0	0	5,964
Batterson Forest Fire Station - Relocate Facility	4,284	0	0	0	0	4,284
Hollister Air Attack Base - Relocate Facility	13,652	0	0	0	0	13,652
Baseline Conservation Camp - Remodel Facility	6,861	0	0	0	0	6,861
Garden Valley Forest Fire Station - Relocate Facility	487	0	5,844	0	0	6,331
Tuolumne-Calaveras Unit Headquarters - Relocate Facility	1,224	1,806	18,817	0	0	21,847
Parkfield Forest Fire Station - Relocate Facility	736	0	6,322	0	0	7,058
Madera-Mariposa-Merced Unit Headquarters- Replace Facility	23,837	0	0	0	0	23,837
Millerton Forest Fire Station - Replace Facility	5,217	0	0	0	0	5,217
Blanchard Forest Fire Station - Relocate Facility	737	0	6,339	0	0	7,076
Mount Bullion Youth Conservation Camp - Replace Access Road	462	0	7,604	0	0	8,066
Altaville Forest Fire Station - Construct Automotive Repair Facility	9,010	0	0	0	0	9,010
Gabilan Conservation Camp - Replace BOQ Relocate Autoshop Service Center	13,942	0	0	0	0	13,942
Vallecito Conservation Camp	967	0	5,331	0	0	6,298
Statewide - Replace Communications Facilities, Phase IV	7,667	0	0	0	0	7,667
Statewide - Replace Communications Facilities, Phase V	3,571	19,651	0	0	0	23,222
Minor Capital Outlay Projects	6,007	6,757	6,757	7,511	7,511	34,543
Air Attack Base Improvements	0	179	1,864	7,176	9,971	19,190
Acquire Options and Appraisals	0	204	204	204	204	816
Facility Acquisitions (Blue Mountain LO)	0	0	869	0	0	869
Administration Headquarters Improvements	0	5,242	31,990	17,673	23,408	78,313
CDF Conservation Camp Improvements	0	12,744	92,301	94,819	148,713	348,577
Replace/Relocate CDF Forest Fire Stations	0	16,892	90,057	77,354	106,981	291,284
Pavement and Access Road Construction	0	4,061	7,510	7,510	7,510	26,591
ADA Compliance for Facilities	0	3,756	6,004	7,511	7,511	24,782
Davis Mobile Equipment Facility - Remodel	0	0	299	2,222	0	2,521
Environmental Acquisitions and Restoration-New						
Construct Vehicle Washracks	0	2,248	10,513	10,513	10,513	33,787

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Sequel Demonstration State Forest - Construct Education Center and Access Road	0	0	4,132	598	767	5,497
Jackson Demonstration State Forest - Construct Education Center and Access Road	0	0	598	767	11,254	12,619
CDF Nurseries - Combine Nursery Sites	0	0	988	676	831	2,495
Workload Space Deficiencies-Existing						
Delta Mobilization Center	0	299	299	377	377	1,352
CDF Academy - Remodel/Replace Apparatus Building/Shop	0	0	831	702	8,849	10,382
CDF Academy - Paving and Safety Lighting	0	0	0	598	7,901	8,499
Workload Space Deficiencies-New						
Training Facilities	0	1,638	9,993	10,187	9,396	31,214
Battalion Chief, Resource Management, Fire Prevention Field Offices	0	1,949	3,301	3,457	3,301	12,008
CDF Academy - Construct Fitness Center	0	0	0	0	792	792
Department of Forestry and Fire Protection Total	\$339,670	\$108,799	\$442,217	\$256,329	\$365,790	\$1,512,805
3560 State Lands Commission						
Critical Infrastructure Deficiencies-Existing						
Huntington Beach - Field Office Replacement	\$264	\$162	\$1,486	\$0	\$0	\$1,912
State Lands Commission Total	\$264	\$162	\$1,486	\$0	\$0	\$1,912
3600 Department of Fish and Game						
Critical Infrastructure Deficiencies-Existing						
Fish Springs Fish Hatchery New Well	\$850	\$0	\$0	\$0	\$0	\$850
Project Planning	160	160	160	160	160	800
Minor Projects Summary	4,337	1,700	1,737	0	0	7,774
Various Concept Projects	1,268	713	0	0	0	1,981
Workload Space Deficiencies-Existing						
Bishop and Redding New Offices	1,200	0	0	0	0	1,200
Department of Fish and Game Total	\$7,815	\$2,573	\$1,897	\$160	\$160	\$12,605
3640 Wildlife Conservation Board						
Environmental Acquisitions and Restoration-New						
NCCP Implementation - Proposition 84	\$25,000	\$25,000	\$25,000	\$10,765	\$0	\$85,765
Rangeland, Grazing Land and Grassland Protection	14,293	0	0	0	0	14,293
Oak Woodlands Conservation	14,293	0	0	0	0	14,293
Integrating Agricultural Activities - Proposition 84	4,762	0	0	0	0	4,762
Funding for Acquisitions and Restoration	81,500	81,500	81,500	81,500	81,309	407,309
Public Access and Recreation-New						
Funding for Public Access Program	1,000	2,000	1,500	1,500	1,500	7,500
Wildlife Conservation Board Total	\$140,848	\$108,500	\$108,000	\$93,765	\$82,809	\$533,922
3680 Dept of Boating & Waterways						

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Critical Infrastructure Deficiencies-Existing						
Project Planning	\$90	\$100	\$100	\$120	\$120	\$530
Minor Projects Summary	6,050	6,300	6,300	6,300	6,300	31,250
Morro Bay State Park: Marina Infrastructure Improvements	0	350	350	5,500	0	6,200
Folsom Lake Folsom Point: Launching Facility Improvement	0	0	360	350	5,000	5,710
Millerton Winchell Cove: Land-side Improvements	0	0	0	370	350	720
Castaic East Ramp: Parking Expansion	0	0	0	0	370	370
Workload Space Deficiencies-Existing						
Channel Islands Boating Instruction and Safety Center	6,710	0	0	0	0	6,710
Department of Boating and Waterways Total	\$12,850	\$6,750	\$7,110	\$12,640	\$12,140	\$51,490
State Coastal Conservancy						
Environmental Acquisitions and Restoration-New						
Ocean Protection Council (Capital Projects and Science Applications)	\$28,000	\$26,420	\$25,970	\$1,460	\$300	\$82,150
Coastal Resource Enhancement	5,900	5,900	5,900	5,900	5,000	28,600
Public Access and Recreation-New						
Public Access	900	900	900	900	900	4,500
Coastal Conservancy Programs	84,443	81,629	44,800	21,565	10,165	242,602
Conservancy Programs	9,594	0	0	0	0	9,594
Conservancy Programs	1,900	1,900	1,900	1,900	1,900	9,500
State Coastal Conservancy Total	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946
Dept of Parks and Recreation						
Critical Infrastructure Deficiencies-Existing						
Patrick's Point SP: Agate Beach Rehabilitation	\$0	\$170	\$160	\$1,325	\$0	\$1,655
Mackerricher SP: Develop New Water System	130	754	0	0	0	884
Mendocino Woodlands SP: Wastewater Treatment Facilities	183	1,649	0	0	0	1,832
Fort Ross SHP: Reconstruct Historic Fur Warehouse	4,343	0	0	0	0	4,343
Auburn SRA: Remote Composting Toilets	0	155	1,455	0	0	1,610
Portola Redwoods SP: Rehabilitate Wastewater System	266	1,333	0	0	0	1,599
Big Basin Redwoods SP: Restore Historic Lodge	551	5,437	0	0	0	5,988
Seacliff State Beach: Pier Renovation	0	440	1,835	0	0	2,275
Wilder Ranch SP: Dairy Barn Restoration	518	306	4,331	0	0	5,155
La Purisima Mission SHP: Rehabilitate Water & Sewer Systems	0	150	995	0	0	1,145
El Capitlan SB: Construct New Lifeguard Headquarters Building	0	400	4,950	0	0	5,350
Gaviota SP: Water Supply System Upgrades	256	1,290	0	0	0	1,546
Will Rogers SHP: Restoration of Historic Carpentry Shop	380	4,024	0	0	0	4,404
Silverwood Lake SRA: Camp & Day Use Improvements	5,091	0	0	0	0	5,091
South Carlsbad SB: Maintenance Facility Improvements	228	993	0	0	0	1,221
DPR Statewide Critical Infrastructure Deficiencies	0	0	1,730	12,330	8,150	22,210

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Statewide: State Park System Minor Capital Outlay Program	450	4,000	4,000	4,000	4,000	16,450
Statewide: OHV Minor Capital Outlay	2,548	3,000	3,000	3,000	3,000	14,548
Statewide: Interpretive Minor Capital Outlay Program	1,000	1,000	1,000	1,000	1,000	5,000
Statewide: Reimbursed Capital Outlay	3,000	3,000	3,000	3,000	3,000	15,000
Pismo State Beach: Develop New Group Camp	0	135	1,290	0	0	1,425
Millerton Lake SRA: Rehabilitate La Playa Day Use Area	3,877	0	0	0	0	3,877
Statewide: Budget Development	2,000	500	500	500	500	4,000
Environmental Acquisitions and Restoration-New						
Prairie Creek Redwoods SP: Espa Creek Watershed Rehabilitation	0	170	980	0	0	1,150
McGrath State Beach: Riparian Restoration in Estuary	0	110	640	0	0	750
Cuyamaca Rancho SP:Montane Meadow Restoration	0	220	1,280	0	0	1,500
DPR Statewide Environmental Acquisition and Restoration	0	0	1,000	1,000	1,000	3,000
Environmental Restoration-Existing						
Del Norte Coast Redwoods SP: Mill Creek Rehabilitation	594	2,621	0	0	0	3,215
Mackerricher SP: Native Dune Habitat Restoration	535	697	0	0	0	1,232
Henry W. Coe SP: Watershed and Reservoir Management Plan	584	0	0	0	0	584
Pfeiffer Big Sur SP: Construct Replacement Overnight Facilities	817	585	5,085	0	0	6,487
DPR Statewide Environmental Restoration	0	0	940	6,520	2,730	10,190
Statewide: Habitat Conservation Purchases	1,000	1,000	1,000	1,000	1,000	5,000
Facility/Infrastructure Modernization-Existing						
Lake Oroville SRA: Bidwell Canyon: Facilities Rehabilitation	0	525	7,180	0	0	7,705
California State Railroad Museum: History Museum Exhibit Upgrade	167	1,840	0	0	0	2,007
Henry W. Coe SP: Visitor Center Improvements	334	3,322	0	0	0	3,656
Pfeiffer Big Sur SP: Park Entrance and Day Use Redevelopment	9,180	0	0	0	0	9,180
La Purisima Mission SHP: Replace Day Use Parking Lot	0	215	2,725	0	0	2,940
Anza-Borrego Desert SP: Rehabilitate Tamarisk Grove Facilities	329	5,043	0	0	0	5,372
DPR Statewide Facility/Infrastructure Modernization	0	0	2,430	16,480	23,300	42,210
Statewide: Volunteer Enhancement Program-Minor Projects	250	250	250	250	250	1,250
Public Access and Recreation-New						
Candlestick Point SRA: Construct Overlook & Day Use Facilities	0	490	2,560	0	0	3,050
Sugarloaf Ridge SP: Develop Trail Plan and Install Trail System	0	150	250	530	0	930
Carnegie SVRA: Alameda Tesla Day Use	0	500	1,000	7,000	0	8,500
Columbia SHP: Visitor Orientation Center	0	370	430	4,740	0	5,540
Bakersfield Project - Initial Development	0	500	750	8,000	0	9,250
Fort Tejon SHP: Reconstruct and Interpret Hospital Building	0	460	510	5,665	0	6,635
Prairie CitySVRA: OHV Track Lighting	0	120	3,075	0	0	3,195
Henry W. Coe SP: Develop Facilities at Hunting Hollow	0	500	400	3,700	0	4,600
Ocotillo Wells SVRA: Truckhaven Acquisition	5,000	0	0	0	0	5,000

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
California Citrus SHP: Construct Flume Bridge Across Arroyo	0	400	2,200	0	0	2,600
Crystal Cove SP: El Morro Conversion- Phase II	9,988	0	0	0	0	9,988
Los Angeles SHP: Phase 1 Initial Development	447	274	5,095	0	0	5,816
DPR Statewide Public Access and Recreation Needs	0	0	1,960	12,370	27,380	41,710
Statewide-State Park System Acquisition Program	33,500	33,500	33,500	33,500	33,500	167,500
Statewide:Recreational Trails Program	300	300	300	300	300	1,500
Statewide OHV Opportunity Purchases and Prebudget Schematics	3,000	1,000	1,000	1,000	1,000	7,000
San Diego OHV Project:Acquisition	0	5,000	5,000	0	0	10,000
Statewide-State Park System Opportunity and Inholding Acquisitions	1,500	1,500	1,500	1,500	1,500	7,500
Statewide: Federal Trust Fund Program	5,000	5,000	5,000	5,000	5,000	25,000
Ocotillo Wells - Ranger Station	0	100	150	1,121	0	1,371
Gold Hill Road Resurfacing	0	100	170	2,404	0	2,674
Pismo SB - Visitor Center and Equip Storage	0	100	150	2,179	0	2,429
Workload Space Deficiencies-Existing						
DPR Statewide Workload Space Deficiencies	0	0	200	2,380	3,220	5,800
Department of Parks and Recreation Total	\$97,346	\$95,698	\$116,956	\$141,794	\$119,830	\$571,624
<u>3810</u> Santa Monica Mountains Conservancy						
Environmental Acquisitions and Restoration-New						
Acquisitions and Local Assistance Grants	\$13	\$10	\$10	\$10	\$10	\$53
Acquisitions and Local Assistance Grants	17,000	12,000	12,000	12,000	12,000	65,000
Santa Monica Mountains Conservancy Total	\$17,013	\$12,010	\$12,010	\$12,010	\$12,010	\$65,053
<u>3825</u> San Gabriel/Los Angeles River and Mountains Conservancy						
Environmental Acquisitions and Restoration-New						
Capital Outlay and Grants	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$145,000
San Gabriel/Los Angeles River and Mountains Conservancy Total	\$25,000	\$30,000	\$30,000	\$30,000	\$30,000	\$145,000
<u>3830</u> San Joaquin River Conservancy						
Environmental Acquisitions and Restoration-New						
San Joaquin River Conservancy Acquisitions	\$8,500	\$10,499	\$10,793	\$6,439	\$568	\$36,799
Public Access and Recreation-New						
San Joaquin River Conservancy Public Access/Recreation and Restoration	3,500	3,500	3,500	2,500	2,000	15,000
San Joaquin River Conservancy Total	\$12,000	\$13,999	\$14,293	\$8,939	\$2,568	\$51,799
<u>3835</u> Baldwin Hills Conservancy						
Environmental Acquisitions and Restoration-New						
Acquisitions and Improvement	\$4,050	\$20,000	\$20,000	\$20,000	\$21,000	\$85,050
Baldwin Hills Conservancy Total	\$4,050	\$20,000	\$20,000	\$20,000	\$21,000	\$85,050
<u>3845</u> San Diego River Conservancy						
Environmental Acquisitions and Restoration-New						
San Diego River Conservancy Program	\$2,745	\$41,100	\$20,600	\$0	\$0	\$64,445

2007 Five-Year Infrastructure Needs Reported by Department

Project Name		2007-08	2008-09	2009-10	2010-11	2011-12	5-Yr Total
3850	Coachella Valley Mountains Conservancy						
	Environmental Acquisitions and Restoration-New						
	Acquisitions and Improvements						
3860	Coachella Valley Mountains Conservancy Total	\$11,514	\$24,742	\$24,742	\$25,742	\$25,742	\$112,482
	Department of Water Resources						
	Critical Infrastructure Deficiencies-Existing						
	South Delta Improvements Program	\$31,360	\$18,850	\$0	\$0	\$0	\$50,210
	South Delta Fish Facility Improvements- Fish CHTR Improvements	300	1,900	6,000	100	100	8,400
	Through-Delta Facility - River Alterations	0	1,000	55,150	44,950	0	101,100
	Franks Tract Pilot Project	600	47,500	250	250	250	48,850
	American River Watershed, Folsom Dam Raise Project, Folsom Dam Bridge Element	8,674	0	0	0	0	8,674
	Cache Creek Settling Basin Enlargement Project	0	1,700	0	0	0	1,700
	American River (Common Features) Project	0	16,985	16,985	0	0	33,970
	Mid-Valley Area Levee Reconstruction Project	874	13,530	0	0	0	14,404
	Yuba River Basin Project	0	22,869	121,396	38,675	0	182,940
	South Sacramento County Streams	25,058	6,966	8,404	0	0	40,428
	Middle Creek Flood Damage Reduction and Ecosystem Restoration	9,601	9,110	1,120	0	0	19,831
	Hamilton City Flood Damage Reduction and Ecosystem Restoration Project	5,505	3,889	500	378	208	10,480
	Tule River Basin, Success Reservoir Enlargement Project	0	7,693	0	0	0	7,693
	Sutter County Flood Control Project	2,100	6,905	36,505	22,922	8,079	76,511
	Rock Creek-Keefer Slough Feasibility Study	1,592	40,600	825	10,800	5,100	58,917
	West Stanislaus County Feasibility Study	2,780	58,389	875	5,275	6,125	73,444
	Folsom Dam Modifications Project	0	0	101,216	131,076	114,177	346,469
	Cherokee Canal Flood Control Project	0	6,140	0	0	0	6,140
	Frazier Creek/Strathmore Creek Feasibility Study	750	750	750	850	287	3,387
	White River/Deer Creek Feasibility Study	750	2,407	750	850	850	5,607
	Merced County Streams Project, Bear Creek Unit	0	107	107	107	58,094	58,415
	Sacramento and San Joaquin Rivers Flood Control Systems Reeval	0	8,100	13,814	13,814	13,814	49,542
	American River Watershed, Folsom Dam Raise Project	83,420	61,634	57,009	44,642	16,263	262,968
	Mitigation Bank - Sacramento River Flood Control	10,735	1,100	10,200	200	200	22,435
	Sutter Bypass Eastside Channel - Fish Screens Feasibility Study	172	0	0	3,000	7,000	10,172
	Sutter Bypass Eastside Channel - Weir 2 and Fish Ladder Design	843	4,333	0	0	0	5,176
	Willow Slough Control Structure Replacement	545	2,541	0	0	0	3,086
	Systemwide Levee Evaluations and Repairs	100,000	120,000	110,000	80,000	60,000	470,000
	Lower San Joaquin River Feasibility Study	0	250	250	250	300	1,050
	Strategic Growth Plan-Delta Sustainability	0	0	10,000	76,666	76,667	163,333

2007 Five-Year Infrastructure Needs Reported by Department

Project Name	2007-08	2008-09	2009-10	2010-11	2011-12	5-Yr Total
American River Flood Control Project - Natomas Features	3,740	30,892	0	0	0	34,632
Program Delivery Changes-New						
Strategic Growth Plan-Water Storage	0	0	20,000	300,000	300,000	620,000
Department of Water Resources Total	\$289,399	\$496,140	\$572,106	\$774,805	\$667,514	\$2,799,964
Resources Agency Total	\$1,111,461	\$1,093,703	\$1,467,368	\$1,424,390	\$1,374,309	\$6,471,231
Environmental Protection						
<u>3960</u> Toxic Substances Control						
Critical Infrastructure Deficiencies-Existing						
Southern California ES Lab	\$0	\$1,000	\$150	\$3,510	\$0	\$4,660
Environmental Restoration-Existing						
Stringfellow Pretreatment Plant	0	49,361	0	0	0	49,361
Toxic Substances Control Total	\$0	\$50,361	\$150	\$3,510	\$0	\$54,021
Environmental Protection Agency Total	\$0	\$50,361	\$150	\$3,510	\$0	\$54,021
Health and Human Services						
<u>4300</u> Department of Developmental Services						
Critical Infrastructure Deficiencies-Existing						
Fairview - Air Condition School and Activity Center	\$383	\$1,826	\$0	\$0	\$0	\$2,209
Fairview - Install Personal Alarm Locating System	673	3,253	0	0	0	3,926
Lanternman - Reservoir and Water System Study	0	50	0	0	0	50
Porterville: New Main Kitchen/Renovate 24 Satellite Kitchens/Dining Rooms	1,400	18,000	0	0	0	19,400
Porterville Secured Treatment Area - Upgrade Personal Alarm Locating System	556	2,765	0	0	0	3,321
Sonoma - Install Medical Gasses and Oxygen Piping	804	4,832	0	0	0	5,636
Sonoma - Replace Medium Voltage Cable	484	2,775	0	0	0	3,259
Sonoma - Replace Emergency Generators & Feeder Breakers	0	480	3,520	0	0	4,000
Sonoma - Cogeneration System Study	0	50	0	0	0	50
Statewide Planning and Infrastructure Study	1,000	0	0	0	0	1,000
Department of Developmental Services Total	\$5,300	\$34,031	\$3,520	\$0	\$0	\$42,851
<u>4440</u> Department of Mental Health						
Critical Infrastructure Deficiencies-Existing						
Minor Capital Outlay Projects	\$1,736	\$0	\$0	\$0	\$0	\$1,736
Atascadero SH - Kitchen Study	27,121	507	6,515	0	0	34,143
PSH - Provide Aquatic Recreation Building	0	0	0	108	768	876
Metropolitan SH - Construct New Kitchen and Remodel Satellite Kitchens and Dining Rooms	8,930	0	0	0	0	8,930
MSH - Demo Buildings 304, 306/08, Old BoilerHouse, Switchgear Bldg. & Kitchen	0	0	402	1,935	0	2,337
MSH - Renovate Former Administration Building	0	0	609	4,085	0	4,694

2007 Five-Year Infrastructure Needs Reported by Department

Project Name	2007-08	2008-09	2009-10	2010-11	2011-12	5-Yr Total
MSH - 100s Bldg. Roof Repair	0	174	989	0	0	1,163
NSH - Remodel Building 194, S Units	0	2,862	28,204	0	0	31,066
Napa SH - Construct New Kitchen and Remodel Satellite Serving Kitchens & Dining Rm	761	10,605	0	0	0	11,366
NSH - Provide New Maintenance Complex	0	0	600	4,363	0	4,963
NSH - Upgrade Air Conditioning Systems	0	0	200	1,993	0	2,193
Patton SH - Construct New Kitchen and Remodel Satellite Serving Kitchens & Dining Rms	463	6,005	0	0	0	6,468
Patton SH: Energy Enhancements	0	335	2,052	0	0	2,387
Enrollment/Caseload/Population-Existing						
Metropolitan SH - Fencing for Secured Beds	3,454	20,208	0	0	0	23,662
Enrollment/Caseload/Population-New						
ASH - 258 Bed Addition	0	2,120	2,977	56,594	0	61,691
PSH - Construct 350 Bed Addition	0	0	2,731	3,981	78,505	85,217
Department of Mental Health Total	\$42,465	\$42,816	\$45,279	\$73,059	\$79,273	\$282,892
Health and Human Services Agency Total	\$47,765	\$76,847	\$48,799	\$73,059	\$79,273	\$325,743
Corrections and Rehabilitation						
5225 Department of Corrections and Rehabilitation						
Critical Infrastructure Deficiencies-Existing						
Statewide: Install Fire Protection Sprinkler Systems	\$794	\$14,114	\$0	\$0	\$0	\$14,908
HGSYCF: Replace Program Building #3 Modular	0	146	1,463	0	0	1,609
HGSYCF: Construct Program Building Unit 2	0	0	146	1,461	0	1,607
HGSYCF: Replace Program Building Unit 1	0	0	0	0	146	146
Statewide: Budget Packages and Advanced Planning	2,000	2,000	2,000	2,000	2,000	10,000
CCC: Antelope Camp Kitchen Replacement	0	0	83	1,189	0	1,272
DVI: Renovate Y and Z Dorm	0	3,839	0	0	0	3,839
DVI: Improve Levee & Flood Drainage Systems	0	738	12,350	0	0	13,088
FSP: Install Emergency Generator at Water Filtration Plant	0	85	450	0	0	535
FSP: Administration Building Fire Code Upgrade	0	105	0	0	0	105
CIM, Chino: Replace Domestic Water High Tank	169	2,589	0	0	0	2,758
CMC, East/West Facility: Fire Alarm System Upgrade	0	0	1,767	34,036	0	35,803
Statewide: Minor Projects	12,500	12,500	12,500	12,500	12,500	62,500
CRC, Norco: Replace Men's Dorms (Ph II Const., Ph III Working Drawings)	13,335	13,698	327	20,565	675	48,600
CRC: Patton State Hospital Double Perimeter Security Fence	0	0	10,833	0	0	10,833
Sierra Conservation Center, Jamestown: Effluent Disposal Pipeline	12,566	0	0	0	0	12,566
Sierra Conservation Center, Jamestown: Filtration/Sedimentation Structure	1,971	0	0	0	0	1,971
SCC, Jamestown: Mariposa Calaveras Dorm Renovation	649	11,367	0	0	0	12,016
CVSP, Blythe: Water Treatment Discharge Disposal	2,835	44,106	0	0	0	46,941

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
California State Prison, Corcoran: Fire Alarm System Replacement	0	7,960	0	0	0	7,960
HDSP: Upgrade Emergency Circuit Transformer and Transfer Switch	125	1,167	0	0	0	1,292
Ironwood State Prison, Blythe: Heating Ventilation, and Air-Conditioning System	0	48,436	0	0	0	48,436
Enrollment/Caseload/Population-Existing						
NCYCC, Stockton: Core Treatment Facility	12,078	119,515	0	0	0	131,593
Statewide: 128 Bed ICF Level IV Mental Health Facility	0	73,569	0	0	0	73,569
Statewide: Right Prison/Right Mission	0	1,500	0	0	0	1,500
California Medical Facility, Vacaville: Intermediate Care Facility	54,046	0	0	0	0	54,046
CMC (East), San Luis Obispo: Mental Health Crisis Beds	3,551	52,115	0	0	0	55,666
San Quentin State Prison, Condemned Inmate Complex	116,500	0	0	0	0	116,500
CIW, Frontera: Acute/Intermediate Care Facility	30,849	0	0	0	0	30,849
California Institution for Women, Psychiatric Services Unit - 20 Beds	423	4,104	0	0	0	4,527
SCC: Mental Health Expansion - Infirmary	0	68	965	0	0	1,033
ASP: Receiving and Release Expansion	0	1,542	0	0	0	1,542
MCSP, Ione: Enhanced Outpatient Program, Treatment and Program Space	2,647	0	0	0	0	2,647
CSP, LAC: Enhanced Outpatient Program, Treatment and Program Space	2,647	0	0	0	0	2,647
CCWF: Construct Specialized Housing Unit	0	357	6,397	0	0	6,754
Salinas Valley State Prison, Soledad: Intermediate Care Facility	102,963	0	0	0	0	102,963
CSP, Sacramento, Represa: Acute Mental Health Beds	273,848	0	0	0	0	273,848
California State Prison, Sacramento, Represa: Intermediate Care Facility	92,828	0	0	0	0	92,828
CSP, Sacramento, Represa: Enhanced Outpatient Mental Health Beds	5,348	0	0	0	0	5,348
Statewide - Core Treatment Facility, Southern Region	6,634	146,864	0	0	0	153,498
Enrollment/Caseload/Population-New						
Statewide: Health Care Assisted Living	0	565	0	0	0	565
Statewide - Dental Treatment/Office Space - Various	59,559	60,833	963,300	0	0	1,083,692
Statewide - Infrastructure, Housing, Program and Reentry Facilities	9,703,119	0	0	0	0	9,703,119
Statewide: Administration Segregation Building - Phase II	0	7,090	71,660	0	0	78,750
Statewide - Administrative Segregation Intake Cells	447	5,528	4,776	3,936	0	14,687
Facility/Infrastructure Modernization-Existing						
Statewide: Video Camera Surveillance System	0	4,723	44,328	0	0	49,051
Preston Youth Correction Facility: Upgrade Primary Power	395	6,482	0	0	0	6,877
PYCF: Academic School HVAC	0	694	4,969	0	0	5,663
PYCF: Remodel Kitchen/Dining into Classrooms	0	78	765	0	0	843
PYCF: Upgrade YCC Security Stations	0	72	691	0	0	763
NCYCC: Upgrade Perimeter Security Fence	0	764	8,039	0	0	8,803
DWNYCF: Remodel Youth Correctional Counselor's Stations	0	115	703	0	0	818
OHCCYCF-YCC: Station Remodel	0	72	691	0	0	763

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
NACYCF: Expand Emergency Power System	0	0	162	1,050	0	1,212
NCYCC: Upgrade Perimeter Road	0	1,104	7,990	0	0	9,094
OHCCYCF: Remodel Visiting Hall	0	0	179	1,694	0	1,873
NCYCC, Stockton: Construct Backup Water Source	266	4,288	0	0	0	4,554
NCYCC: Install Backup Emergency Generator	0	228	4,368	0	0	4,596
EPDRYCF: Upgrade Backup Emergency Generator	0	0	174	1,138	0	1,312
EPDRYCF: Upgrade Perimeter Security Fence	0	62	579	0	0	641
SYORCC: Construct New Perimeter Fence	0	173	1,126	0	0	1,299
YYCF: Enhance Emergency Electrical Power System	0	0	173	1,121	0	1,294
HGSYCF: Upgrade Backup Emergency Generator	0	660	4,722	0	0	5,382
HGSYCF: Upgrade HVAC in Education Building	0	1,584	11,522	0	0	13,106
HGSYCF: Upgrade Perimeter Security Fence	256	1,668	0	0	0	1,924
HGSYCF: Upgrade Classrooms	0	206	1,969	0	0	2,175
Statewide: Visitor/Public ADA Access-Institutions	1,116	12,832	0	0	0	13,948
Statewide: Visitor/Public ADA Access-Camps	0	929	10,694	0	0	11,623
Statewide: Group IV Electrified Fence	0	0	1,614	0	0	1,614
CCC, Susanville: Wastewater Treatment Plant Modifications	28,858	0	0	0	0	28,858
CCI: Engineering Study, Unit II Cook-Chill Kitchen	0	108	0	0	0	108
CCI: Unit II Air Handling Controls and Ductwork	0	0	61	725	0	786
Deuel Vocational Institution, Tracy: Solid Cell Fronts	504	441	6,304	0	0	7,249
California Training Facility: Electrified Fence	1,002	1,002	9,916	0	0	11,920
California Training Facility: Solid Cell Fronts	504	441	6,304	0	0	7,249
DVI: Electrified Fence	0	458	4,381	0	0	4,839
DVI: Emergency Power Disconnects	0	0	76	411	0	487
DVI: Academic Wing HVAC	0	0	74	421	0	495
DVI: Cell Lighting Fixture Replacement	0	87	1,221	0	0	1,308
FSP: Renovate Gas, Storm, Sewer and Water	0	0	1,355	1,006	17,451	19,812
FSP, Repressa: Convert Officer and Guards Building to Office Space	370	5,255	0	0	0	5,625
FSP, Repressa: Renovate Branch Circuit Wiring, Building #5	1,734	0	0	0	0	1,734
CIM: Construct Electrified Fence at Reception Center Central Facility	0	763	9,721	0	0	10,484
California Institute for Men, Chino: Solid Cell Fronts	8,397	0	0	0	0	8,397
CIM: Construct Fire Station Outside Secured Perimeter	0	129	2,194	0	0	2,323
California Medical Facility, Vacaville: Ranch Dorm Replacement	501	3,515	0	0	0	4,016
CMF, Vacaville: Construct Ranch Support Services Building	551	3,924	0	0	0	4,475
CMF: Kitchen Renovation	0	0	1,031	1,071	17,150	19,252
California Medical Facility, Vacaville: Solid Cell Fronts	5,509	0	0	0	0	5,509
CMC, West: Standby Generator	0	0	132	1,926	0	2,058
CMC, East Facility: Cell Door Modifications	0	0	0	0	189	189

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
CMC: East Facility Bldg #7, Mental Health Housing Modifications	0	0	109	781	0	890
CMC: Chorro Creek Bridge Replacement	0	106	1,673	0	0	1,779
RJD: Potable Water Filtration System	0	0	77	385	0	462
CIW: Electrified Fence	0	0	1,305	10,385	0	11,690
CIW: Utility Infrastructure Upgrade	266	0	0	0	0	266
CRC: Administration Building Temporary Rehabilitation	0	452	3,361	0	0	3,813
Sierra Conservation Center, Jamestown: Firing Range Barrier & Bullet Trap	160	910	0	0	0	1,070
Mule Creek State Prison, Ione: Wastewater Treatment Plant Improvements	390	4,486	0	0	0	4,876
DVI, East: Housing Unit HVAC Installation	0	65	828	0	0	893
CSP, Los Angeles County: Construct Sewage Equalization Basin	0	0	0	170	1,267	1,437
CVSP: Upgrade Central Health Isolation Facilities	0	83	442	0	0	525
CVSP, Blythe: Wastewater Treatment Plant Improvements	5,690	0	0	0	0	5,690
California State Prison, Corcoran: Wastewater Treatment Plant Improvements	5,031	0	0	0	0	5,031
PBSP: Domestic Hot/Cold Water System	190	1,488	0	0	0	1,678
CCWF: 4-Station Hemodialysis Clinic	176	176	1,346	0	0	1,698
WSP: Electronic Plumbing Fixture Upgrade	0	255	1,690	0	0	1,945
Centinel State Prison, Imperial: Waste Water Treatment Plant Upgrades	5,545	0	0	0	0	5,545
ISP: Cogeneration Plant	0	478	8,005	0	0	8,483
GCCTC: New Armory	0	0	267	907	0	1,174
GCCTC: New Wastewater Treatment Plant	0	0	1,120	6,306	0	7,426
SOL: Wastewater Treatment Plant	0	263	0	0	0	263
SOL: Medical Support Building, Level II	0	0	87	546	0	633
Statewide: Electrical Power Additions to Support Communications Infrastructure	0	6,611	19,820	0	0	26,431
FSP: Renovate Building #1 Windows, Water, Sewer, Steam	0	0	191	3,563	0	3,754
Program Delivery Changes-Existing						
Statewide - Small Management Exercise Yards (CCC, SCC, SQ, NKSP, CTF, CCI)	911	6,444	0	0	0	7,355
DVI, E: Celled Housing Modifications	0	2,203	16,862	0	0	19,065
SOL: Reception Center Conversion	0	501	9,217	0	0	9,718
Program Delivery Changes-New						
OHCYCF: Construct New Education Complex	0	526	3,736	0	0	4,262
NACYCF: Construct SOP Education and Program Space	457	3,220	0	0	0	3,677
CRC: Substance Abuse Office and Program Space	0	0	478	307	7,593	8,378
DWNYCF: Construct New Education Complex	0	494	3,497	0	0	3,991
Workload Space Deficiencies-Existing						
HGSYCF: Construct Commissary Warehouse	0	0	0	417	2,824	3,241

2007 Five-Year Infrastructure Needs Reported by Department

Project Name	2007-08	2008-09	2009-10	2010-11	2011-12	5-Yr Total
FSP: Boiler Room Conversion	0	0	95	0	0	95
CIM: Centralized Records Building	0	0	0	0	207	207
CMC: East Facility Pharmacy Relocation	0	128	792	0	0	920
CMC: East Facility Education Building	0	0	179	3,081	0	3,260
RJD: Mental Health Offices	0	0	0	0	394	394
CIW, Frontera: Construct New Annex Warehouse	0	0	564	3,778	0	4,342
SCC: Inmate Strip Out Area Receiving and Release Expansion	0	0	79	540	0	619
PVSP: Satellite Kitchen Refrigeration Addition	0	85	451	0	0	536
HDSP: Courtroom Expansion	0	95	582	0	0	677
ISP: Medical Office & Physical Therapy Addition	0	0	227	1,645	0	1,872
Workload Space Deficiencies-New						
PYCF: Construct Plant Operations Complex	0	0	549	5,185	0	5,734
PYCF: New Kitchen	0	679	13,721	0	0	14,400
SYCRCC: Construct New Plant Operations Complex	0	0	0	0	209	209
SYCRCC: Construct New Education Complex	0	459	3,241	0	0	3,700
HGSYCF: Construct Plant Operations Complex	0	0	0	803	7,612	8,415
HGSYCF: Construct Free Venture Building	0	0	0	384	3,625	4,009
CCC: New Investigations Unit Bldg. Provide Medical Storeroom	0	0	197	1,504	0	1,701
CIM: New Receiving and Release/RC Central	0	401	4,676	0	0	5,077
CMC, San Luis Obispo: Central Kitchen Replacement (West Facility)	10,522	0	0	0	0	10,522
PVSP: Medical Records Annex Building	0	156	1,420	0	0	1,576
PVSP: Mental Health Professional Building	0	215	1,847	0	0	2,062
Department of Corrections and Rehabilitation Total	\$10,593,732	\$720,336	\$1,339,976	\$126,937	\$73,842	\$12,854,823
Corrections and Rehabilitation Agency Total	\$10,593,732	\$720,336	\$1,339,976	\$126,937	\$73,842	\$12,854,823
K-12 Education						
6110 Dept of Education--State Special Schools						
Critical Infrastructure Deficiencies-Existing						
Multipurpose/Activity Center (MAC)	\$2,342	\$0	\$0	\$0	\$0	\$2,342
Career/Technical Education Complex and Service Yard	3,845	0	0	0	0	3,845
Facility/Infrastructure Modernization-Existing						
Install Dormitory AirConditioning Units	0	0	107	783	0	890
Renovate Cottage Kitchensettes & Bathrooms	865	6,613	55	0	0	7,533
Athletic Complex	15,652	0	0	0	0	15,652
Workload Space Deficiencies-Existing						
Office and Storage Addition	0	0	0	224	1,754	1,978
Academic Support Cores, Bus Loop & Renovation	10,383	0	0	0	0	10,383
High School Activity Center	0	424	475	5,132	0	6,031
Auditorium	0	0	294	412	6,096	6,802

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Transportation, Facilities, and Warehouse Complex	0	0	497	4,229	0	4,726
Centralized Services Complex	0	694	1,000	14,926	0	16,620
Department of Education-State Special Schools Total	\$33,087	\$7,731	\$2,428	\$25,706	\$7,850	\$76,802
<u>6350 School Facilities Aid Program</u>						
Critical Infrastructure Deficiencies-Existing						
K-12 Facility needs	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
School Facilities Aid Program Total	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
K-12 Education Total	\$5,847,087	\$5,572,731	\$5,480,428	\$5,758,706	\$5,777,850	\$28,436,802
Higher Education						
<u>6440 University of California</u>						
Critical Infrastructure Deficiencies-Existing						
Berkeley - Campbell Hall Seismic Replacement Building	\$6,400	\$54,794	\$0	\$0	\$2,500	\$63,694
Davis - Seismic Corrections Thurman Laboratory	625	0	0	0	0	625
Santa Barbara - Engineering II Life Safety Improvements and Addition	5,000	0	0	0	0	5,000
Irvine - Steinhaus Hall Seismic Improvements	9,681	0	0	0	0	9,681
UC: Critical Infrastructure	0	58,012	3,150	99,278	36,262	196,702
Enrollment/Caseload/Population-Existing						
Davis - Electrical Improvements Phase 4	4,335	0	0	0	0	4,335
Riverside - College of Humanities, Arts & Social Sciences Instruction & Research Facility	940	0	0	0	0	940
Riverside - Psychology Building	1,612	0	0	0	0	1,612
Riverside-Environmental Health and Safety Expansion	0	11,980	362	0	0	12,342
Riverside-East Campus Infrastructure Improvements Phase 2	8,893	0	0	0	0	8,893
San Diego - Music Building	2,204	0	0	0	0	2,204
San Diego - Management School Facility Phase 2	1,000	24,620	0	0	0	25,620
Santa Cruz - McHenry Project	38,184	0	0	0	0	38,184
Santa Cruz - Digital Arts Facility	1,044	0	0	0	0	1,044
Santa Cruz - Biomedical Sciences Facility	69,370	0	2,013	0	0	71,383
Santa Barbara - Davidson Library Addition and Renewal	1,055	0	29,216	0	2,062	32,333
Irvine - Engineering Unit 3	3,292	0	0	0	0	3,292
Irvine - Humanities Building	23,977	0	2,064	0	0	26,041
Irvine - Arts Building	39,855	0	0	2,500	0	42,355
Merced - Social Sciences and Management Building	37,255	0	3,900	0	0	41,155
UC: Enrollment/Caseload/Population	0	450,263	381,127	649,070	414,058	1,894,518
Enrollment/Caseload/Population-New						
Universitywide - Energy Biosciences Institute Project	40,000	0	0	0	0	40,000
Facility/Infrastructure Modernization-Existing						
Berkeley - Durant Hall Renovation	9,970	0	0	0	0	9,970

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
San Francisco- Electrical Distribution Improvements Phase 2	892	12,396	0	0	0	13,288
Davis - Veterinary Medicine 3B	4,751	61,125	0	0	0	65,876
Riverside-Boyce Hall and Webber Hall Renovations	31,776	0	0	0	0	31,776
Riverside-Bachelor Hall Building Systems Renewal	402	676	10,434	0	0	11,512
Santa Cruz - Infrastructure Improvements Phase 2	317	6,355	0	0	0	6,672
Santa Barbara - Infrastructure Renewal Phase 1	252	4,836	243	4,709	0	10,040
DANR - Hopland REC Laboratory and Multipurpose Facility	1,708	0	0	0	0	1,708
UC: Modernization	0	156,357	264,623	240,791	250,950	912,721
Program Delivery Changes-New						
Universitywide-Telemedicine/PRIME Medical Education Facilities	199,000	0	0	0	0	199,000
Berkeley - Helios Research Facility	30,000	0	0	0	0	30,000
University of California Total	\$573,790	\$841,414	\$697,132	\$996,348	\$705,832	\$3,814,516
6610 California State University						
Critical Infrastructure Deficiencies-Existing						
Bakersfield: Art Center and Satellite Plant	\$387	\$16,290	\$438	\$0	\$0	\$17,115
CSU: Critical Infrastructure Deficiencies	0	138,219	204,566	143,222	150,495	636,502
Enrollment/Caseload/Population-Existing						
Minor Capital Outlay	20,000	0	0	0	0	20,000
Bakersfield: Math and Computer Science Building	1,513	0	0	0	0	1,513
Bakersfield: Nursing Renovation	221	0	0	0	0	221
Dominguez Hills: Educational Resource Center Addition	58,359	0	3,356	0	0	61,715
Fresno: Library Addition and Renovation	6,884	0	0	0	0	6,884
Fullerton: College of Business and Economics Building	6,593	0	0	0	0	6,593
San Marcos: Social and Behavioral Sciences	53,688	1,694	0	0	0	55,382
Long Beach - Library Addition and Renovation	481	0	0	0	0	481
Los Angeles: Corporation Yard and Public Safety	15,133	725	0	0	0	15,858
San Bernardino: Palm Desert Off-Campus Center, Phase III	999	0	0	0	0	999
Channel Islands: Nursing Renovation	1,216	0	0	0	0	1,216
Sonoma: Music/Faculty Office Building	1,553	0	0	0	0	1,553
San Luis Obispo: Center for Science	2,707	96,713	6,213	0	0	105,633
Pomona: Library Addition and Renovation Phase I	5,863	0	0	0	0	5,863
Pomona: Science Renovation (Seismic)	4,475	0	0	0	0	4,475
Pomona: College of Business Administration	31,429	0	1,696	0	0	33,125
Enrollment/Caseload/Population-New						
CSU Systemwide: Nursing Facility Improvements	14,326	0	0	0	0	14,326
CSU: Enrollment/Caseload/Population	0	363,904	619,858	625,794	361,807	1,971,363
Facility/Infrastructure Modernization-Existing						
Humboldt: Forbes PE Complex Renovation Phase II	1,366	0	0	0	0	1,366

2007 Five-Year Infrastructure Needs Reported by Department

Project Name	2007-08	2008-09	2009-10	2010-11	2011-12	5-Yr Total
Los Angeles: Science Replacement Building, Wing B	50,500	0	3,786	0	0	54,286
San Diego: Storm/Nasatir Hall Renovation	2,552	44,549	1,998	0	0	49,099
Channel Islands: Campus Infrastructure Improvements, Phases 1a and 1b	47,134	0	0	0	0	47,134
Channel Islands: Classroom and Faculty Office Renovation/Addition	1,989	30,765	971	0	0	33,725
Channel Islands: Entrance Road	1,390	22,506	0	0	0	23,896
John Spoor Broome Library	3,074	0	0	0	0	3,074
San Francisco: School of the Arts	8,157	0	0	0	0	8,157
Stanislaus: Science I Renovation (Seismic)	1,049	15,638	1,477	0	0	18,164
CSU: Modernization	0	619,784	494,816	966,552	730,819	2,811,971
California State University Total	\$343,038	\$1,350,787	\$1,339,175	\$1,735,568	\$1,243,121	\$6,011,689
6870 Bd of Governors of Calif Comm Colleges						
Critical Infrastructure Deficiencies-Existing						
Cabrillo CCD, Cabrillo College, Visual Arts Reconstruction	\$3,098	\$0	\$0	\$0	\$0	\$3,098
Cerritos CCD, Cerritos College, Seismic Retrofit - Gymnasium	910	9,634	0	0	0	10,544
Contra Costa CCD, Contra Costa College, Art Building Seismic Retrofit	2,493	0	0	0	0	2,493
Ohlone CCD, Ohlone College, Water Intrusion Below Grade	11,379	0	0	0	0	11,379
Redwoods CCD, Clge of the Redwoods, Student Serv/Admin, Perf Arts	1,322	14,976	0	0	0	16,298
San Bernardino CCD, SB Valley College, North Hall Seismic Replacement	17,490	0	0	0	0	17,490
San Bernardino CCD, SB Valley College, KVCr Seismic Replacement	7,222	0	0	0	0	7,222
San Bernardino CCD, SB Valley Coll, Chem-Physical Science Seismic Repl	25,237	0	0	0	0	25,237
San Mateo Co. CCD, College of SM, Demo of SeismicHazardous Bldgs.	10,907	0	0	0	0	10,907
West Valley-Mission CCD, WV College, Math and Science Replacement	5,243	0	0	0	0	5,243
Critical Infrastructure Deficiencies for the Community College System	0	2,168	66,106	56,281	57,781	182,336
Enrollment/Caseload/Population-Existing						
Antelope Valley CCD, Antelope Valley College, Theater Arts Facility	10,404	0	0	0	0	10,404
Antelope Valley CCD, Antelope Valley College, Health and Science Bldg	2,770	36,484	0	0	0	39,254
Barstow CCD, Barstow College, Performing Arts Center	20,225	0	0	0	0	20,225
Barstow CCD, Barstow College, Wellness Center	296	9,530	0	0	0	9,826
Chaffey CCD, Ralph M. Lewis Fontana Ctr, Phase III - Academic Bldg	883	9,017	0	0	0	9,900
Coast CCD, Orange Coast College, Consumer & Science Lab Building	1,129	15,559	0	0	0	16,688
El Camino CCD, El Camino College, Humanities Complex	2,686	0	0	0	0	2,686
Glendale CCD, Glendale College, Allied Health/Aviation Lab	616	0	0	0	0	616
Glendale CCD, Glendale College, Laboratory/College Services Blding	2,769	43,141	0	0	0	45,910
Grossmont-Cuyamaca CCD, Cuyamaca College, LRC Expansion/Remdl	2,084	0	0	0	0	2,084
Los Angeles CCD, Los Angeles Harbor College, Library/LRC	1,218	13,019	0	0	0	14,237
Los Angeles CCD, Los Angeles Mission College, Media Arts Center	14,035	0	0	0	0	14,035
Los Angeles CCD, LA Trade Tech, Lrning Assistance Cntr Modernization	2,303	27,027	0	0	0	29,330
Los Angeles CCD, Los Angeles Valley College, Health Sciences Building	3,219	0	0	0	0	3,219

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Los Angeles CCD, LA Valley College, Library/Learning Assistance Cntr	833	23,112	0	0	0	23,945
Los Rios CCD, American River, Fine Arts Instructional Space Expansion	7,225	0	0	0	0	7,225
Los Rios CCD, American River College, Library Expansion	84	3,203	0	0	0	3,287
Los Rios CCD, Cosumnes River, Science Building Instructional Expansion	8,670	0	0	0	0	8,670
Mt. San Jacinto CCD, Menifee Center, General Classroom Building	13,142	0	0	0	0	13,142
Palomar CCD, Palomar College, Multidisciplinary Building	41,482	0	0	0	0	41,482
Rancho Santiago CCD, Santa Ana, PE Seismic Replacement/Expansion	69	0	0	0	0	69
Riverside CCD, Riverside City College, Nursing/Science Building	1,300	56,272	0	0	0	57,572
San Bernardino CCD, Crafton Hills College, LRC / Technology Center	14,506	0	0	0	0	14,506
San Francisco CCD, Phelan Campus, Joint Use Instructional Facility	38,552	0	0	0	0	38,552
SF CCD, City Coll of SF, Ocean/Phelan Campus, Class/Lab Arts Complex	797	21,349	0	0	0	22,146
SF CCD, City Coll of SF, Ocean/Phelan Campus, Performing Arts Facility	1,743	14,910	0	0	0	16,653
SF CCD, City College of San Francisco, Chinatown Campus, Campus Bldg	41,748	4,941	0	0	0	46,689
San Joaquin Delta CCD, SJ Delta College, Math/Science Replacement	2,302	27,151	0	0	0	29,453
San Mateo County CCD, Skyline College, Facility Maintenance Center	250	0	0	0	0	250
Santa Barbara CCD, Santa Barbara City College, High Tech Center	30,672	0	0	0	0	30,672
Santa Clarita CCD, College of the Canyons, Library Addition	454	15,017	0	0	0	15,471
Santa Monica CCD, Santa Monica College, Student Services/Admin Bldg	1,321	15,782	0	0	0	17,103
Sequoias CCD, College of the Sequoias, Nursing and Allied Health Center	7,823	0	0	0	0	7,823
Sequoias CCD, Tulare Center, Phase I Site Development and Facilities	1,723	2,519	55,020	0	0	59,262
Shasta-Tehama-Trinity CCD, Shasta College, Library Addition	12,094	0	0	0	0	12,094
Sierra Joint CCD, Sierra College, Child Development Facility	700	7,759	0	0	0	8,459
Sonoma Cty CCD, Santa Rosa Jr Coll, Public Safety Training Cntr, Adv Lab	298	5,703	0	0	0	6,001
West Hills CCD, West Hills College at Coalinga, Ag Science Facility	615	9,346	0	0	0	9,961
West Kern CCD, Taft College, TIL Center	10,541	0	0	0	0	10,541
West Valley-Mission CCD, West Valley College, Campus Tech Center	16,148	0	0	0	0	16,148
Feather River CCD, Feather River College, LRC and Tech Bldg	9,864	0	0	0	0	9,864
Enrollment Infrastructure for the Community College System	0	172,901	557,329	1,604,491	1,238,502	3,573,223
Facility/Infrastructure Modernization-Existing						
Allan Hancock CCD, Allan Hancock Coll, One-Stop Student Service Ctr	15,091	0	0	0	0	15,091
Contra Costa CCD, C C College, Physical/Bio-Science Bldgs Renovation	8,273	0	0	0	0	8,273
Contra Costa CCD, Los Medanos College, Art Area Remodel	2,261	0	0	0	0	2,261
El Camino CCD, El Camino College, Social Science Remodel for Efficiency	453	5,219	0	0	0	5,672
Long Beach CCD, Lg B Coll, P C Campus, Multi-Disp Academic Bldg	1,467	15,435	0	0	0	16,902
Los Angeles CCD, East Los Angeles College, Multimedia Classrooms	15,674	0	0	0	0	15,674
Los Angeles CCD, East LA College, Bailey Library Mod./Addition	10,086	0	0	0	0	10,086
Los Angeles CCD, Los Angeles City College, Jefferson Hall Mod.	344	3,653	0	0	0	3,997
Los Rios CCD, Sac City College, Fine Arts Building Modernization	4,922	0	0	0	0	4,922

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Los Rios CCD, Sacramento City College, Performing Arts Mod.	281	15,908	0	0	0	16,189
Mt. San Antonio CCD, Mt. San Antonio College, Administration Remodel	521	8,829	0	0	0	9,350
North Orange Cty CCD, Fullerton College, Tech & Engineering Complex	3,102	34,002	0	0	0	37,104
South Orange County CCD, Saddleback College, LRC Renovation	14,983	0	0	0	0	14,983
San Joaquin Delta CCD, SJ Delta College, Goleman LRC Modernization	9,596	0	0	0	0	9,596
San Mateo County CCD, Canada Coll, Reactivation of Academic Facilities	5,688	0	0	0	0	5,688
West Valley- Mission CCD, WV Coll, Science and Math Bldg Renovation	18,475	0	0	0	0	18,475
West Valley Mission CCD, Mission Coll, Main Bldg, 2nd Flr Reconstruction	20,511	0	0	0	0	20,511
Facility Infrastructure Modernization for various Community Colleges	0	50,025	487,777	1,985,902	1,457,704	3,981,408
Board of Governor's of California's Community Colleges Total	\$546,622	\$693,591	\$1,166,232	\$3,646,674	\$2,753,987	\$8,807,106
Higher Education Total	\$1,463,450	\$2,885,792	\$3,202,539	\$6,378,590	\$4,702,940	\$18,633,311
General Government						
8570 Department of Food and Agriculture						
Critical Infrastructure Deficiencies-Existing						
California Animal Health and Food Safety (CAHFS) Turlock Laboratory Replacement	\$0	\$2,281	\$4,473	\$41,062	\$0	\$47,816
California Animal Health and Food Safety (CAHFS) Fresno/Tulare Laboratory Consolidation and Replacement	2,515	2,587	42,350	0	0	47,452
Workload Space Deficiencies-Existing						
Arvin Facility Acquisition	1,096	0	0	0	0	1,096
Department of Food and Agriculture Total	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364
8940 Military Department						
Critical Infrastructure Deficiencies-Existing						
Fresno Readiness Center Renovation	\$0	\$0	\$0	\$0	\$543	\$543
Eureka Readiness Center Renovation	0	0	352	3,467	0	3,819
Imperial Valley Readiness Center	0	5,365	2,072	2,533	25,888	35,858
Modesto Readiness Center Renovation	0	0	0	257	2,311	2,568
Long Beach FMS	0	0	530	670	5,603	6,803
San Diego Readiness Center Renovation	245	360	6,839	0	0	7,444
Inglewood Readiness Center Renovation	0	0	0	400	4,046	4,446
Stockton Readiness Center Renovation	215	300	5,699	0	0	6,214
West Los Angeles County Readiness Center	0	5,399	1,282	1,567	16,774	25,022
El Cajon Readiness Center Renovation/Addition	0	0	591	6,355	0	6,946
Camp San Luis Obispo Field Maintenance Shop	0	0	6,574	0	0	6,574
East Los Angeles Basin Readiness Center	0	5,399	2,180	2,665	28,350	38,594
Burbank FMS	0	0	432	443	4,888	5,763
Burbank Readiness Center Renovation	0	335	3,600	0	0	3,935
Manhattan Beach Readiness Center Renovation/Addition	0	0	0	496	5,201	5,697

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Ontario Readiness Center Renovation	0	380	3,600	0	0	3,980
Bakersfield FMS Replacement (Fairgrounds)	0	499	527	5,728	0	6,754
Santa Rosa Readiness Center	0	0	8,588	1,296	1,583	11,467
Santa Rosa FMS	0	0	67	477	584	1,128
Minor CO - Kitchen and Latrine Renovations (Statewide)	1,942	1,194	0	0	0	3,136
Enrollment/Caseload/Population-New						
Folsom Readiness Center	0	0	0	0	2,933	2,933
Facility/Infrastructure Modernization-Existing						
Fairfield Readiness Center Renovation	0	0	0	0	496	496
San Francisco Readiness Center Renovation	0	0	0	0	400	400
San Jose Readiness Center Renovation	0	0	400	4,046	0	4,446
Program Delivery Changes-New						
Consolidated Headquarters Complex	9,249	8,813	116,789	0	0	134,851
Camp San Luis Obispo Youth Program Barracks	2,404	15,480	0	0	0	17,884
Workload Space Deficiencies-Existing						
Redding Readiness Center Renovation/Addition	0	605	6,840	0	0	7,445
Merced Readiness Center Renovation/Addition	215	300	5,699	0	0	6,214
Orange County Readiness Center	0	0	10,697	1,560	1,906	14,163
Orange County FMS	0	0	530	670	5,603	6,803
Central Los Angeles Basin Readiness Center	0	5,399	2,180	2,665	28,350	38,594
CSLO Senior Enlisted / Officers Quarters	0	0	0	1,383	1,583	2,966
Camp San Luis Obispo Classroom Facilities	0	0	0	721	788	1,509
Camp San Luis Obispo Modified Record Fire Range	0	0	0	0	298	298
Camp San Luis Obispo Urban Training Center	0	0	0	0	4,042	4,042
Camp San Luis Obispo Combat Pistol Qualification Course	0	0	0	0	232	232
Bakersfield Readiness Center Addition	0	635	693	7,145	0	8,473
Military Department Total	\$14,270	\$50,463	\$186,761	\$44,544	\$142,402	\$438,440
Department of Veterans Affairs						
Enrollment/Caseload/Population-New						
Veterans Home of California-Greater Los Angeles and Ventura Counties	\$22,921	\$0	\$0	\$0	\$0	\$22,921
Veterans Home of California-Fresno	4,958	6,505	113,924	0	0	125,387
Veterans Home of California-Redding	3,265	67,713	0	0	0	70,978
Department of Veterans Affairs Total	\$31,144	\$74,218	\$113,924	\$0	\$0	\$219,286
Department of Veterans Affairs						
Critical Infrastructure Deficiencies-Existing						
Various Minor Capital Outlay Projects - Yountville Home	\$818	\$1,134	\$390	\$382	\$398	\$3,122
Cemetery Restoration	2,089	0	0	0	0	2,089
Memorial Chapel Renovation	0	387	1,863	0	0	2,250

2007 Five-Year Infrastructure Needs Reported by Department

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Central Power Plant Distribution System Replacement	0	547	2,019	0	0	2,566
Member Services Building Renovation	14,055	0	0	0	0	14,055
Administration Building Renovation	0	0	1,099	7,651	0	8,750
Renovate Steam Distribution system at VHC-Y	0	0	0	800	6,483	7,283
Telecommunications Improvement and Upgrade	0	992	5,162	0	0	6,154
Kennedy Hall Parking Lot Expansion	226	0	0	0	0	226
Workload Space Deficiencies-Existing						
Nursing/Staff Training/QA/ISD Building	0	0	0	0	2,100	2,100
Veterans Home of California-Yountville Total	\$17,188	\$3,060	\$10,533	\$8,833	\$8,981	\$48,595
<u>8965 Veterans Home of California-Barstow</u>						
Critical Infrastructure Deficiencies-Existing						
Emergency Backup Power System	\$445	\$0	\$0	\$0	\$0	\$445
Improve Kitchen Cooling System	153	0	0	0	0	153
Veterans Home of California-Barstow Total	\$598	\$0	\$0	\$0	\$0	\$598
<u>8966 Veterans Home of California-Chula Vista</u>						
Workload Space Deficiencies-Existing						
Expansion of Skilled Nursing Dining Room	\$0	\$0	\$100	\$1,391	\$0	\$1,491
Veterans Home of California-Chula Vista Total	\$0	\$0	\$100	\$1,391	\$0	\$1,491
General Government Total	\$66,811	\$132,609	\$358,141	\$95,830	\$151,383	\$804,774
Unallocated						
<u>9860 Budget Package/Planning</u>						
Unknown						
Budget Package Funding	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Budget Package/Planning Total	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Unallocated Total	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Grand Total	\$28,023,494	\$25,369,183	\$26,599,507	\$28,642,400	\$27,544,643	\$136,179,227

Proposed 2007 Five-Year Infrastructure Plan

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Legislative, Judicial and Executive						
<u>0250</u> <u>Judiciary</u>						
Critical Infrastructure Deficiencies-Existing						
Calaveras County - New San Andreas Courthouse	\$0	\$1,161	\$2,231	\$3,157	\$45,720	\$52,269
Contra Costa County-New Antioch Area Courthouse	3,632	47,778	0	0	0	51,410
Lassen County - New Susanville Court	0	1,478	1,509	2,138	31,014	36,139
Los Angeles County - New Long Beach Courthouse	0	34,141	12,324	16,386	258,605	321,456
Madera County - New Madera Courthouse	3,440	4,011	5,333	81,930	0	94,714
Mono County - New Mammoth Lakes Court	725	12,295	0	0	0	13,020
Plumas and Sierra Counties - New Portola/Loyalton Court	346	4,972	0	0	0	5,318
Riverside County - New Riverside Mid County Courthouse	3,283	2,331	3,101	47,439	0	56,154
San Benito County - New Hollister Courthouse	0	5,990	1,428	2,021	29,131	38,570
San Bernardino County - New San Bernardino Courthouse	4,774	13,035	17,331	268,297	0	303,437
San Joaquin - New Stockton Court	3,327	9,084	12,079	185,073	0	209,563
Tulare County - New Porterville Court	0	4,426	3,264	4,619	68,906	81,215
Statewide Trial Court Facilities	0	20,000	25,000	50,000	80,000	175,000
Judiciary Total	\$19,527	\$160,702	\$83,600	\$661,060	\$513,376	\$1,438,265
<u>0690</u> <u>Office of Emergency Services</u>						
Workload Space Deficiencies-New						
OES Southern Region Emergency and Operations Center (REOC)	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
Office of Emergency Services Total	\$0	\$7,892	\$1,428	\$23,583	\$0	\$32,903
<u>0820</u> <u>Department of Justice</u>						
Program Delivery Changes-Existing						
Statewide DNA Laboratory/Sacramento Campus	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Department of Justice Total	\$0	\$35,397	\$23,101	\$365,186	\$0	\$423,684
Legislative, Judicial and Executive Total	\$19,527	\$203,991	\$108,129	\$1,049,829	\$513,376	\$1,894,852
State and Consumer Services						
<u>1100</u> <u>California Science Center</u>						
Critical Infrastructure Deficiencies-Existing						
CAAM Renovation and Expansion Project	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437
California Science Center Total	\$3,487	\$3,152	\$58,798	\$0	\$0	\$65,437
<u>1760</u> <u>Department of General Services</u>						
Critical Infrastructure Deficiencies-Existing						
Sacramento Public Safety Communications Decentralization	\$4,829	\$3,854	\$30,142	\$0	\$0	\$38,825
Structural Retrofit - Metropolitan State Hospital - Library	0	334	363	3,520	0	4,217
Structural Retrofit -Neumiller Infirmary, San Quentin	0	352	17,922	0	0	18,274
Structural Retrofit - Hospital B50 - Lanterman State Hospital, Pomona	0	1,870	3,402	31,830	0	37,102
Structural Retrofit - 30 Building, Patton State Hospital	0	264	19,577	0	0	19,841
Structural Retrofit - 70 Building, Patton State Hospital	0	0	774	11,313	0	12,087
Structural Retrofit - N Building, Patton State Hospital	0	0	0	1,668	26,110	27,778

Proposed 2007 Five-Year Infrastructure Plan

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Structural Retrofit - Vocational Bldg. 43, San Quentin	0	427	462	15,771	0	16,660
Structural Retrofit - Metro State Hospital - Vocational Rehab	0	360	435	3,631	0	4,426
Structural Retrofit - Sonoma Dev. Serv. Ctr - Multipurpose Complex	0	599	3,254	0	0	3,853
Structural Retrofit - Metropolitan State Hospital - Volunteer Center	0	467	1,605	0	0	2,072
Structural Retrofit - Atascadero State Hospital - East West Corridor	0	655	4,394	0	0	5,049
Structural Retrofit - Metropolitan State Hospital, Wards 313 and 315	0	757	4,407	0	0	5,164
Structural Retrofit - Stockton State Office Building	0	437	2,177	0	0	2,614
Structural Retrofit - National Guard Armory, Stockton	0	187	1,485	0	0	1,672
Structural Retrofit - Yountville East Ward (Wing A) Holderman Hospital	0	195	2,083	0	0	2,278
Structural Retrofit - DHS Los Angeles Laboratory/Office	0	306	1,347	0	0	1,653
Renovation of J and H Buildings, Patton State Hospital	3,998	42,761	0	0	0	46,759
Structural Retrofit-Sierra Conservation Center, Jamestown Bldgs E & F	168	1,394	0	0	0	1,562
Structural Retrofit - CIW Walker Clinic, Corona	255	2,522	0	0	0	2,777
Structural Retrofit - CIW Infirmary, Corona	244	2,272	0	0	0	2,516
Structural Retrofit - CMF Vacaville - Inmate Housing Wings U, T, and V	688	11,332	0	0	0	12,020
Structural Retrofit - Susanville CCC Vocational Building F	331	5,945	0	0	0	6,276
Structural Retrofit - Metropolitan State Hospital - Wards 206 and 208	363	4,074	0	0	0	4,437
Structural Retrofit - CCI Tehachapi Chapels Building H	200	1,898	0	0	0	2,098
Workload Space Deficiencies-Existing						
Demolish Resources State Office Building, Sacramento	0	1,094	17,277	0	0	18,371
CDCR Office Consolidation	0	0	242,000	0	0	242,000
Bonderson State Building Replacement - Capital Lease	0	0	109,203	0	0	109,203
Workload Space Deficiencies-New						
Red Bluff State Office Building	0	9,045	0	0	0	9,045
PRISM (Public Safety Radio Integrated System Management)	0	0	55,009	0	0	55,009
State and Consumer Services Agency Total	\$11,076	\$93,401	\$517,318	\$67,733	\$26,110	\$715,638
Department of General Services Total	\$14,563	\$96,553	\$576,116	\$67,733	\$26,110	\$781,075
Business, Transportation and Housing						
<u>2660 Dept of Transportation</u>						
Critical Infrastructure Deficiencies-Existing						
Oakland District Office Building Seismic Retrofit Project	\$62,337	\$0	\$0	\$0	\$0	\$62,337
Facility/Infrastructure Modernization-Existing						
Critical infrastructure deficiencies for District 1	0	236	338	3,470	0	4,044
Highway and Transit Projects						
Highway and Transit Projects	8,482,000	12,973,000	12,053,333	12,119,000	11,694,333	57,321,666
Department of Transportation Total	\$8,544,337	\$12,973,236	\$12,053,671	\$12,122,470	\$11,694,333	\$57,388,047
<u>2720 Dept of the California Highway Patrol</u>						
Critical Infrastructure Deficiencies-Existing						
Oakhurst Area Office -- Replacement	\$636	\$9,021	\$0	\$0	\$0	\$9,657
San Diego Area Office -- Alterations	6,223	0	0	0	0	6,223

Proposed 2007 Five-Year Infrastructure Plan

<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Oceanside Area Office -- Replacement	1,064	16,337	0	0	0	17,401
Various Capital Outlay Studies	225	51	0	0	0	276
Critical Infrastructure Deficiencies for CHP Area and Division Offices	0	1,784	8,382	80,044	43,304	133,514
Facility/Infrastructure Modernization-Existing						
Facility Modernizations for CHP Area Offices	0	204	253	3,253	0	3,710
Department of the California Highway Patrol Total	\$8,148	\$27,397	\$8,635	\$83,297	\$43,304	\$170,781
<u>2740</u> Department of Motor Vehicles						
Critical Infrastructure Deficiencies-Existing						
Sacto HQ 6th Fl Asbestos Abatement, Seismic Retro, Renovation and Building	\$82,391	\$0	\$0	\$0	\$0	\$82,391
Reskin	3,824	0	0	0	0	3,824
Victorville Field Office Space	0	11,797	520	15,799	3,796	31,912
Critical Infrastructure Deficiencies for DMV Offices						
Workload Space Deficiencies-Existing						
Redding Field Office Reconfiguration Project	2,371	0	0	0	0	2,371
Reconfiguration of the San Bernardino DMV Office	2,393	0	0	0	0	2,393
Study Funds - Statewide	100	0	0	0	0	100
Workload Space Deficiencies for DMV Field Offices	0	12,645	12,989	2,113	0	27,747
Program Delivery Alterations for DMV Field Offices	0	3,393	0	0	0	3,393
Department of Motor Vehicles Total	\$91,079	\$27,835	\$13,509	\$17,912	\$3,796	\$154,131
Business, Transportation, and Housing Agency Total	\$8,643,564	\$13,028,468	\$12,075,815	\$12,223,679	\$11,741,433	\$57,712,989
Resources						
<u>3125</u> California Tahoe Conservancy						
Environmental Acquisitions and Restoration-New						
Implementation of the Environmental Improvement Program for the Lake Tahoe Basin	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
California Tahoe Conservancy Total	\$16,519	\$1,509	\$1,509	\$1,509	\$1,509	\$22,555
<u>3340</u> California Conservation Corps						
Critical Infrastructure Deficiencies-Existing						
Minor Capital Outlay Projects	\$184	\$0	\$0	\$0	\$0	\$184
Sierra Placer Municipal Sewer And Water Tie-In	3,507	0	0	0	0	3,507
California Conservation Corps Total	\$3,691	\$0	\$0	\$0	\$0	\$3,691
<u>3540</u> Department of Forestry and Fire Protect						
Critical Infrastructure Deficiencies-Existing						
Morgan Hill Forest Fire Station/Santa Clara Unit Headquarters- Replace Various Buildings	\$0	\$16,153	\$0	\$0	\$0	\$16,153
Las Posadas Forest Fire Station- Replace Facility	4,784	0	0	0	0	4,784
Fawn Lodge Forest Fire Station - Replace Facility, Intall new well	6,664	0	0	0	0	6,664
Red Bluff Forest Fire Station/Unit Headquarters - Replace FFS and Various UH Buildings	23,577	0	0	0	0	23,577
Westwood Forest Fire Station - Replace Facility	5,654	0	0	0	0	5,654
Bieber Forest Fire Station/Hellback Base - Relocate Facility	18,565	0	0	0	0	18,565

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Ishi Conservation Camp - Replace Facility	32,250	0	0	0	0	32,250
Bear Valley Helitack Base/Forest Fire Station - Replace Water System	533	585	3,034	0	0	4,152
Hemet-Ryan Air Attack Base - Replace Facility	40	21,399	0	0	0	21,439
Fenner Canyon Conservation Camp - Construct Admin Bldg/CCV Apparatus Bldg.	0	6,627	0	0	0	6,627
Paso Robles Forest Fire Station - Replace Facility	8,286	0	0	0	0	8,286
Growlersburg Conservation Camp - Replace Facility	47,565	0	0	0	0	47,565
Pine Mountain Forest Fire Station - Relocate Facility	562	0	0	0	0	562
Batterson Forest Fire Station - Relocate Facility	4,284	0	0	0	0	4,284
Hollister Air Attack Base - Relocate Facility	0	13,652	0	0	0	13,652
Baseline Conservation Camp - Remodel Facility	6,861	0	0	0	0	6,861
Statewide - Replace Communications Facilities, Phase IV	0	7,667	0	0	0	7,667
Minor Capital Outlay Projects	2,781	4,200	5,250	5,775	6,300	24,306
Air Attack Base Improvements	0	769	852	16,015	852	18,488
Facility Acquisitions (Blue Mountain LO)	0	4,130	8,261	1,652	1,652	15,695
Administration Headquarters Improvements	0	41,586	27,724	27,724	13,862	110,896
CDF Conservation Camp Improvements	0	89,480	53,688	71,584	17,896	232,648
Replace/Relocate CDF Forest Fire Stations	0	35,910	20,806	17,700	37,898	112,314
Workload Space Deficiencies-Existing						
CDF Academy - Remodel/Replace Apparatus Building/Shop	0	0	0	831	702	1,533
Department of Forestry and Fire Protection Total	\$162,406	\$242,158	\$119,615	\$141,281	\$79,162	\$744,622
<u>3560 State Lands Commission</u>						
Critical Infrastructure Deficiencies-Existing						
Huntington Beach - Field Office Replacement	\$0	\$277	\$170	\$1,560	\$0	\$2,007
State Lands Commission Total	\$0	\$277	\$170	\$1,560	\$0	\$2,007
<u>3600 Department of Fish and Game</u>						
Critical Infrastructure Deficiencies-Existing						
Fish Springs Fish Hatchery New Well	\$850	\$0	\$0	\$0	\$0	\$850
Project Planning	160	0	0	0	0	160
Minor Projects Summary	1,912	0	0	0	0	1,912
Department of Fish and Game Total	\$2,922	\$0	\$0	\$0	\$0	\$2,922
<u>3640 Wildlife Conservation Board</u>						
Environmental Acquisitions and Restoration-New						
NCCP Implementation - Proposition 84	\$25,000	\$25,000	\$25,000	\$10,765	\$0	\$85,765
Rangeland, Grazing Land and Grassland Protection	14,293	0	0	0	0	14,293
Oak Woodlands Conservation	14,293	0	0	0	0	14,293
Integrating Agricultural Activities - Proposition 84	4,762	0	0	0	0	4,762
Funding for Acquisitions and Restoration	81,500	81,500	81,500	81,500	81,309	407,309
Public Access and Recreation-New						
Funding for Public Access Program	1,000	1,000	1,000	1,000	1,000	5,000

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
3680 <u>Dept of Boating & Waterways</u>						
Wildlife Conservation Board Total	\$140,848	\$107,500	\$107,500	\$93,265	\$82,309	\$531,422
Critical Infrastructure Deficiencies-Existing						
Project Planning	\$90	\$100	\$100	\$120	\$120	\$530
Minor Projects Summary	6,050	6,300	6,300	6,300	6,300	31,250
Morro Bay State Park: Marina Infrastructure Improvements	0	350	350	5,500	0	6,200
Folsom Lake Folsom Point: Launching Facility Improvement	0	0	360	350	5,000	5,710
Millerton Winchell Cove: Land-side Improvements	0	0	0	370	350	720
Castaic East Ramp: Parking Expansion	0	0	0	0	370	370
Workload Space Deficiencies-Existing						
Channel Islands Boating Instruction and Safety Center	0	6,710	0	0	0	6,710
Department of Boating and Waterways Total	\$6,140	\$13,460	\$7,110	\$12,640	\$12,140	\$51,490
3760 <u>State Coastal Conservancy</u>						
Environmental Acquisitions and Restoration-New						
Ocean Protection Council (Capital Projects and Science Applications)	\$28,000	\$26,420	\$25,970	\$1,460	\$300	\$82,150
Coastal Resource Enhancement	5,900	5,900	5,900	5,900	5,000	28,600
Public Access and Recreation-New						
Public Access	900	900	900	900	900	4,500
Coastal Conservancy Programs	84,443	81,629	44,800	21,565	10,165	242,602
Conservancy Programs	9,594	0	0	0	0	9,594
Conservancy Programs	1,900	1,900	1,900	1,900	1,900	9,500
State Coastal Conservancy Total	\$130,737	\$116,749	\$79,470	\$31,725	\$18,265	\$376,946
3790 <u>Dept of Parks and Recreation</u>						
Critical Infrastructure Deficiencies-Existing						
Patrick's Point SP: Agate Beach Rehabilitation	\$0	\$170	\$160	\$1,325	\$0	\$1,655
Mackerrichter SP: Develop New Water System	0	70	69	829	0	968
Mendocino Woodlands SP: Wastewater Treatment Facilities	0	192	155	1,651	0	1,998
Fort Ross SHP: Reconstruct Historic Fur Warehouse	4,343	0	0	0	0	4,343
Auburn SRA: Remote Composting Toilets	0	155	1,455	0	0	1,610
Portola Redwoods SP: Rehabilitate Wastewater System	0	171	113	1,466	0	1,750
Big Basin Redwoods SP: Restore Historic Lodge	0	6,016	651	5,299	0	11,966
Seacliff State Beach: Pier Renovation	0	440	1,835	0	0	2,275
Wildner Ranch SP: Dairy Barn Restoration	0	0	570	396	4,764	5,730
La Purisima Mission SHP: Rehabilitate Water & Sewer Systems	0	150	995	0	0	1,145
EI Capitlan SB: Construct New Lifeguard Headquarters Building	0	400	4,950	0	0	5,350
Gaviota SP: Water Supply System Upgrades	0	269	138	1,275	0	1,682
Will Rogers SHP: Restoration of Historic Carpentry Shop	0	0	418	473	4,137	5,028
Silverwood Lake SRA: Camp & Day Use Improvements	5,091	0	0	0	0	5,091
South Carlsbad SB: Maintenance Facility Improvements	0	134	110	1,093	0	1,337
DPR Statewide Critical Infrastructure Deficiencies	0	0	1,730	12,330	8,150	22,210

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Statewide: State Park System Minor Capital Outlay Program	450	4,000	4,000	4,000	4,000	16,450
Statewide: OHV Minor Capital Outlay	0	3,000	3,000	3,000	3,000	12,000
Statewide: Interpretive Minor Capital Outlay Program	0	0	1,000	1,000	1,000	3,000
Statewide: Reimbursed Capital Outlay	3,000	3,000	3,000	3,000	3,000	15,000
Pismo State Beach: Develop New Group Camp	0	0	142	110	1,304	1,556
Millerton Lake SRA: Rehabilitate La Playa Day Use Area	3,877	0	0	0	0	3,877
Statewide: Budget Development	2,000	500	500	500	500	4,000
Environmental Acquisitions and Restoration-New						
Prairie Creek Redwoods SP: Espa Creek Watershed Rehabilitation	0	0	0	187	1,078	1,265
Environmental Restoration-Existing						
Del Norte Coast Redwoods SP: Mill Creek Rehabilitation	0	0	0	683	3,014	3,697
Pfeiffer Big Sur SP: Construct Replacement Overnight Facilities	0	0	899	644	5,594	7,137
DPR Statewide Environmental Restoration	0	0	0	987	6,846	7,833
Statewide: Habitat Conservation Purchases	1,000	1,000	1,000	1,000	1,000	5,000
Facility/Infrastructure Modernization-Existing						
Lake Oroville SRA: Bidwell Canyon: Facilities Rehabilitation	0	0	551	840	7,018	8,409
Henry W. Coe SP: Visitor Center Improvements	0	0	367	3,625	0	3,992
Pfeiffer Big Sur SP: Park Entrance and Day Use Redevelopment	9,180	0	0	0	0	9,180
La Purisima Mission SHP: Replace Day Use Parking Lot	0	0	223	221	2,767	3,211
Anza-Borrego Desert SP: Rehabilitate Tamarisk Grove Facilities	0	0	362	448	4,181	4,991
DPR Statewide Facility/Infrastructure Modernization	0	0	0	2,552	17,304	19,856
Statewide: Volunteer Enhancement Program-Minor Projects	0	250	250	250	250	1,000
Public Access and Recreation-New						
Candlestick Point SRA: Construct Overlook & Day Use Facilities	0	490	2,560	0	0	3,050
Sugarloaf Ridge SP: Develop Trail Plan and Install Trail System	0	0	158	262	557	977
Carnegie SVRA: Alameda Tesla Day Use	0	0	500	1,000	7,000	8,500
Columbia SHP: Visitor Orientation Center	0	0	388	453	4,977	5,818
Bakersfield Project - Initial Development	0	0	525	788	8,400	9,713
Fort Tejon SHP: Reconstruct and Interpret Hospital Building	0	0	483	536	5,948	6,967
Prairie CitySVRA: OHV Track Lighting	0	0	126	79	3,300	3,505
Henry W. Coe SP: Develop Facilities at Hunting Hollow	0	0	525	420	3,885	4,830
Ocotillo Wells SVRA: Truckhaven Acquisition	0	0	5,000	0	0	5,000
California Citrus SHP: Construct Flume Bridge Across Arroyo	0	0	0	440	2,420	2,860
Crystal Cove SP: El Morro Conversion- Phase II	9,988	0	0	0	0	9,988
Los Angeles SHP: Phase 1 Initial Development	0	469	288	5,350	0	6,107
Statewide:Recreational Trails Program	0	0	300	300	300	900
Statewide OHV Opportunity Purchases and Prebudget Schematics	0	1,000	1,000	1,000	1,000	4,000
San Diego OHV Project:Acquisition	0	0	5,000	5,000	0	10,000
Statewide-State Park System Opportunity and Inholding Acquisitions	0	1,500	1,500	1,500	1,500	6,000
Statewide: Federal Trust Fund Program	5,000	5,000	5,000	5,000	5,000	25,000

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Ocotillo Wells - Ranger Station	0	0	105	158	1,177	1,440
Gold Hill Road Resurfacing	0	0	105	178	2,524	2,807
Pismo SB - Visitor Center and Equip Storage	0	0	105	158	2,288	2,551
Workload Space Deficiencies-Existing						
DPR Statewide Workload Space Deficiencies	0	0	200	2,380	3,220	5,800
Department of Parks and Recreation Total	\$43,929	\$28,376	\$52,511	\$74,186	\$132,403	\$331,405
<u>3810</u> Santa Monica Mountains Conservancy						
Environmental Acquisitions and Restoration-New						
Acquisitions and Local Assistance Grants	\$13	\$10	\$10	\$10	\$10	\$53
Acquisitions and Local Assistance Grants	17,000	17,000	11,300	5,940	0	51,240
San Gabriel/Los Angeles River and Mountains Conservancy Total	\$17,013	\$17,010	\$11,310	\$5,950	\$10	\$51,293
<u>3825</u> San Gabriel/Los Angeles River and Mountains Conservancy						
Environmental Acquisitions and Restoration-New						
Capital Outlay and Grants	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
San Gabriel/Los Angeles River and Mountains Conservancy Total	\$25,000	\$8,000	\$6,000	\$4,100	\$3,618	\$46,718
<u>3830</u> San Joaquin River Conservancy						
Environmental Acquisitions and Restoration-New						
San Joaquin River Conservancy Acquisitions	\$8,500	\$8,500	\$8,500	\$3,523	\$0	\$29,023
Public Access and Recreation-New						
San Joaquin River Conservancy Public Access/Recreation and Restoration	3,500	3,500	3,500	2,500	2,000	15,000
San Joaquin River Conservancy Total	\$12,000	\$12,000	\$12,000	\$6,023	\$2,000	\$44,023
<u>3835</u> Baldwin Hills Conservancy						
Environmental Acquisitions and Restoration-New						
Acquisitions and Improvement	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150
Baldwin Hills Conservancy Total	\$4,050	\$4,050	\$4,050	\$1,000	\$1,000	\$14,150
<u>3845</u> San Diego River Conservancy						
Environmental Acquisitions and Restoration-New						
San Diego River Conservancy Program	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
San Diego River Conservancy Total	\$2,745	\$5,490	\$5,490	\$0	\$0	\$13,725
<u>3850</u> Coachella Valley Mountains Conservancy						
Environmental Acquisitions and Restoration-New						
Acquisitions and Improvements	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542
Coachella Valley Mountains Conservancy Total	\$11,514	\$11,514	\$11,514	\$1,000	\$1,000	\$36,542
<u>3860</u> Department of Water Resources						
Critical Infrastructure Deficiencies-Existing						
South Delta Improvements Program	\$31,360	\$18,850	\$0	\$0	\$0	\$50,210
South Delta Fish Facility Improvements- Fish CHTR Improvements	0	2,200	6,000	100	100	8,400
Through-Delta Facility - River Alterations	0	1,000	55,150	44,950	0	101,100
Franks Tract Pilot Project	0	48,100	250	250	250	48,850

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American River Watershed, Folsom Dam Raise Project, Folsom Dam Bridge Element	8,674	0	0	0	0	8,674
Cache Creek Settling Basin Enlargement Project	0	1,700	0	0	0	1,700
American River (Common Features) Project	0	16,985	16,985	0	0	33,970
Mid-Valley Area Levee Reconstruction Project	874	13,530	0	0	0	14,404
Yuba River Basin Project	0	22,869	121,396	38,675	0	182,940
South Sacramento County Streams	25,058	6,966	8,404	0	0	40,428
Tule River Basin, Success Reservoir Enlargement Project	0	7,693	0	0	0	7,693
Rock Creek-Keefer Slough Feasibility Study	1,265	825	825	0	0	2,915
West Stanislaus County Feasibility Study	2,025	75	225	0	0	2,325
Folsom Dam Modifications Project	0	0	101,216	131,076	114,177	346,469
Cherokee Canal Flood Control Project	0	6,140	0	0	0	6,140
Frazier Creek/Strathmore Creek Feasibility Study	750	750	750	0	0	2,250
White River/Deer Creek Feasibility Study	750	750	750	0	0	2,250
Merced County Streams Project, Bear Creek Unit	0	107	107	107	58,094	58,415
American River Watershed, Folsom Dam Raise Project	83,420	61,634	57,009	44,642	16,263	262,968
Systemwide Levee Evaluations and Repairs	100,000	120,000	110,000	80,000	60,000	470,000
Lower San Joaquin River Feasibility Study	0	250	250	250	300	1,050
Strategic Growth Plan-Delta Sustainability	0	0	10,000	76,666	76,667	163,333
American River Flood Control Project - Natomas Features	3,740	30,890	0	0	0	34,630
Program Delivery Changes-New						
Strategic Growth Plan-Water Storage	0	0	20,000	300,000	300,000	620,000
Department of Water Resources Total	\$257,916	\$369,414	\$523,131	\$730,530	\$639,665	\$2,520,656
Resources Agency Total	\$837,430	\$937,507	\$941,380	\$1,104,769	\$973,081	\$4,794,167
Environmental Protection						
<u>3960 Toxic Substances Control</u>						
Environmental Restoration-Existing						
Stringfellow Pretreatment Plant	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Toxic Substances Control Total	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Environmental Protection Agency Total	\$0	\$49,361	\$0	\$0	\$0	\$49,361
Health and Human Services						
<u>4300 Department of Developmental Services</u>						
Critical Infrastructure Deficiencies-Existing						
Fairview - Air Condition School and Activity Center	\$383	\$1,826	\$0	\$0	\$0	\$2,209
Fairview - Install Personal Alarm Locating System	673	3,253	0	0	0	3,926
Lanternman - Reservoir and Water System Study	0	50	0	0	0	50
Porterville: New Main Kitchen/Renovate 24 Satellite Kitchens/Dining Rooms	1,400	18,000	0	0	0	19,400

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Porterville Secured Treatment Area - Upgrade Personal Alarm Locating System	556	2,765	0	0	0	3,321
Sonoma - Install Medical Gasses and Oxygen Piping	0	804	4,832	0	0	5,636
Sonoma - Replace Medium Voltage Cable	0	484	2,775	0	0	3,259
Sonoma - Replace Emergency Generators & Feeder Breakers	0	480	3,520	0	0	4,000
Sonoma - Cogeneration System Study	0	50	0	0	0	50
Department of Developmental Services Total	\$3,012	\$27,712	\$11,127	\$0	\$0	\$41,851
4440 Department of Mental Health						
Critical Infrastructure Deficiencies-Existing						
Minor Capital Outlay Projects	\$475	\$0	\$0	\$0	\$0	\$475
Atascadero SH - Kitchen Study	200	0	0	0	0	200
PSH - Provide Aquatic Recreation Building	0	0	0	108	768	876
Metropolitan SH - Construct New Kitchen and Remodel Satellite Kitchens and Dining Rooms	8,930	0	0	0	0	8,930
MSH - Demo Buildings 304, 306/08, Old BoilerHouse, Switchgear Bldg. & Kitchen	0	0	402	1,935	0	2,337
MSH - Renovate Former Administration Building	0	0	609	4,085	0	4,694
NSH - Remodel Building 194, S Units	0	2,862	28,204	0	0	31,066
Napa SH - Construct New Kitchen and Remodel Satellite Serving Kitchens & Dining Rm	761	10,605	0	0	0	11,366
NSH - Provide New Maintenance Complex	0	0	600	4,363	0	4,963
NSH - Upgrade Air Conditioning Systems	0	0	200	1,993	0	2,193
Patton SH - Construct New Kitchen and Remodel Satellite Serving Kitchens & Dining Rms	463	6,005	0	0	0	6,468
Patton SH: Energy Enhancements	0	335	2,052	0	0	2,387
Enrollment/Caseload/Population-Existing						
Metropolitan SH - Fencing for Secured Beds	2,869	16,784	0	0	0	19,653
Enrollment/Caseload/Population-New						
ASH - 258 Bed Addition	0	2,120	2,977	56,594	0	61,691
PSH - Construct 350 Bed Addition	0	0	2,731	3,981	78,505	85,217
Forensic Population Growth	0	0	150,000	150,000	200,000	500,000
Department of Mental Health Total	\$13,698	\$38,711	\$187,775	\$223,059	\$279,273	\$742,516
Health and Human Services Agency Total	\$16,710	\$66,423	\$198,902	\$223,059	\$279,273	\$784,367
Corrections and Rehabilitation						
5225 Department of Corrections and Rehabilitation						
Critical Infrastructure Deficiencies-Existing						
Statewide: Budget Packages and Advanced Planning	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000
CCC: Antelope Camp Kitchen Replacement	0	0	83	1,189	0	1,272
CMC, East/West Facility: Fire Alarm System Upgrade	0	0	1,767	34,036	0	35,803
Statewide: Minor Projects	7,500	7,500	7,500	7,500	7,500	37,500
CRC: Patton State Hospital Double Perimeter Security Fence	0	0	10,883	0	0	10,883

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Sierra Conservation Center, Jamestown: Filtration/Sedimentation Structure	1,971	0	0	0	0	1,971
Ironwood State Prison, Blythe: Heating Ventilation, and Air-Conditioning System	0	48,436	0	0	0	48,436
Enrollment/Caseload/Population-Existing						
CMC (East), San Luis Obispo: Mental Health Crisis Beds	3,551	52,115	0	0	0	55,666
San Quentin State Prison, Condemned Inmate Complex	116,500	0	0	0	0	116,500
California Institution for Women, Psychiatric Services Unit - 20 Beds	423	4,104	0	0	0	4,527
ASP: Receiving and Release Expansion	0	1,542	0	0	0	1,542
Enrollment/Caseload/Population-New						
Statewide - Infrastructure, Housing, Program and Reentry Facilities	9,703,119	0	0	0	0	9,703,119
Facility/Infrastructure Modernization-Existing						
Statewide: Group IV Electrified Fence	0	0	1,614	0	0	1,614
CCC, Susanville: Wastewater Treatment Plant Modifications	28,858	0	0	0	0	28,858
CCI: Unit II Air Handling Controls and Ductwork	0	0	61	725	0	786
Deuel Vocational Institution, Tracy: Solid Cell Fronts	504	441	6,304	0	0	7,249
California Training Facility: Electrified Fence	0	1,002	9,916	0	0	10,918
California Training Facility: Solid Cell Fronts	504	441	6,304	0	0	7,249
DVI: Emergency Power Disconnects	0	0	76	411	0	487
DVI: Academic Wing HVAC	0	0	74	421	0	495
FSP: Renovate Gas, Storm, Sewer and Water	0	0	1,355	1,006	17,451	19,812
FSP, Represa: Convert Officer and Guards Building to Office Space	370	5,255	0	0	0	5,625
California Institute for Men, Chino: Solid Cell Fronts	5,600	0	0	0	0	5,600
CIM: Construct Fire Station Outside Secured Perimeter	0	129	2,194	0	0	2,323
CMF: Kitchen Renovation	0	0	1,031	1,071	17,150	19,252
California Medical Facility, Vacaville: Solid Cell Fronts	4,144	0	0	0	0	4,144
CMC, West: Standby Generator	0	0	132	1,926	0	2,058
RJD: Potable Water Filtration System	0	0	77	385	0	462
Mule Creek State Prison, Ione: Wastewater Treatment Plant Improvements	390	4,486	0	0	0	4,876
CSP, Los Angeles County: Construct Sewage Equalization Basin	0	0	0	170	1,267	1,437
CVSP: Upgrade Central Health Isolation Facilities	0	83	442	0	0	525
CVSP, Blythe: Wastewater Treatment Plant Improvements	5,690	0	0	0	0	5,690
California State Prison, Corcoran: Wastewater Treatment Plant Improvements	5,031	0	0	0	0	5,031
CCWF: 4-Station Hemodialysis Clinic	0	176	1,346	0	0	1,522
Centinelia State Prison, Imperial: Waste Water Treatment Plant Upgrades	5,545	0	0	0	0	5,545
GCTC: New Armory	0	0	267	907	0	1,174
GCTC: New Wastewater Treatment Plant	0	0	1,120	6,306	0	7,426
SOL: Medical Support Building, Level II	0	0	87	546	0	633
FSP: Renovate Building #1 Windows, Water, Sewer, Steam	0	0	191	3,563	0	3,754

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<u>Project Name</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>5-Yr Total</u>
Program Delivery Changes-Existing						
Statewide - Small Management Exercise Yards (CCC, SCC, SQ, NKSP, CTF, CCI)	911	6,444	0	0	0	7,355
Program Delivery Changes-New						
CRC: Substance Abuse Office and Program Space	0	0	478	307	7,593	8,378
Workload Space Deficiencies-Existing						
CMC: East Facility Education Building	0	0	179	3,081	0	3,260
CIW, Frontera: Construct New Annex Warehouse	0	0	564	3,778	0	4,342
SCC: Inmate Strip Out Area Receiving and Release Expansion	0	0	79	540	0	619
ISP: Medical Office & Physical Therapy Addition	0	0	227	1,645	0	1,872
Workload Space Deficiencies-New						
CCC: New Investigations Unit Bldg, Provide Medical Storeroom	0	0	197	1,504	0	1,701
CMC, San Luis Obispo: Central Kitchen Replacement (West Facility)	10,522	0	0	0	0	10,522
Department of Corrections and Rehabilitation Total	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813
Corrections and Rehabilitation Agency Total	\$9,903,133	\$134,154	\$56,548	\$73,017	\$52,961	\$10,219,813
K-12 Education						
6110 Dept of Education--State Special Schools						
Critical Infrastructure Deficiencies-Existing						
Multipurpose/Activity Center (MAC)	\$2,342	\$0	\$0	\$0	\$0	\$2,342
Career/Technical Education Complex and Service Yard	3,845	0	0	0	0	3,845
Facility/Infrastructure Modernization-Existing						
Athletic Complex	0	783	759	14,110	0	15,652
Workload Space Deficiencies-Existing						
Office and Storage Addition	0	0	0	224	1,754	1,978
Academic, Support Core, Bus Loop & Renovation	10,383	0	0	0	0	10,383
High School Activity Center	0	424	475	5,132	0	6,031
Auditorium	0	0	294	412	6,096	6,802
Transportation, Facilities, and Warehouse Complex	0	0	497	4,229	0	4,726
Centralized Services Complex	0	694	1,000	14,926	0	16,620
Department of Education-State Special Schools Total	\$16,570	\$1,901	\$3,025	\$39,033	\$7,850	\$68,379
6350 School Facilities Aid Program						
Critical Infrastructure Deficiencies-Existing						
K-12 Facility Needs	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
School Facilities Aid Program Total	\$5,814,000	\$5,565,000	\$5,478,000	\$5,733,000	\$5,770,000	\$28,360,000
K-12 Education Total	\$5,830,570	\$5,566,901	\$5,481,025	\$5,772,033	\$5,777,850	\$28,428,379
Higher Education						
6440 University of California						
Critical Infrastructure Deficiencies-Existing						
Berkeley - Campbell Hall Seismic Replacement Building	\$6,400	\$54,794	\$0	\$0	\$2,500	\$63,694
Santa Barbara - Engineering II Life Safety Improvements and Addition	5,000	0	0	0	0	5,000

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Irvine - Steinhaus Hall Seismic Improvements	9,681	0	0	0	0	9,681
UC: Critical Infrastructure	0	22,895	3,150	43,913	36,262	106,020
Enrollment/Caseload/Population-Existing						
Davis - Electrical Improvements Phase 4	4,335	0	0	0	0	4,335
Riverside - College of Humanities, Arts & Social Sciences Instruction & Research Facility	940	0	0	0	0	940
Riverside - Psychology Building	1,612	0	0	0	0	1,612
Riverside-Environmental Health and Safety Expansion	0	11,980	362	0	0	12,342
Riverside-East Campus Infrastructure Improvements Phase 2	8,893	0	0	0	0	8,893
San Diego - Music Building	2,204	0	0	0	0	2,204
San Diego - Management School Facility Phase 2	1,000	24,620	0	0	0	25,620
Santa Cruz - McHenry Project	38,184	0	0	0	0	38,184
Santa Cruz - Digital Arts Facility	1,044	0	0	0	0	1,044
Santa Cruz - Biomedical Sciences Facility	69,370	0	2,013	0	0	71,383
Santa Barbara - Davidson Library Addition and Renewal	1,055	0	29,216	0	2,062	32,333
Irvine - Engineering Unit 3	3,292	0	0	0	0	3,292
Irvine - Humanities Building	23,977	0	2,064	0	0	26,041
Irvine - Arts Building	39,855	0	0	2,500	0	42,355
Merced - Social Sciences and Management Building	37,255	0	3,900	0	0	41,155
UC: Enrollment/Caseload/Population	0	101,252	176,171	195,919	181,681	655,023
Enrollment/Caseload/Population-New						
Universitywide - Energy Biosciences Institute Project	40,000	0	0	0	0	40,000
Facility/Infrastructure Modernization-Existing						
Berkeley - Durant Hall Renovation	9,970	0	0	0	0	9,970
San Francisco- Electrical Distribution Improvements Phase 2	892	12,396	0	0	0	13,288
Davis - Veterinary Medicine 3B	4,751	61,125	0	0	0	65,876
Riverside-Boyce Hall and Webber Hall Renovations	31,776	0	0	0	0	31,776
Riverside-Batchelor Hall Building Systems Renewal	402	676	10,434	0	0	11,512
Santa Cruz - Infrastructure Improvements Phase 2	317	0	0	0	0	317
Santa Barbara - Infrastructure Renewal Phase 1	252	4,836	243	4,709	0	10,040
DANR - Hopland REC Laboratory and Multipurpose Facility	1,708	0	0	0	0	1,708
UC: Modernization	0	50,626	117,447	97,959	122,495	388,527
Program Delivery Changes-New						
Universitywide- Telemedicine/PRIME Medical Education Facilities	199,000	0	0	0	0	199,000
Berkeley - Helios Research Facility	30,000	0	0	0	0	30,000
University of California Total	\$573,165	\$345,000	\$345,000	\$345,000	\$345,000	\$1,953,165
6610 California State University						
Critical Infrastructure Deficiencies-Existing						
Bakersfield: Art Center and Satellite Plant	\$387	\$16,290	\$438	\$0	\$0	\$17,115
CSU: Critical Infrastructure Deficiencies	0	13,935	32,842	34,500	34,500	115,777

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Enrollment/Caseload/Population-Existing						
Minor Capital Outlay	20,000	0	0	0	0	20,000
Bakersfield: Math and Computer Science Building	1,513	0	0	0	0	1,513
Bakersfield: Nursing Renovation	221	0	0	0	0	221
Dominguez Hills: Educational Resource Center Addition	58,359	0	0	0	0	58,359
Fresno: Library Addition and Renovation	6,884	0	0	0	0	6,884
Fullerton: College of Business and Economics Building	6,593	0	0	0	0	6,593
San Marcos: Social and Behavioral Sciences	53,688	1,694	0	0	0	55,382
Long Beach - Library Addition and Renovation	481	0	0	0	0	481
Los Angeles: Corporation Yard and Public Safety	15,133	0	0	0	0	15,133
San Bernardino: Palm Desert Off-Campus Center, Phase III	999	0	0	0	0	999
Sonoma: Music/Faculty Office Building	1,553	0	0	0	0	1,553
San Luis Obispo: Center for Science	2,707	96,713	6,213	0	0	105,633
Pomona: Library Addition and Renovation Phase I	5,863	0	0	0	0	5,863
Pomona: Science Renovation (Seismic)	4,475	0	0	0	0	4,475
Pomona: College of Business Administration	31,429	0	1,696	0	0	33,125
Enrollment/Caseload/Population-New						
CSU Systemwide: Nursing Facility Improvements	14,326	0	0	0	0	14,326
CSU: Enrollment/Caseload/Population	0	51,560	121,516	127,650	127,650	428,376
Facility/Infrastructure Modernization-Existing						
Humboldt: Forbes PE Complex Renovation Phase II	1,366	0	0	0	0	1,366
Los Angeles: Science Replacement Building, Wing B	50,500	0	3,786	0	0	54,286
San Diego: Storm/Nasatir Hall Renovation	2,552	44,549	1,998	0	0	49,099
Channel Islands: Campus Infrastructure Improvements, Ph. 1a and 1b	47,134	0	0	0	0	47,134
Channel Islands: Classroom and Faculty Office Renovation/Addition	1,989	30,765	971	0	0	33,725
Channel Islands: Entrance Road	1,390	0	0	0	0	1,390
Channel Islands: John Spoor Broome Library	3,074	0	0	0	0	3,074
San Francisco: School of the Arts	12,382	0	0	0	0	12,382
Stanislaus: Science I Renovation (Seismic)	1,049	15,638	1,477	0	0	18,164
CSU: Modernization	0	73,856	174,063	182,850	182,850	613,619
California State University Total	\$346,047	\$345,000	\$345,000	\$345,000	\$345,000	\$1,726,047
6870 Bd of Governors of Calif Comm Colleges						
Critical Infrastructure Deficiencies-Existing						
Cabrillo CCD, Cabrillo College, Visual Arts Reconstruction	\$3,098	\$0	\$0	\$0	\$0	\$3,098
Cerritos CCD, Cerritos College, Seismic Retrofit - Gymnasium	910	9,634	0	0	0	10,544
Contra Costa CCD, Contra Costa College, Art Building Seismic Retrofit	2,493	0	0	0	0	2,493
Ohlone CCD, Ohlone College, Water Intrusion Below Grade	11,379	0	0	0	0	11,379
Redwoods CCD, Cige of the Redwoods, Student Serv/Admin, Perf Arts	1,322	14,976	0	0	0	16,298
San Bernardino CCD, SB Valley College, North Hall Seismic Replacement	17,490	0	0	0	0	17,490
San Bernardino CCD, SB Valley College, KVCR Seismic Replacement	7,222	0	0	0	0	7,222

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San Bernardino CCD, SB Valley Coll, Chem-Physical Science Seismic Repl	25,237	0	0	0	0	25,237
San Mateo Co. CCD, College of SM, Demo of Seismic/Hazardous Bldgs.	10,907	0	0	0	0	10,907
West Valley-Mission CCD, WV College, Math and Science Replacement	5,243	0	0	0	0	5,243
Critical Infrastructure Deficiencies for the Community College System	0	95,390	120,000	120,000	120,000	455,390
Enrollment/Caseload/Population-Existing						
Antelope Valley CCD, Antelope Valley College, Theater Arts Facility	10,404	0	0	0	0	10,404
Antelope Valley CCD, Antelope Valley College, Health and Science Bldg	2,770	36,484	0	0	0	39,254
Barstow CCD, Barstow College, Performing Arts Center	20,225	0	0	0	0	20,225
Barstow CCD, Barstow College, Wellness Center	296	9,530	0	0	0	9,826
Chaffey CCD, Ralph M. Lewis Fontana Ctr, Phase III - Academic Bldg	883	9,017	0	0	0	9,900
Coast CCD, Orange Coast College, Consumer & Science Lab Building	1,129	15,559	0	0	0	16,688
El Camino CCD, El Camino College, Humanities Complex	2,686	0	0	0	0	2,686
Glendale CCD, Glendale College, Allied Health/Aviation Lab	616	0	0	0	0	616
Glendale CCD, Glendale College, Laboratory/College Services Bldg	2,769	43,141	0	0	0	45,910
Grossmont-Cuyamaca CCD, Cuyamaca College, LRC Expansion/Remdl	2,084	0	0	0	0	2,084
Los Angeles CCD, Los Angeles Harbor College, Library/LRC	1,218	13,019	0	0	0	14,237
Los Angeles CCD, Los Angeles Mission College, Media Arts Center	14,035	0	0	0	0	14,035
Los Angeles CCD, LA Trade Tech, Lrning Assistance Cntr Modernization	2,303	27,027	0	0	0	29,330
Los Angeles CCD, Los Angeles Valley College, Health Sciences Building	3,219	0	0	0	0	3,219
Los Angeles CCD, LA Valley College, Library/Learning Assistance Cntr	833	23,112	0	0	0	23,945
Los Rios CCD, American River, Fine Arts Instructional Space Expansion	7,225	0	0	0	0	7,225
Los Rios CCD, American River College, Library Expansion	84	3,203	0	0	0	3,287
Los Rios CCD, Cosumnes River, Science Building Instructional Expansion	8,670	0	0	0	0	8,670
Mt. San Jacinto CCD, Menifee Center, General Classroom Building	13,142	0	0	0	0	13,142
Palomar CCD, Palomar College, Multidisciplinary Building	41,482	0	0	0	0	41,482
Rancho Santiago CCD, Santa Ana, PE Seismic Replacement/Expansion	69	0	0	0	0	69
Riverside CCD, Riverside City College, Nursing/Science Building	1,300	56,272	0	0	0	57,572
San Bernardino CCD, Crafton Hills College, LRC / Technology Center	14,506	0	0	0	0	14,506
San Francisco CCD, Phelan Campus, Joint Use Instructional Facility	38,552	0	0	0	0	38,552
SF CCD, City Coll of SF, Ocean/Phelan Campus, Class/Lab Arts Complex	797	21,349	0	0	0	22,146
SF CCD, City Coll of SF, Ocean/Phelan Campus, Performing Arts Facility	1,743	14,910	0	0	0	16,653
SF CCD, City College of San Francisco, Chinatown Campus, Campus Bldg	41,748	4,941	0	0	0	46,689
San Joaquin Delta CCD, SJ Delta College, Math/Science Replacement	2,302	27,151	0	0	0	29,453
San Mateo County CCD, Skyline College, Facility Maintenance Center	250	0	0	0	0	250
Santa Barbara CCD, Santa Barbara City College, High Tech Center	30,672	0	0	0	0	30,672
Santa Clarita CCD, College of the Canyons, Library Addition	454	15,017	0	0	0	15,471
Santa Monica CCD, Santa Monica College, Student Services/Admin Bldg	1,321	15,782	0	0	0	17,103
Sequoias CCD, College of the Sequoias, Nursing and Allied Health Center	7,823	0	0	0	0	7,823

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Sequoias CCD, Tulare Center, Phase I Site Development and Facilities	1,723	2,519	55,020	0	0	59,262
Shasta-Tehama-Trinity CCD, Shasta College, Library Addition	12,094	0	0	0	0	12,094
Sierra Joint CCD, Sierra College, Child Development Facility	700	7,759	0	0	0	8,459
Sonoma City CCD, Santa Rosa Jr Coll, Public Safety Training Cntr, Adv Lab	298	5,703	0	0	0	6,001
West Hills CCD, West Hills College at Coalinga, Ag Science Facility	615	9,346	0	0	0	9,961
West Kern CCD, Taft College, TIL Center	10,541	0	0	0	0	10,541
West Valley-Mission CCD, West Valley College, Campus Tech Center	16,148	0	0	0	0	16,148
Feather River CCD, Feather River College, LRC and Tech Bldg	9,864	0	0	0	0	9,864
Enrollment Infrastructure for the Community College System	0	89,159	394,980	450,000	450,000	1,384,139
Facility/Infrastructure Modernization-Existing						
Allan Hancock CCD, Allan Hancock Coll, One-Stop Student Service Ctr	15,091	0	0	0	0	15,091
Contra Costa CCD, C C College, Physical/Bio-Science Bldgs Renovation	8,273	0	0	0	0	8,273
Contra Costa CCD, Los Medanos College, Art Area Remodel	2,261	0	0	0	0	2,261
El Camino CCD, El Camino College, Social Science Remodel for Efficiency	453	5,219	0	0	0	5,672
Long Beach CCD, Lg B Coll, P C Campus, Multi-Disp Academic Bldg	1,467	15,435	0	0	0	16,902
Los Angeles CCD, East Los Angeles College, Multimedia Classrooms	15,674	0	0	0	0	15,674
Los Angeles CCD, East LA College, Bailey Library Modernization/Addition	10,086	0	0	0	0	10,086
Los Angeles CCD, Los Angeles City College, Jefferson Hall Modernization	344	3,653	0	0	0	3,997
Los Rios CCD, Sac City College, Fine Arts Building Modernization	4,922	0	0	0	0	4,922
Los Rios CCD, Sacramento City College, Performing Arts Modernization	281	15,908	0	0	0	16,189
Mt. San Antonio CCD, Mt. San Antonio College, Administration Remodel	521	8,829	0	0	0	9,350
North Orange Cty CCD, Fullerton College, Tech & Engineering Complex	3,102	34,002	0	0	0	37,104
South Orange County CCD, Saddleback College, LRC Renovation	14,983	0	0	0	0	14,983
San Joaquin Delta CCD, SJ Delta College, Goleman LRC Modernization	9,596	0	0	0	0	9,596
San Mateo County CCD, Canada Coll, Reactivation of Academic Facilities	5,688	0	0	0	0	5,688
West Valley- Mission CCD, WV Coll, Science and Math Bldg Renovation	18,475	0	0	0	0	18,475
West Valley Mission CCD, Mission Coll, Main Bldg, 2nd Fir Reconstruction	20,511	0	0	0	0	20,511
Facility Infrastructure Modernization for various Community Colleges	0	96,954	180,000	180,000	180,000	636,954
Board of Governor's of California's Community Colleges Total	\$546,622	\$750,000	\$750,000	\$750,000	\$750,000	\$3,546,622
Higher Education Total	\$1,465,834	\$1,440,000	\$1,440,000	\$1,440,000	\$1,440,000	\$7,225,834
General Government						
8570 Department of Food and Agriculture						
Critical Infrastructure Deficiencies-Existing						
California Animal Health and Food Safety (CAHFS) Turlock Laboratory Replacement	\$0	\$2,281	\$4,473	\$41,062	\$0	\$47,816
California Animal Health and Food Safety (CAHFS) Fresno/Tulare Laboratory Consolidation and Replacement	2,515	2,587	42,350	0	0	47,452
Workload Space Deficiencies-Existing						
Arvin Facility Acquisition	1,096	0	0	0	0	1,096
Department of Food and Agriculture Total	\$3,611	\$4,868	\$46,823	\$41,062	\$0	\$96,364

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8940 Military Department						
Critical Infrastructure Deficiencies-Existing						
Fresno Readiness Center Renovation	\$0	\$0	\$0	\$0	\$543	\$543
Eureka Readiness Center Renovation	0	0	352	3,467	0	3,819
Imperial Valley Readiness Center	0	5,365	2,072	2,533	25,888	35,858
Modesto Readiness Center Renovation	0	0	0	257	2,311	2,568
Long Beach FMS	0	0	530	670	5,603	6,803
San Diego Readiness Center Renovation	0	605	6,839	0	0	7,444
Inglewood Readiness Center Renovation	0	0	0	400	4,046	4,446
Stockton Readiness Center Renovation	0	515	5,699	0	0	6,214
West Los Angeles County Readiness Center	0	5,399	1,282	1,567	16,774	25,022
El Cajon Readiness Center Renovation/Addition	0	0	591	6,355	0	6,946
Camp San Luis Obispo Field Maintenance Shop	0	0	6,574	0	0	6,574
East Los Angeles Basin Readiness Center	0	5,399	2,180	2,665	28,350	38,594
Burbank FMS	0	0	432	443	4,888	5,763
Burbank Readiness Center Renovation	0	335	3,600	0	0	3,935
Manhattan Beach Readiness Center Renovation/Addition	0	0	0	496	5,201	5,697
Bakersfield FMS Replacement (Fairgrounds)	0	499	527	5,728	0	6,754
Santa Rosa Readiness Center	0	0	0	649	792	1,441
Santa Rosa FMS	0	0	4,067	477	584	5,128
Minor CO - Kitchen and Latrine Renovations (Statewide)	375	1,194	0	0	0	1,569
Enrollment/Caseload/Population-New						
Folsom Readiness Center	0	0	0	0	2,933	2,933
Facility/Infrastructure Modernization-Existing						
San Francisco Readiness Center Renovation	0	0	0	0	400	400
San Jose Readiness Center Renovation	0	0	400	4,046	0	4,446
Program Delivery Changes-New						
Consolidated Headquarters Complex	0	9,249	8,813	116,789	0	134,851
Workload Space Deficiencies-Existing						
Redding Readiness Center Renovation/Addition	0	605	6,840	0	0	7,445
Merced Readiness Center Renovation/Addition	0	515	5,699	0	0	6,214
Orange County Readiness Center	0	0	10,697	1,560	1,906	14,163
Orange County FMS	0	0	530	670	5,603	6,803
Central Los Angeles Basin Readiness Center	0	5,399	2,180	2,665	28,350	38,594
CSLO Senior Enlisted / Officers Quarters	0	0	0	1,383	1,563	2,966
Camp San Luis Obispo Classroom Facilities	0	0	0	721	788	1,509
Camp San Luis Obispo Modified Record Fire Range	0	0	0	0	298	298
Camp San Luis Obispo Urban Training Center	0	0	0	0	4,042	4,042
Camp San Luis Obispo Combat Pistol Qualification Course	0	0	0	0	232	232
Bakersfield Readiness Center Addition	0	635	693	7,145	0	8,473

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<u>8955</u> Department of Veterans Affairs						
<u>Enrollment/Caseload/Population-New</u>						
Veterans Home of California-Greater Los Angeles and Ventura Counties	\$22,921	\$0	\$0	\$0	\$0	\$22,921
Veterans Home of California-Fresno	4,958	6,505	98,692	15,232	0	125,387
Veterans Home of California-Redding	3,265	67,713	0	0	0	70,978
<u>Department of Veterans Affairs Total</u>	<u>\$31,144</u>	<u>\$74,218</u>	<u>\$98,692</u>	<u>\$15,232</u>	<u>\$0</u>	<u>\$219,286</u>
<u>8960</u> Veterans Home of California-Yountville						
<u>Critical Infrastructure Deficiencies-Existing</u>						
Central Power Plant Distribution System Replacement	\$0	\$547	\$2,019	\$0	\$0	\$2,566
Member Services Building Renovation	13,831	0	0	0	0	13,831
Renovate Steam Distribution system at VHC-Y	0	0	0	800	6,483	7,283
Telecommunications Improvement and Upgrade	0	992	5,162	0	0	6,154
Kennedy Hall Parking Lot Expansion	226	0	0	0	0	226
Yountville Home Renovation	0	20,000	45,000	90,000	50,000	205,000
<u>Veterans Home of California-Yountville Total</u>	<u>\$14,057</u>	<u>\$21,539</u>	<u>\$52,181</u>	<u>\$90,800</u>	<u>\$56,483</u>	<u>\$235,060</u>
<u>8965</u> Veterans Home of California-Barstow						
<u>Critical Infrastructure Deficiencies-Existing</u>						
Emergency Backup Power System	\$445	\$0	\$0	\$0	\$0	\$445
Improve Kitchen Cooling System	153	0	0	0	0	153
<u>Veterans Home of California-Barstow Total</u>	<u>\$598</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$598</u>
<u>8966</u> Veterans Home of California-Chula Vista						
<u>Workload Space Deficiencies-Existing</u>						
Expansion of Skilled Nursing Dining Room	\$0	\$0	\$100	\$1,391	\$0	\$1,491
<u>Veterans Home of California-Chula Vista Total</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100</u>	<u>\$1,391</u>	<u>\$0</u>	<u>\$1,491</u>
<u>General Government Total</u>	<u>\$49,785</u>	<u>\$136,339</u>	<u>\$268,393</u>	<u>\$309,171</u>	<u>\$197,598</u>	<u>\$961,286</u>
Unallocated						
<u>9860</u> Budget Package/Planning						
<u>Unknown</u>						
Budget Package Funding	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
<u>Budget Package/Planning Total</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$5,000</u>
<u>Unallocated Total</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$5,000</u>
<u>Grand Total</u>	<u>\$26,782,116</u>	<u>\$21,660,697</u>	<u>\$21,147,308</u>	<u>\$22,264,290</u>	<u>\$21,002,682</u>	<u>\$112,857,093</u>

APPENDIX 4

CAPITAL ACQUISITION THROUGH LONG-TERM FINANCING

GENERAL OBLIGATION (GO) BONDS

DEFINITIONS

General obligation bonds are a form of long-term borrowing in which the state issues municipal securities and pledges its full faith and credit to their repayment. Interest rates and maturities are set in advance. Bonds are repaid over many years through periodic (semi-annual) debt service payments. The California Constitution requires that GO bonds be approved by a majority vote of the public and sets repayment of GO debt before all other obligations of the state except those for K-14 education.

KEY STATUTORY AUTHORITIES

Article XVI of the California Constitution prohibits the Legislature from creating debt which exceeds \$300,000 without a majority vote by the people. The Legislature may reduce the amount of authorized indebtedness or repeal the law if no debt has been contracted.

Government Code, Title 2, Division 4, Part 3 (Section 16650 et seq.) sets out the statutory framework for GO bonds. Statutory authorization for individual bond measures is placed programmatically in the codes (e.g., prison authorizations are located in the Penal Code).

HISTORY OF USE

GO bonds are used primarily for capital outlay programs, although there are other uses such as veterans home loan programs. Where used for capital outlay, GO bonds frequently support local government programs classified as “local assistance” in the state budget process. Appendices 5 and 6 list GO bond ballot proposals and their outcome from 1972 forward and by program area. Appendix 7 lists outstanding and unissued GO amounts by bond measure.

FINANCIAL NOTES

- GO bond debt is a key component considered in the overall debt load of a public entity. A commonly used measure of debt is annual debt service as a percentage of General Fund revenues.
- There is no California statutory or constitutional limit on the level or ratios for debt service.
- Self-liquidating GO bonds are backed by self-generated revenue streams and therefore are not considered in the construction of debt service ratios. An example is the veterans home loan program whose expenditures are reimbursed through mortgage payments.
- GO bond debt repayment is continuously appropriated.
- Most GO bond issues pay interest at the lowest tax-exempt rates based on the market rate at the date of sale.
- True interest costs for GO bond issues have varied from 4.28 to 10.31 percent over the last 20 years.
- The Constitution authorizes 50-year maturities, but the economics of the bond market usually dictate bonds be issued on a 20 or 30-year basis. Some bond acts also limit the maximum maturity to 20 years.
- To meet cash needs before bonds are issued, GO bond programs may require interim financing through either loans from the Pooled Money Investment Account or the issuance of tax-exempt commercial paper.
- Figure 5-9, Section 5, shows debt service and debt service ratios for currently authorized and proposed bonds. Sales of unissued bonds have been estimated based on departments' projections provided to the State Treasurer's Office as well as extrapolations from those projections.

REVENUE AND LEASE-REVENUE BONDS

DEFINITIONS

Revenue bonds are a form of long-term borrowing in which the debt obligation is secured by a revenue stream produced by the project. Because revenue bonds are not backed by the full faith and credit of the state, they may be enacted in statute (i.e., do not require voter approval). Various projects have been financed with revenue bonds such as the State Water Project and various toll bridges throughout the state.

Lease-revenue bonds used in the state's capital outlay program are a variant of revenue bonds. The revenue stream backing the bond is created from lease payments made by the occupying department. The entity issuing the bonds (usually the Public Works Board or a joint powers authority) retains title to the facility until the debt is retired. As with revenue bonds, lease-revenue bonds do not require voter approval. However, bond rating agencies include them in calculations of debt service ratios.

KEY STATUTORY AUTHORITIES

The Public Buildings Construction Act (Government Code Section 15800, et seq.) sets forth the authorities and responsibilities of the Public Works Board, the primary issuer of lease-revenue bonds for the state. Similar authorities are provided for joint powers authorities in Government Code Section 6500, et seq. (Several state office building projects have been undertaken through joint powers agreements.) Each project financed with revenue bonds has received individual legislative authorization.

HISTORY OF USE

As of November 1, 2006 the Public Works Board (PWB) has approximately \$7.0 billion in lease-revenue bonds outstanding, including Energy Assistance bonds whose revenue stream is contract rather than lease payments. Appendix 8 lists outstanding lease-revenue bonds; Appendix 9 lists authorized but unissued lease-revenue projects.

FINANCIAL NOTES

- Annual appropriations are needed to repay debt incurred by issuing lease-revenue bonds. Debt payments for revenue bond funded projects have been continuously appropriated.

- Lease-revenue issues pay interest at tax-exempt rates which are slightly higher than GO bond rates (on average over the last two years, 30 basis points).
- Lease payments are conditioned upon “beneficial occupancy.” Therefore, when the facility is not capable of being occupied, no lease payment is due. Lease-revenue bonds are sized to pay capitalized interest costs and to establish a reserve account. The capitalized interest account pays debt service during the construction period until the facility can be occupied. The reserve account is set up to pay the maximum semi-annual debt service payment in the event a facility cannot be occupied for a period of time (e.g., in the event of fire damage) and repayment of the principal and interest of bonds is required. In addition, rental abatement insurance is generally required.
- Lease-revenue bonds are not appropriate for any project for which a lease cannot be created. (Without a legally enforceable lease, there is no security for the issue.) Revenue bonds are only applicable for those projects which generate a true revenue stream such as toll bridge, stadiums, toll roads, or energy producing projects such as dams.
- As with GO bonds, lease-revenue projects require interim financing. However, in contrast with GO bonds, interim financing cannot generally be arranged without substantial assurance that the project will be finished so lease payments can be made. Therefore, interim financing for pre-construction phases requires a separate form of repayment assurance, sometimes met with budget act or statutory provisions authorizing repayment from the departments’ support appropriations if projects are not completed.
- The use of a master reserve account for PWB issues since 1994 has reduced lower gross debt service costs by reducing or eliminating the need to establish stand-alone reserves for each issue.

LEASING

DEFINITIONS

A lease-purchase is a contractual agreement between the state and a lessor, typically a private developer, to have a facility constructed to the state’s specifications and sub-leased by the Department of General Services (DGS) to one or more state

departments. This agreement in substance is an installment purchase. Title to the property is transferred at a specified time, preceded by the series of lease payments made from the department's support budget (leasing by definition is not a capital outlay expenditure).

A lease with an option to purchase is a contractual agreement between the state and a lessor to have a facility constructed and leased to the state. Unlike a lease-purchase agreement, title is not transferred until the lessee elects to exercise the purchase option. The cost of that option and when it may be exercised are both specified in advance. The state may issue bonds or provide a direct appropriation to exercise the purchase option.

A lease agreement may be considered as an in-substance purchase when certain accounting criteria are met (see "Impact on Debt Obligations" below). The state has utilized the purchase option in the past more frequently than the installment purchase.

KEY STATUTORY AUTHORITIES

Government Code Section 14669 permits the Director of General Services to "hire, lease, lease-purchase, or lease with the option to purchase any real or personal property for the use of any state agency" subject to legislative authorization of any lease-purchase or purchase option agreement which has an initial purchase price of over \$2,000,000.

Government Code Section 13332.10 requires the DGS to notify the Legislature before entering into a lease "with a firm lease period of five years or longer and an annual rental in excess of ten thousand dollars...."

The exercise of a lease option requires legislative approval in all instances, regardless of the option amount.

HISTORY OF USE

While lease-purchase or purchase option mechanisms are well-established in the private sector, the state's use of these mechanisms for capital acquisition did not become common until the early 1990s. As competition for state funding has grown, these mechanisms have provided alternatives to meet infrastructure needs. In

addition, lease-purchase or purchase option agreements allow the state to react quickly to changing real estate market conditions.

EXAMPLES OF USE

Programs acquiring facilities through lease-purchase or purchase option include the DGS' state office building program and field offices for the California Highway Patrol and the Department of Motor Vehicles. For example, the Mission Valley state office building in San Diego was acquired using this method of financing.

IMPACT ON LONG-TERM LIABILITIES AND DEBT OBLIGATIONS

From an accounting perspective, a lease-purchase or lease with a purchase option is classified as a capital lease and therefore a long-term liability when substantially all of the risks and benefits of ownership are assumed by the lessee. For purposes of debt analysis by bond rating agencies, these leases are tracked as a direct debt obligation of the state but not a bonded debt obligation. The exception is when the lessor uses the long-term lease with the state as security for the debt issuance. In this case, bond rating agencies view the state's credit as involved, the State Treasurer is agent for sale of the debt issuance, and—depending upon the governmental fund underlying the transaction—the issue may be considered a bonded debt obligation of the General Fund. Moody's Investor Services reports that it "includes leases on the debt statement and in our calculation of debt burden and debt per capita".

APPENDIX 5

History of California Bonding Since 1972
By Program Area (\$\$Millions)

Program	Date	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
Public Safety						
New Prison Construction	June 1982	\$ 495		\$ 495	56.1	43.9
County Jail Capital	November 1982	280		280	54.3	45.7
County Jails	June 1984	250		250	58.7	41.3
Prisons	June 1984	300		300	57.8	42.2
County Jails	June 1986	495		495	67.2	32.8
Prison Construction	November 1986	500		500	65.3	34.7
County Correctional Facility & Youth Facility	November 1988	500		500	54.7	45.3
New Prison Construction	November 1988	817		817	61.1	38.9
New Prison Construction	June 1990	450		450	56.0	44.0
New Prison Construction	November 1990	450		-	40.4	59.6
County Correctional Facility and Juvenile Facility	November 1990	225		-	37.3	62.7
Youthful and Adult Offender Local Facilities	November 1996	700		-	40.6	59.4
Crime Laboratories	March 2000	220		-	46.3	53.7
		\$ 5,682		\$ 4,087		
Seismic						
Earthquake Reconstruction & Replacement	June 1972	\$ 350		\$ 350	53.8	46.2
Earthquake Safety/Housing Rehabilitation	June 1988	150		150	56.2	43.8
Earthquake Safety & Public Rehabilitation	June 1990	300		300	55.0	45.0
Earthquake Relief and Seismic Retrofit	June 1994	2,000		-	45.7	54.3
Seismic Retrofit	March 1996	2,000		2,000	59.9	40.1
		\$ 4,800		\$ 2,800		
K-12 Education						
State School Building Aid and Earthquake Reconstruction	November 1974	\$ 150		\$ 150	60.1	39.9
State School Building Lease Purchase	June 1976	200		-	47.3	52.7
State School Building Aid	June 1978	350		-	35.0	64.0
State School Building Lease Purchase	November 1982	500		500	50.5	49.5
State School Building Lease Purchase	November 1984	450		450	60.7	39.3
State School Building Lease Purchase	November 1986	800		800	60.7	39.3
State School Facilities	June 1988	800		800	65.0	35.0
School Facilities	November 1988	800		800	61.2	38.8
New School Facilities	June 1990	800		800	57.5	42.5
School Facilities	November 1990	800		800	51.9	48.1
School Facilities	June 1992	1,900		1,900	52.9	47.1
School Facilities	November 1992	900		900	51.8	48.2
Safe Schools Act of 1994	June 1994	1,000		-	49.6	54.4

History of California Bonding Since 1972
By Program Area (\$\$Millions)

Program	Date	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
Public Education Facilities	March 1996	3,000		3,000	61.9	38.1
Public Education	November 1998	6,700		6,700	62.4	37.6
Public Education	November 2002	11,400		11,400	59.1	40.9
Public Education	March 2004	10,000		10,000	50.9	49.4
Public Education Facilities	November 2006	7,329		7,329	56.9	43.1
		\$ 47,879		\$ 46,329		
Higher Education						
Community College Facilities	November 1972	\$ 160		\$ 160	56.9	43.1
Community College Facilities	June 1976	150		-	43.9	56.1
Higher Education Facilities	November 1986	400		400	59.7	40.3
Higher Education Facilities	November 1988	600		600	57.7	42.3
Higher Education Facilities	June 1990	450		450	55.0	45.0
Higher Education Facilities	November 1990	450		-	48.8	51.2
Higher Education Facilities	June 1992	900		900	50.8	49.2
Higher Education Facilities	June 1994	900		-	47.2	52.6
Higher Education Facilities	November 1998	2,500		2,500	62.4	37.6
Higher Education Facilities	November 2002	1,650		1,650	59.1	40.9
Higher Education Facilities	March 2004	2,300		2,300	50.9	49.4
Higher Education Facilities	November 2006	3,087		3,087	56.9	43.1
		\$ 13,547		\$ 12,047		
Environmental Quality & Resources						
Recreational Lands	June 1974	\$ 250		\$ 250	59.9	40.14
Clean Water	June 1974	250		250	70.5	29.5
Safe Drinking Water	June 1976	175		175	62.6	37.4
State, Urban & Coastal Parks	November 1976	280		280	52.0	48.0
Clean Water and Water Conservation	June 1978	375		375	53.5	46.5
Parklands and Renewable Resource Investment	June 1980	495		-	47.0	53.0
Parklands Acquisition and Development	November 1980	285		285	51.7	48.3
Lake Tahoe Acquisition	November 1980	85		-	48.8	51.2
Lake Tahoe Acquisition	November 1982	85		85	52.9	47.1
Parks and Recreation	June 1984	370		370	63.2	36.8
Fish and Wildlife	June 1984	85		85	64.0	36.0
Clean Water (Sewer)	November 1984	325		325	75.9	27.1
Hazardous Substance Clean-up	November 1984	100		100	72.0	28.0
Safe Drinking Water	November 1984	75		75	73.5	26.5
Community Parklands	June 1986	100		100	67.3	32.7
Water Conservation/Quality	June 1986	150		150	74.1	25.9
Safe Drinking Water	November 1986	100		100	67.7	21.3
Wildlife, Coastal and Park Land Conservation	June 1988	776		776	65.2	34.8
Safe Drinking Water	November 1988	75		75	71.7	28.3
Clean Water and Water Reclamation	November 1988	65		65	64.4	35.6
Water Conservation	November 1988	60		60	62.4	37.6

**History of California Bonding Since 1972
By Program Area (\$\$Millions)**

Program	Date	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
Water Resources	November 1990	380		-	43.9	56.1
Park, Recreation, and Wildlife Enhancement	November 1990	437		-	47.3	52.7
Environment, Public Health	November 1990	300		-	36.1	63.9
Forest Acquisition, Timber Harvesting	November 1990	742		-	47.2	52.8
Parklands, Historic Sites, Wildlife and Forest Conservation	June 1994	2,000		-	43.2	54.7
Safe, Clean, Reliable Water	November 1996	995		995	62.9	37.1
Safe Neighborhood Parks, Clean Water, Clean Air, Coastal Protect.	March 2000	2,100		2,100	63.2	36.8
Safe Drinking Water, Clean Water, Watershed Protection	March 2000	1,970		1,970	64.8	35.2
Water, Air, Parks, Coast Protection	March 2002	2,600		2,600	57.0	43.0
Water Quality, Supply, Safe Drinking Water, Coastal Wetlands Purchase and Protect.	November 2002	3,440		3,440	55.4	44.6
Water Quality, Safety, Supply, Flood Control, Resource Protection, Parks	November 2006	5,388		5,388	53.8	46.2
Disaster Preparedness, Flood Prevention	November 2006	4,090		4,090	64.2	35.8
		\$ 29,003		\$ 24,564		
Veterans Home Loans						
Veterans Home Loan						
Veterans Home Loan	June 1972		\$ 250	\$ 250	65.5	34.5
Veterans Home Loan	June 1972		350	\$ 350	72.3	27.7
Veterans Home Loan	June 1976		500	\$ 500	62.5	37.5
Veterans Home Loan	November 1978		500	\$ 500	62.3	37.7
Veterans Home Loan	June 1980		750	\$ 750	64.5	34.5
Veterans Home Loan	November 1982		450	\$ 450	67.1	32.9
Veterans Home Loan	November 1984		650	\$ 650	66.3	33.7
Veterans Home Loan	June 1986		850	\$ 850	75.6	24.4
Veterans Home Loan	June 1988		510	\$ 510	67.6	32.4
Veterans Home Loan	November 1990		400	\$ 400	59.1	41.0
Veterans Home Loan	November 1996		400	\$ 400	53.6	46.4
Veterans Home Loan	March 2000	50		\$ 50	62.3	37.7
Veterans Home Loan	November 2000		500	500	57.0	43.0
		\$ 50	\$ 6,110	\$ 6,160		
Housing						
Housing Finance						
First-Time Home Buyers	November 1976	\$ 500		\$ -	43.0	57.0
Housing and Homeless	November 1982	200		200	53.8	46.2
Housing and Homeless	November 1988	300		300	58.2	41.8
Housing	June 1990	150		150	52.5	47.5
Housing	November 1990	125		-	44.5	55.5

History of California Bonding Since 1972
By Program Area (\$\$Millions)

Program	Date	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
California Housing and Jobs Investment	November 1993	185		-	42.2	57.8
Housing and Emergency Shelter	November 2002	2,100		2,100	57.5	42.5
Housing and Emergency Shelter	November 2006	2,850		2,850	57.8	42.2
		<u>\$ 6,410</u>		<u>\$ 5,600</u>		
Transportation						
Transportation	June 1988	\$ 1,000		\$ -	49.9	50.1
Rail Transportation	June 1990	1,990		1,990	53.3	46.7
Passenger Rail and Clean Air	November 1992	1,000		-	48.1	51.9
Passenger Rail and Clean Air	June 1990	1,000		1,000	56.3	43.7
Passenger Rail and Clean Air	November 1994	1,000		-	34.9	65.1
Highway Safety, Traffic Reduction, Air Quality, Port Security	November 2006	19,925		19,925	61.4	38.6
		<u>\$ 25,915</u>		<u>\$ 22,915</u>		
Health Facilities						
Health Science Facilities	November 1972	\$ 156		\$ 156	60.0	40.0
Children's Hospital Projects Bond Act	November 2004	750		750	58.1	41.9
		<u>\$ 906</u>		<u>\$ 906</u>		
Senior Centers						
Senior Citizens' Centers	November 1984	\$ 50		\$ 50	66.7	33.3
		<u>\$ 50</u>		<u>\$ 50</u>		
Libraries						
Library Construction and Renovation	November 1988	\$ 75		\$ 75	52.7	47.3
California Reading and Literacy Improvement and Public Library	March 2000	350		350	59.0	41.0
Reading Improvement, Library Renovation Bond Act	June 2006	600		-	47.3	52.7
		<u>\$ 1,025</u>		<u>\$ 425</u>		
County Courthouses						
County Courthouse Facility Capital Expenditure	November 1990	\$ 200		\$ -	26.5	73.5
		<u>\$ 200</u>		<u>\$ -</u>		
Child Care Centers						
Child Care Facilities Financing	November 1990	\$ 30		\$ -	47.6	52.4
		<u>\$ 30</u>		<u>\$ -</u>		
Drug Enforcement						
Drug Enforcement	November 1990	\$ 740		\$ -	28.3	71.7
		<u>\$ 740</u>		<u>\$ -</u>		

History of California Bonding Since 1972
By Program Area (\$\$Millions)

Program	Date	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
Energy Conservation						
Residential Energy Conservation	November 1976	\$ 25		\$ -	41.0	59.0
		\$ 25		\$ -		
Voter Modernization						
Voter Modernization Act	March 2002	\$ 200		\$ 200	51.7	48.2
		\$ 200		\$ 200		
Medical Research						
California Stem Cell Research and Cures Act	November 2004	\$ 3,000		\$ 3,000	59.1	40.9
		\$ 3,000		\$ 3,000		
Deficit Recovery Bonds	March 2004		\$ 15,000	\$ 15,000	63.4	36.6
Total		\$ 139,462	\$ 21,110	\$ 144,083		

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History of California Bonding Since 1972
By Date of Authorization (\$\$ Millions)

Date	Subject	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
June 1972	Veterans Home Loan Earthquake Reconstruction & Replacement		\$ 250	\$ 250	65.5	34.5
		350		350	53.8	46.2
		\$ 350	\$ 250	\$ 600		
November 1972	Community College Facilities Health Science Facilities	\$ 160		\$ 160	56.9	43.1
		156		156	60.0	40.0
		\$ 316		\$ 316		
June 1974	Recreational Lands Clean Water Home Loans	\$ 250		\$ 250	59.9	40.1
		250		250	70.5	29.5
			\$ 350	350	72.3	27.7
		\$ 500	\$ 350	\$ 850		
November 1974	State School Building Aid and Earthquake Reconstruction	\$ 150		\$ 150	60.1	39.9
		\$ 150		\$ 150		
June 1976	State School Building Lease Purchase Home Loans Safe Drinking Water Community College Facilities	\$ 200		\$ -	47.3	52.7
			\$ 500	500	62.5	37.5
		175		175	62.6	37.4
		150		-	43.9	56.1
		\$ 525	\$ 500	\$ 675		
November 1976	Housing Finance State, Urban & Coastal Parks Residential Energy Conservation Bond Law	\$ 500		\$ -	43.0	57.0
		280		280	52.0	48.0
		25		-	41.0	59.0
		\$ 805		\$ 280		
June 1978	State School Building Aid Clean Water and Water Conservation	\$ 350		\$ -	35.0	64.0
		\$ 375		\$ 375	53.5	46.5
		\$ 725		\$ 375		
November 1978	Veterans Home Loan		\$ 500	\$ 500	62.3	37.7
		\$ -	\$ 500	\$ 500		
June 1980	Parklands and Renewable Resource Investment Veterans Home Loan	\$ 495		\$ -	47.0	53.0
			750	750	65.5	34.5
		\$ 495	\$ 750	\$ 750		
November 1980	Parklands Acquisition and Development Lake Tahoe Acquisition	\$ 285		\$ 285	51.7	48.3
		85		-	48.8	51.2
		\$ 370		\$ 285		

History of California Bonding Since 1972
By Date of Authorization (\$\$ Millions)

Date	Subject	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
June 1982	New Prison Construction	\$ 495		\$ 495	56.1	43.9
		\$ 495		\$ 495		
November 1982	State School Building Lease Purchase	\$ 500		\$ 500	50.5	49.5
	County Jail	280		280	54.3	45.7
	Veterans Home Loan		\$ 450	450	67.1	32.9
	Lake Tahoe Acquisition	85		85	52.9	47.1
	First-Time Home Buyers	200		200	53.8	46.2
		\$ 1,065	\$ 450	\$ 1,515		
June 1984	County Jails	\$ 250		\$ 250	58.7	41.3
	Prisons	300		300	57.8	42.2
	Parks and Recreation	370		370	63.2	36.8
	Fish and Wildlife	85		85	64.0	36.0
		\$ 1,005		\$ 1,005		
November 1984	Clean Water	\$ 325		\$ 325	75.9	27.1
	State School Building Lease Purchase	\$ 450		\$ 450	60.7	39.3
	Hazardous Substance Clean-up	100		100	72.0	28.0
	Safe Drinking Water	75		75	73.5	26.5
	Veterans Home Loan		\$ 650	650	66.3	33.7
	Senior Citizens' Centers	50		50	66.7	33.3
		\$ 1,000	\$ 650	\$ 1,650		
June 1986	Veterans Home Loan		\$ 850	\$ 850	75.6	24.4
	Community Parklands	100		100	67.3	32.7
	Water Conservation/Quality	150		150	74.1	25.9
	County Jails	495		495	67.2	32.8
		\$ 745	\$ 850	\$ 1,595		
November 1986	State School Building Lease-Purchase	\$ 800		\$ 800	60.7	39.3
	Prison Construction	500		500	65.3	34.7
	Safe Drinking Water	100		100	78.7	21.3
	Higher Education Facilities	400		400	59.7	40.3
		\$ 1,800		\$ 1,800		
June 1988	Earthquake Safety/Housing Rehabilitation	\$ 150		\$ 150	56.2	43.8
	State School Facilities	800		800	65.0	35.0
	Wildlife, Coastal and Park Land Conservation	776		776	65.2	34.8
	Veterans Home Loan		\$ 510	510	67.6	32.4
	Transportation	1,000		-	49.9	50.1
		\$ 2,726	\$ 510	\$ 2,236		

History of California Bonding Since 1972
By Date of Authorization (\$\$ Millions)

Date	Subject	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
November 1988	Library Construction and Renovation	\$ 75		\$ 75	52.7	47.3
	Safe Drinking Water	75		75	71.7	28.3
	Clean Water and Water Reclamation	65		65	64.4	35.6
	County Correctional Facility Capital					
	Expenditure & Youth Facility	500		500	54.7	45.3
	Higher Education Facilities	600		600	57.7	42.3
	New Prison Construction	817		817	61.1	38.9
	School Facilities	800		800	61.2	38.8
	Water Conservation	60		60	62.4	37.6
	Housing and Homeless	300		300	58.2	41.8
		<hr/>		<hr/>		
		\$ 3,292		\$ 3,292		
June 1990	Housing and Homeless	\$ 150		\$ 150	52.5	47.5
	Passenger Rail/Clean Air	1,000		1,000	56.3	43.7
	Rail Transportation	1,990		1,990	53.3	46.7
	New Prison Construction	450		450	56.0	44.0
	Higher Education Facilities	450		450	55.0	45.0
	Earthquake Safety & Public					
	Rehabilitation	300		300	55.0	45.0
	New School Facilities	800		800	57.5	42.5
		<hr/>		<hr/>		
		\$ 5,140		\$ 5,140		
November 1990	Veteran's Home Loan		\$ 400	\$ 400	59.0	41.0
	Higher Education Facilities	450		-	48.8	51.2
	New Prison Construction	450		-	40.4	59.6
	Housing	125		-	44.5	55.5
	School Facilities	800		800	51.9	48.1
	County Correctional Facility Capital					
	Expenditure and Juv. Facility	225		-	37.3	62.7
	Water Resources	380		-	43.9	56.1
	Park, Recreation, and Wildlife					
	Enhancement	437		-	47.3	52.7
	County Courthouse Facility Capital					
	Expenditure	200		-	26.5	73.5
	Child Care Facilities	30		-	47.6	52.4
	Environment, Public Health	300		-	36.1	63.9
	Forest Acquisition, Timber Harvesting	742		-	47.2	52.8
	Drug Enforcement	740		-	28.3	71.7
		<hr/>		<hr/>		
		\$ 4,879	\$ 400	\$ 1,200		
June 1992	School Facilities	\$ 1,900		\$ 1,900	52.9	47.1
	Higher Education Facilities	900		900	50.8	49.2
		<hr/>		<hr/>		
		\$ 2,800		\$ 2,800		

History of California Bonding Since 1972
By Date of Authorization (\$\$ Millions)

Date	Subject	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
November 1992	Schools Facilities	\$ 900		\$ 900	51.8	48.2
	Passenger Rail and Clean Air	1,000		-	48.1	51.9
		<u>\$ 1,900</u>		<u>\$ 900</u>		
November 1993	California Housing and Jobs Investment	\$ 185		\$ -	42.2	57.8
		<u>\$ 185</u>		<u>\$ -</u>		
June 1994	Earthquake Relief and Seismic Retrofit	\$ 2,000		\$ -	45.7	54.3
	Safe Schools	1,000		-	49.6	50.4
	Higher Education Facilities	900		-	47.4	52.6
	Parklands, Historic Sites, Wildlife and Forest Conservation	2,000		-	43.2	56.8
		<u>\$ 5,900</u>		<u>\$ -</u>		
November 1994	Passenger Rail and Clean Air	\$ 1,000		\$ -	34.9	65.1
		<u>\$ 1,000</u>		<u>\$ -</u>		
March 1996	Seismic Retrofit	\$ 2,000		\$ 2,000	59.9	40.1
	Public Education Facilities	3,000		3,000	61.9	38.1
		<u>\$ 5,000</u>		<u>\$ 5,000</u>		
November 1996	Safe, Clean, Reliable Water Supply	\$ 995		\$ 995	62.9	37.1
	Youthful and Adult Offender Local Facilities	\$ 700		\$ -	40.6	59.4
	Veterans Home Loan		400	400	53.6	46.4
		<u>\$ 1,695</u>	<u>\$ 400</u>	<u>\$ 1,395</u>		
November 1998	K-12, Higher Education Facilities	\$ 9,200		\$ 9,200	62.4	37.6
		<u>\$ 9,200</u>		<u>\$ 9,200</u>		
March 2000	Safe Neighborhood Parks,Clean Water,Clean Air,Coastal Protect.	\$ 2,100		\$ 2,100	63.2	36.8
	Safe Drinking Water,Clean Water,Watershed Protection	1,970		1,970	64.8	35.2
	California Reading and Literacy Improvement and Public Library	350		350	59.0	41.0
	Crime Laboratories	220		-	46.3	53.7
	Veterans Homes	50		50	62.3	37.7
		<u>\$ 4,690</u>		<u>\$ 4,470</u>		
November 2000	Veterans Home Loan		\$ 500	\$ 500	67.2	32.8
			<u>\$ 500</u>	<u>\$ 500</u>		
March 2002	Water,Air,Parks,Coast Protection	\$ 2,600		\$ 2,600	57	43
	Voting Modernization Act	200		200	51.7	48.2
		<u>\$ 2,800</u>		<u>\$ 2,800</u>		

History of California Bonding Since 1972**By Date of Authorization (\$\$ Millions)**

Date	Subject	Proposed General Obligation Amount	Proposed Self- Liquidating Amount	Total Approved	Vote (%)	
					For	Against
November 2002	Housing and Emergency Shelter	\$ 2,100		\$ 2,100	57.5	42.5
	K-12, Higher Education Facilities	\$ 13,050		\$ 13,050	59.1	40.9
	Water Quality, Supply and Safe Drinking Water Projects, Coastal Wetland Purchase and Protection	3,440		3,440	55.4	44.6
		\$ 18,590		\$ 18,590		
March 2004	K-12, Higher Education Facilities	\$ 12,300		\$ 12,300	50.9	49.1
	Deficit Recovery Bonds		\$ 15,000	\$ 15,000	63.4	36.6
		\$ 12,300	\$ 15,000	\$ 27,300		
November 2004	Children's Hospital Projects Bond Act	\$ 750		\$ 750	58.1	41.9
	California Stem Cell Research and Cures Act	3,000		3,000	59.1	40.9
		\$ 3,750		\$ 3,750		
June 2006	California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2006	\$ 600		\$ -	47.3	52.7
		\$ 600		\$ -		
November 2006	Highway Safety, Traffic Reduction, Air Quality, Port Security Bond Act of 2006	\$ 19,925		\$ 19,925	61.4	38.6
	Housing and Emergency Shelter Trust Fund Act of 2006	\$ 2,850		\$ 2,850	57.8	42.2
	Education Facilities: Kindergarten- University Public Education Facilities Bond Act of 2006	\$ 10,416		\$ 10,416	56.9	43.1
	Disaster Preparedness and Flood Prevention Bond Act of 2006	\$ 4,090		\$ 4,090	64.2	35.8
	Water Quality, Safety and Supply, Flood Control, Natural Resource Protection, Park Improvements	\$ 5,388		\$ 5,388	53.8	46.2
		\$ 42,669		\$ 42,669		
	TOTAL	\$ 139,462	\$ 21,110	\$ 144,083		

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APPENDIX 7

AUTHORIZED AND OUTSTANDING GENERAL OBLIGATION BONDS

As of January 1, 2007

(Thousands)

	Voter Authorization Date	Voter Authorization Amount	Bonds Outstanding (a)	CP Program Authorized (b)	Unissued (c)
GENERAL FUND BONDS (Non-Self Liquidating)					
1988 School Facilities Bond Act	11/08/88	800,000	318,460	2,255	0
1990 School Facilities Bond Act	06/05/90	800,000	341,830	2,125	0
1992 School Facilities Bond Act	11/03/92	900,000	488,287	3,789	0
California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002	03/05/02	2,600,000	611,515	908,060	1,073,410
California Library Construction and Renovation Bond Act of 1988	11/08/88	75,000	37,460	0	2,595
California Park and Recreational Facilities Act of 1984	06/05/84	370,000	70,790	N/A	1,100
California Parklands Act of 1980	11/04/80	285,000	12,415	N/A	0
California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000	03/07/00	350,000	94,005	178,170	64,970
California Safe Drinking Water Bond Law of 1976	06/08/76	175,000	22,950	N/A	2,500
California Safe Drinking Water Bond Law of 1984	11/06/84	75,000	14,680	N/A	0
California Safe Drinking Water Bond Law of 1986	11/04/86	100,000	47,005	N/A	0
California Safe Drinking Water Bond Law of 1988	11/08/88	75,000	42,290	6,960	0
California Wildlife, Coastal, and Park Land Conservation Act	06/07/88	776,000	301,245	N/A	7,330
Children's Hospital Bond Act of 2004	11/02/04	750,000	71,995	516,576	161,430
Class Size Reduction Kindergarten-University Public Education Facilities Bond Act of 1998 (Higher Education)	11/03/98	2,500,000	2,263,090	113,670	0
Class Size Reduction Kindergarten-University Public Education Facilities Bond Act of 1998 (K-12)	11/03/98	6,700,000	5,893,100	11,860	0
Clean Air and Transportation Improvement Bond Act of 1990	06/05/90	1,990,000	1,194,295	191,785	15,630
Clean Water Bond Law of 1970	11/03/70	250,000	2,500	N/A	0
Clean Water Bond Law of 1974	06/04/74	250,000	5,075	N/A	0
Clean Water Bond Law of 1984	11/06/84	325,000	48,890	N/A	0
Clean Water and Water Conservation Bond Law of 1978	06/06/78	375,000	14,255	N/A	0
Clean Water and Water Reclamation Bond Law of 1988	11/08/88	65,000	39,880	0	0
Community Parklands Act of 1986	06/03/86	100,000	25,140	N/A	0
County Correctional Facility Capital Expenditure Bond Act of 1986	06/03/86	495,000	131,680	N/A	0
County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988	11/08/88	500,000	232,625	0	0
County Jail Capital Expenditure Bond Act of 1981	11/02/82	280,000	18,400	N/A	0
County Jail Capital Expenditure Bond Act of 1984	06/05/84	250,000	13,250	N/A	0
Disaster Preparedness and Flood Prevention Bond Act of 2006	11/07/06	4,090,000	0	0	4,090,000

AUTHORIZED AND OUTSTANDING GENERAL OBLIGATION BONDS

As of January 1, 2007

(Thousands)

	Voter Authorization Date	Voter Amount	Bonds Outstanding (a)	CP Program Authorized (b)	Unissued (c)
GENERAL FUND BONDS (Non-Self Liquidating)					
Earthquake Safety and Public Buildings Rehabilitation Bond Act of 1990	06/05/90	300,000	206,785	28,300	0
Fish and Wildlife Habitat Enhancement Act of 1984	06/05/84	85,000	16,745	N/A	0
Hazardous Substance Cleanup Bond Act of 1984	11/06/84	100,000	0	N/A	0
Higher Education Facilities Bond Act of 1986	11/04/86	400,000	63,500	N/A	0
Higher Education Facilities Bond Act of 1988	11/08/88	600,000	225,385	0	10,440
Higher Education Facilities Bond Act of June 1990	06/05/90	450,000	190,680	980	1,130
Higher Education Facilities Bond Act of June 1992	06/02/92	900,000	561,965	0	7,235
Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006	11/07/06	19,925,000	0	0	19,925,000
Housing and Emergency Shelter Trust Fund Act of 2002	11/05/02	2,100,000	28,790	1,200,000	871,125
Housing and Emergency Shelter Trust Fund Act of 2006	11/07/06	2,850,000	0	0	2,850,000
Housing and Homeless Bond Act of 1990	06/05/90	150,000	5,105	N/A	0
Kindergarten-University Public Education Facilities Bond Act of 2002 (Higher Education)	11/05/02	1,650,000	784,345	851,490	0
Kindergarten-University Public Education Facilities Bond Act of 2002 (K-12)	11/05/02	11,400,000	9,350,960	1,955,980	0
Kindergarten-University Public Education Facilities Bond Act of 2004 (Hi-Ed)	03/02/04	2,300,000	124,265	1,622,710	552,630
Kindergarten-University Public Education Facilities Bond Act of 2004 (K-12)	03/02/04	10,000,000	3,361,070	6,627,005	0
Kindergarten-University Public Education Facilities Bond Act of 2006 (Hi-Ed)	11/07/06	3,087,000	0	0	3,087,000
Kindergarten-University Public Education Facilities Bond Act of 2006 (K-12)	11/07/06	7,329,000	0	0	7,329,000
Lake Tahoe Acquisitions Bond Act	08/02/82	85,000	13,425	N/A	0
New Prison Construction Bond Act of 1981	06/08/82	495,000	0	N/A	0
New Prison Construction Bond Act of 1984	06/05/84	300,000	0	N/A	0
New Prison Construction Bond Act of 1986	11/04/86	500,000	94,540	N/A	0
New Prison Construction Bond Act of 1988	11/08/88	817,000	308,350	7,190	0
New Prison Construction Bond Act of 1990	06/05/90	450,000	171,850	2,057	298
Passenger Rail and Clean Air Bond Act of 1990	06/05/90	1,000,000	448,135	0	0
Public Education Facilities Bond Act of 1996 (Higher Education)	03/26/96	975,000	781,415	0	37,465
Public Education Facilities Bond Act of 1996 (K-12)	03/26/96	2,025,000	1,522,635	12,965	0
Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act	03/07/00	1,970,000	797,795	593,514	487,949
Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006	11/07/06	5,388,000	0	0	5,388,000

AUTHORIZED AND OUTSTANDING GENERAL OBLIGATION BONDS
As of January 1, 2007
 (Thousands)

	Voter Authorization Date	Voter Authorization Amount	Bonds Outstanding (a)	CP Program Authorized (b)	Unissued (c)
GENERAL FUND BONDS (Non-Self Liquidating)					
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000	03/07/00	2,100,000	1,259,335	456,725	309,690
Safe, Clean, Reliable Water Supply Act	11/05/96	995,000	658,895	269,310	0
School Building and Earthquake Bond Act of 1974	11/05/74	40,000	26,650	N/A	0
School Facilities Bond Act of 1988	06/07/88	800,000	268,795	N/A	0
School Facilities Bond Act of 1990	11/06/90	800,000	389,060	0	0
School Facilities Bond Act of 1992	06/02/92	1,900,000	1,008,735	12,555	0
Seismic Retrofit Bond Act of 1996	03/26/96	2,000,000	1,591,090	143,560	0
Senior Center Bond Act of 1984	11/06/84	50,000	0	N/A	0
State Beach, Park, Recreational and Historical Facilities Bond Act of 1974	06/04/74	250,000	0	N/A	0
State School Building Lease-Purchase Bond Law of 1982	11/02/82	500,000	0	N/A	0
State School Building Lease-Purchase Bond Law of 1984	11/06/84	450,000	35,000	N/A	0
State School Building Lease-Purchase Bond Law of 1986	11/04/86	800,000	146,800	N/A	0
State, Urban, and Coastal Park Bond Act of 1976	11/02/76	280,000	9,450	N/A	0
Stem Cell Research and Cures Bond Act of 2004	11/02/04	3,000,000	0	295,000	2,705,000
Veterans Homes Bond Act of 2000	03/07/00	50,000	3,080	31,750	15,170
Voting Modernization Bond Act of 2002	03/05/02	200,000	36,100	0	137,370
Water Conservation Bond Law of 1988	11/08/88	60,000	35,995	8,855	0
Water Conservation and Water Quality Bond Law of 1986	06/03/86	150,000	53,730	N/A	27,600
Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002	11/05/02	3,440,000	785,190	1,012,347	1,628,498
Total General Fund Bonds		121,797,000	37,722,752	17,067,543	50,789,565

AUTHORIZED AND OUTSTANDING GENERAL OBLIGATION BONDS
As of January 1, 2007
(Thousands)

	Voter Authorization Date	Voter Authorization Amount	Bonds Outstanding (a)	CP Program Authorized (b)	Unissued (c)
ENTERPRISE FUND BONDS (Self Liquidating)					
California Water Resources Development Bond Act	11/08/60	1,750,000	654,280	N/A	167,600
Veterans Bond Act of 1980	06/03/80	750,000	37,500	0	0
Veterans Bond Act of 1982	11/02/82	450,000	73,500	0	0
Veterans Bond Act of 1984	11/06/84	650,000	167,925	0	0
Veterans Bond Act of 1986	06/03/86	850,000	256,720	0	0
Veterans Bond Act of 1988	06/07/88	510,000	233,885	N/A	0
Veterans Bond Act of 1990	11/06/90	400,000	181,295	N/A	0
Veterans Bond Act of 1996	11/05/96	400,000	268,865	0	0
Veterans Bond Act of 2000	11/07/00	500,000	134,690	365,310	0
Total Enterprise Fund Bonds		6,260,000	2,008,660	365,310	167,600
SPECIAL REVENUE FUND BONDS (Self Liquidating)					
Economic Recovery Bond Act	04/10/04	15,000,000	9,573,960	N/A	3,746,000
Total Special Revenue Fund Bonds		15,000,000	9,573,960	0	3,746,000
TOTAL GENERAL OBLIGATION BONDS		143,057,000	49,305,372	17,432,853	54,703,165

(a) Includes the initial value of capital appreciation bonds rather than the accreted value.

(b) Represents the total amount of commercial paper authorized by Finance Committees that could be issued for new money projects. Of this amount, no more than \$1.5 billion of commercial paper principal and interest can be owing at any time. Currently, there is \$695,000,000.00 of commercial paper issued and outstanding. The bond acts marked as "n.a." are not legally permitted to utilize commercial paper, or all bonds were issued before the commercial paper program began.

(c) Treats full commercial paper authorization as issued; see footnote(b).

SOURCE: State of California, Office of the Treasurer.

**STATE PUBLIC WORKS BOARD AND
OTHER LEASE-PURCHASE FINANCING
OUTSTANDING ISSUES
January 1, 2007**

<u>Name of Issue</u>	<u>Outstanding</u>
<u>GENERAL FUND SUPPORTED ISSUES:</u>	
State Public Works Board	
California Community Colleges	534,000,000
California Department of Corrections *	2,148,028,789
California Youth Authority	14,895,000
Office of Energy Assessments (a)	36,550,000
The Regents of the University of California (b) *	1,835,197,365
Trustees of the California State University	554,295,000
Various State Office Buildings	1,887,455,000
Total State Public Works Board Issues	\$7,010,421,154
Total Other State Building Lease Purchase Issues (c)	\$683,615,000
Total General Fund Supported Issues	\$7,694,036,154
<u>SPECIAL FUND SUPPORTED ISSUES:</u>	
East Bay State Building Authority *	55,946,813
San Bernardino Joint Powers Financing Authority	47,140,000
San Francisco State Building Authority (d)	29,050,000
Total Special Fund Supported Issues	\$132,136,813
TOTAL	<u>\$7,826,172,967</u>

* Includes the initial value of capital appreciation bonds rather than the accreted value.

(a) This program is self-liquidating based on energy cost savings.

(b) The Regents' obligations to the State Public Works Board are payable from lawfully available funds of The Regents which are held in The Regents' treasury funds and are separate from the State General Fund. A portion of The Regents' annual budget is derived from General Fund appropriations.

(c) Includes \$162,305,000 Sacramento City Financing Authority Lease Revenue Bonds State of California - Cal EPA Building, 1998 Series A, which are supported by lease rentals from the California Environmental Protection Agency; these rental payments are subject to annual appropriation by the State Legislature.

(d) The sole tenant is the California Public Utilities Commission.

SOURCE: State of California, Office of the Treasurer.

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APPENDIX 9

AUTHORIZED BUT UNISSUED LEASE REVENUE BONDS

Auth/Unissued 2/1/2007

STATE PUBLIC WORKS BOARD (SPWB)

State Buildings:

CA Conserv. Corps. - Delta Service Center	21,890,000
CA Conservation Corps, Camarillo Satellite	16,325,000
CA Conserv. Corp - Tahoe Base Ctr, Relocate	26,680,000
DDS - Porterville 96 Bed Expansion and Rec Complex	82,027,000
DDS - Porterville New Main Kitchen	22,557,000
DFA - Truckee Agricultural Inspection Station	13,906,000
DFA - Yermo Agricultural Inspection Station	17,556,000
DGS - Capital Area West End Complex	391,000,000
DGS - Central Plant Renovation	148,672,000
DGS - Board of Equalization	81,000,000
DGS - Library and Courts Bldg Renovation	49,082,000
DGS - Long Beach State Office Building	75,000,000
DGS - Marysville Office Bldg. Replacement	70,921,000
DGS - Riverside/San Bernardino Plan	175,000,000
DGS - State Office Bldg 10 Renovation	25,044,000
DGS - State Office Bldg's 8 and 9 Renovation	146,182,000
DMH - 5 Various projects	94,222,000
DOE - School for Deaf, Fremont: Pupil Pers SvcsBldg	3,475,000
DOE - School for Deaf, Riverside - Career & Tech Ed Complex & Service Yard	16,563,000
DOE - School for Deaf, Riverside - Dorm/Chiller Replace	70,058,000
DOE - School for Deaf, Riverside - Kit Dining Hall Ren.	8,862,000
DOE - School for Deaf, Riverside - Multiprps/Activity Ctr.	6,903,000
DOE - School for Deaf, Riverside - New Gym & Pool Cntr	24,963,000
DOJ - Santa Rosa Replacement Lab.	9,793,000
Joint Library:J. Paul Library & Sutro Library	12,421,000
Judicial Council - Fresno,5th Dist.,CourtHse	24,299,000
Judicial Council - Santa Ana,4th Dist., CourtHse	21,178,000
OES - Los Angeles Crime Lab ¹	92,000,000
Veteran's Affairs - GLAVC, Redding, Fresno Homes	162,000,000
Veteran's Affairs - Younteville, Remodel Member Svcs Bldg	9,341,000
JPA - San Diego State Office Building, Downtown	81,000,000
Total State Buildings	1,999,920,000

Corrections and Rehabilitation:

Men's Colony, SLO, Waste Wtr Treatment	25,627,000
California Correctional Institution: Wastewater Treatment	19,715,000
California Medical Facility: Mental Health Crisis Beds	29,795,000
San Quentin: Condemned Inmate Complex	220,000,000
Chuckawalla Valley SP: HVAC	38,000,000
Salinas Valley SP: Addl 64-bed ICF	27,518,000
Southern California YCRCC: Specialized Beds	3,465,000

Total Corrections and Rehabilitation	364,120,000
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Dept of Forestry and Fire Protection

32 Various Forestry Projects	270,015,000
Total Forestry	270,015,000

	Auth/Unissued 2/1/2007
University of California:	
UC Teaching Hospital Seismic Pgm	402,590,000
Irvine: Natural Sciences Unit 2 (McGaugh Hall)	18,028,000
Riverside: Genomics Bldg.	53,800,000
Total UC	474,418,000
California State University:	
S.F.:Joint Library:J. Paul Leonard & Sutro	104,132,000
Monterey Bay:Library	43,951,000
Total CSU	148,083,000
California Community Colleges:	
Rancho Santiago:Learning Rsrc Ctr ¹	9,776,000
Victor Valley:Advanced Technology Complex	19,572,000
San Luis Obispo:Library Addition Reconstr ¹	16,083,000
Mount San Jacinto:Learning Resource Center ¹	11,736,000
Palomar:High Tech. Lab-Classroom Bldg ¹	31,640,000
Total CCC	88,807,000
TOTAL LEASE REVENUE BONDS	3,345,363,000

¹These projects are in the process of being sold, with the sale closing on March 13, 2007.

APPENDIX 10

EXECUTIVE ORDER S-02-07

WHEREAS in the 1950s and 1960s, Californians made a phenomenal investment in the state's highways, water supply systems, schools and universities providing the infrastructure that is now the foundation of the eighth largest economy in the world; and

WHEREAS in 1950s the state's population was about 13 million, but is now approaching 38 million, and over the next two decades it will increase by another 23 percent; and

WHEREAS the infrastructure investments of a half century ago are showing their age and straining to support a vibrant economy and population much larger than they were designed to accommodate; and

WHEREAS a massive infusion of new infrastructure investment is necessary to ensure the state's high quality of life and California's position as a global economic powerhouse; and

WHEREAS on November 7, 2006 the people of California approved a \$42.7 billion bond package to partially fund the first phase of an historic twenty-year California Strategic Growth Plan that is intended to build a prosperous future for our children and grandchildren; and

WHEREAS I am proposing an additional \$43.3 billion of bond funding to complete the first phase of the Strategic Growth Plan; and

WHEREAS it is the obligation of state government to ensure that the foresight and commitment shown by the voters results in the high quality infrastructure future which they support; and

WHEREAS the essence of that obligation is for state government to be accountable to the people for how Strategic Growth Plan bond proceeds are spent; and

WHEREAS that accountability consists both of ensuring that bond expenditures contribute to long-lasting, meaningful improvements to critical infrastructure, and providing the public with readily accessible information about how the bonds they approved and are paying for are being spent.

NOW, THEREFORE, I ARNOLD SCHWARZENEGGER, Governor of the State of California, by the virtue of the power and authority vested in me by the Constitution and laws of the State of California, do hereby issue this Executive Order to become effective immediately:

1. All agencies, departments, boards, offices, commissions and other entities of state government (hereinafter referred to “departments”) that are responsible for expending the proceeds of already authorized and future state general obligation bonds and lease revenue bonds shall be accountable for ensuring that those bond proceeds are expended in a manner consistent with the provisions of either the applicable bond act and the State General Obligation Bond Law or laws pertaining to state lease revenue bonds and all other applicable state and federal laws. In addition, departments shall be accountable for ensuring that bond proceeds are spent efficiently, effectively and in the best interests of the people of the State of California.
2. Each department shall establish and document a three part accountability structure for the Strategic Growth Plan bond proceeds.

Front-End Accountability

Each department shall follow criteria or processes that will govern the expenditure of bond funds, and the outcomes that such expenditures are intended to achieve. Such criteria and outcomes must be defined in, or derived from, one or more of the following:

- Requirements of state or federal law.
- Regulations defining the basis upon which bond proceeds are to be allocated for a program administered by the department.
- A strategic plan for implementing the mission of the department or the pertinent program funded by bond proceeds. Such a strategic plan shall have been duly

adopted by the executive officer or governing body of the department and be available to the public.

- A capital outlay program that identifies departmental infrastructure needs and delineates projects or strategies for addressing those needs. Such a program shall have been duly adopted by the executive officer or governing body of the department and be available to the public.
- Performance standards or outcome measures duly adopted by the executive officer or governing body of the department and available to the public.

All projects, grants, loans or other expenditures of bond proceeds must be made consistent with these criteria and processes. In addition, each department shall prepare a list of all projects, grants, loans or other activities funded from bond proceeds that will be made available to the public.

In-Progress Accountability

Each department shall document what ongoing actions it will take to ensure that the infrastructure projects or other permissible activities funded from bond proceeds are staying within the scope and cost that were identified when the decision was made to fund the project or activity. Each department shall make semi-annual reports to the Department of Finance (Finance) of these actions to ensure that the projects and activities funded from bond proceeds are being executed in a timely fashion and achieving their intended purposes.

Follow-Up Accountability

Department expenditures of bond proceeds shall be subject to audit to determine whether the expenditures made from bond proceeds:

- Were made according to the established front-end criteria and processes.
- Were consistent with all legal requirements.
- Achieved the intended outcomes.

Departments shall contract with Finance for the performance of these audits unless alternative audit arrangements are made with the concurrence of Finance.

3. By March 1, 2007, each department shall submit its three part accountability structure as delineated in paragraph 2 above to Finance for review. Finance shall determine the reasonableness of the structure and ensure its consistency with this Executive Order. No department shall expend bond proceeds until Finance has determined that the department's plan is adequate. However, Finance may authorize a department to expend funds for up to four months prior to approval of its accountability structure in extraordinary cases for an established program for which bond proceeds are continuously appropriated by the terms of a bond measure, or when the necessity of a department's governing board meeting schedule will make the March 1 date an unattainable deadline.

4. Finance shall establish a web site to provide the public with readily accessible information on how proceeds of State general obligation bonds and lease revenue bonds are being utilized. The web site shall include:

- The three part accountability structure for each department.
- A listing of the projects, programs or other authorized activities being funded under the provisions of each general obligation bond act and a description of each project funded through State lease revenue bonds, and the amounts expended for each.
- The ongoing in-progress actions being taken to ensure that bond-funded projects and activities are remaining within scope and cost.
- The results of the completed projects, programs or other authorized activities funded from State general obligation and lease revenue bond proceeds.

Each department shall provide Finance the information necessary to support this web site in the form and time frame determined by Finance.

IT IS FURTHER ORDERED that State agencies and departments shall cooperate in the implementation of this Order. Other entities of State government not under my direct executive authority, including the California Public Utilities Commission, the University of California, the California State University, California Community Colleges, constitutional officers, and legislative and judicial branches are requested to assist in its implementation.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 24th day of January 2007.

