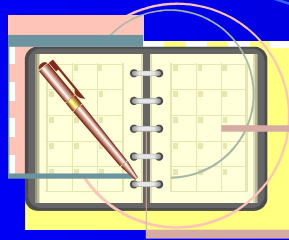


Capital Improvements and Project Development



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Objectives

- **Terminology**—Because there are many different types of projects and funding types, it's important to understand the differences.
- **Authority**—Certain projects require special authority. The consequences of starting projects without the proper authority can be severe, including project termination.
- **Project Delivery Options**
- **How Partners Can Help Develop State Park Infrastructure**
- **Roles and Responsibilities**—As with any effective partnership, it's critical to understand each partner's role and responsibilities
- **Process/Expectations**—We can't get into all of the details today, but we want you to leave with a general understanding of the process and give you a better idea of what to expect.
- **Q&A**—You are welcome to ask questions as we go, but we will conclude with some time for questions.

Terminology

- Public Works is generally defined as the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement, and includes the following sub-categories:
 - Capital Outlay
 - Some Deferred Maintenance
 - Some Special Repairs/Code Updates (including ADA)

The lines between these categories are often blurred, making it difficult to tell the difference, and sometimes requires consultation with the Department of Finance.

Capital Outlay

- Capital Outlay is broadly defined as:
 - The acquisition or development of state-owned real property

General Guidelines:

- Any project that significantly changes the function or capacity of a state asset
- Real property includes land and anything permanently attached, such as a building (anything moveable or not attached is personal property)

Function: How something is used

Capacity: How much something holds/conveys



Deferred Maintenance

- Maintenance activities that have not been completed to keep state-owned facilities in an acceptable and operable condition, and that are intended to maintain or extend their useful life, such as:
 - Repainting
 - Reroofing
 - Trail rehabilitation
 - Repaving and restriping
 - Fuel management
 - Habitat Restoration
- Does not include regular maintenance

Other Public Works Projects

- Projects that meet the definition of Public Works, but do not qualify as Capital Outlay or Deferred Maintenance, including:
 - Replace water or wastewater facilities (no significant expansion)
 - ADA access improvements
 - Renovations
 - Repairs

Authority

- State Parks is not authorized to make Capital Outlay expenditures without specific legislative approval (e.g. Budget Act appropriation)
- State Parks is allowed to make non-Capital Outlay improvements using authorized operating funds
- Partners may be able to make or assist in making improvements on State Parks' property via one of the following agreements:
 - Concession Agreement (non-governmental partners only)
 - Operating Agreement (all or a portion of a park)
 - Joint Powers Agreement (governmental partners only)
 - Donation or Funding Agreement

Project Delivery Options

- Partners can participate in all of the following project delivery options:
 - State-managed
 - Funded through state and/or non-state funds
 - Partners may contribute funding and/or other resources
 - Non-state managed
 - Funded entirely through non-state funds and not directly managed by the state

Process/Timeline

(state-managed projects)

- **Budget Cycle/Authority**—From start to finish, this process takes at least 1.5 years
 - Project Selection (Fall/Winter)* Parks evaluates potential projects and funding availability, and selects highest-priority projects
 - Develop/Submit Budget Requests/5-Year Plan to DOF (Spring/Summer)*
 - Budget Decisions Finalized (Fall/Winter)* Agency/DOF/Governor's Office
 - Release Governor's Budget/Statewide 5-Year Plan (January 10)
 - Legislative Hearings/Spring Adjustments* (Spring)
 - Budget Enactment (June)
 - Begin Fiscal Year (July 1)
- Once authorized, projects can take from 1 to 5 years or more to complete, depending on size and complexity—major capital outlay projects are generally funded in phases over multiple years.
- *Reminder: State officials are prohibited from discussing budget proposals under consideration until officially released by the Administration.
- If you feel like you may not be getting all the answers on projects that are pending budget approval, this is the probably the reason why.

Process/Timeline

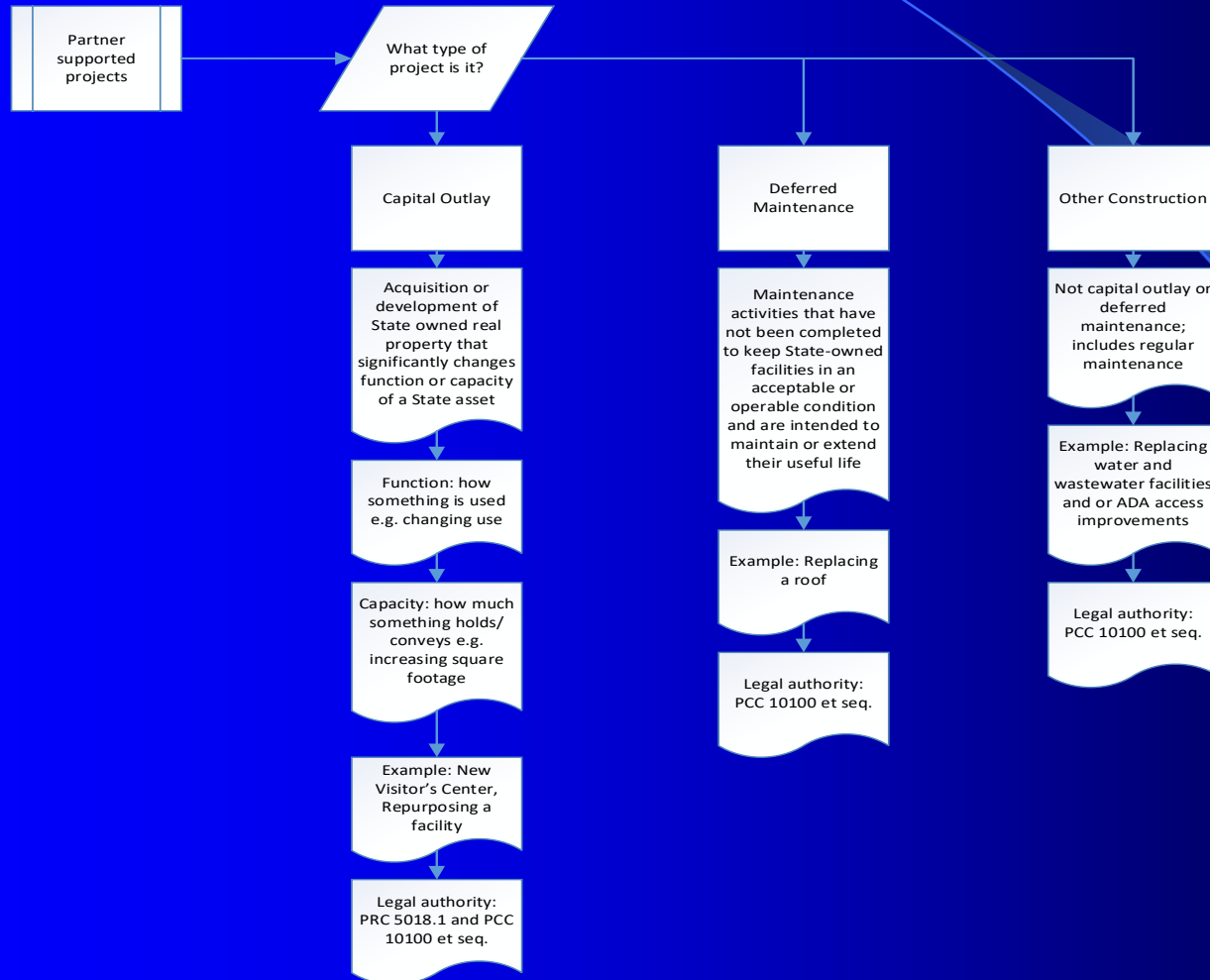
(state-managed projects)

- Project may start once authority is secured and other necessary agreements are in place
- Preliminary Plans/CEQA—average of about 1 year
- State Public Works Board*--usually takes a couple of months
- Working Drawings—average about 1 year
- Permits/State Fire Marshal/ADA—Fire Marshal is about 90 days, permits ??
- Proceed to Bid (Department of Finance (DOF) approval*)
- Award Contract (DOF approval*) The bidding/awarding process can take several months or more, and slightly longer if DOF approval is required
- Construction
- Project Completion and Closeout

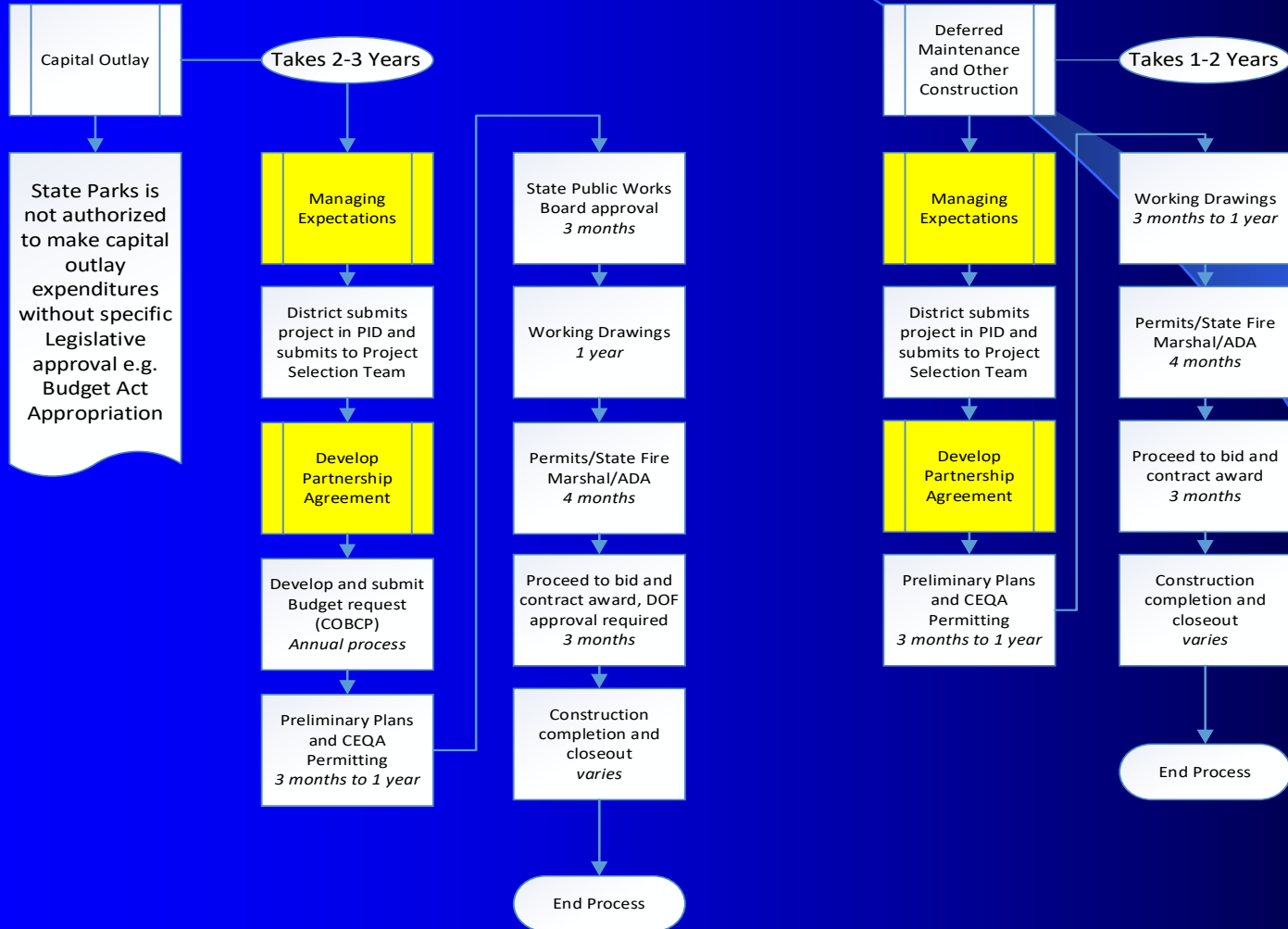
*Capital Outlay projects only

Types of Projects

Partner Supported Projects

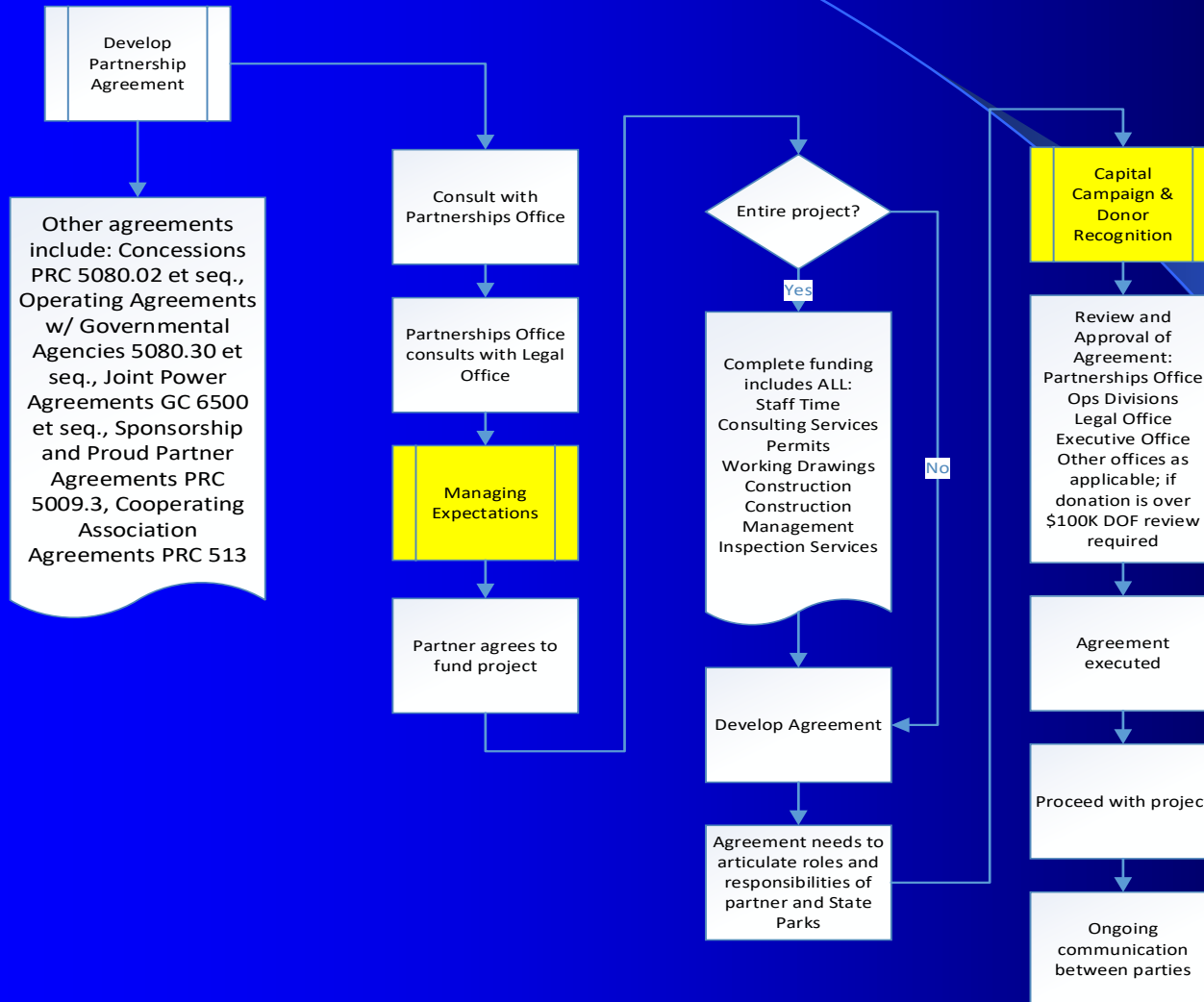


Capital Outlay, Deferred Maintenance and Other Construction



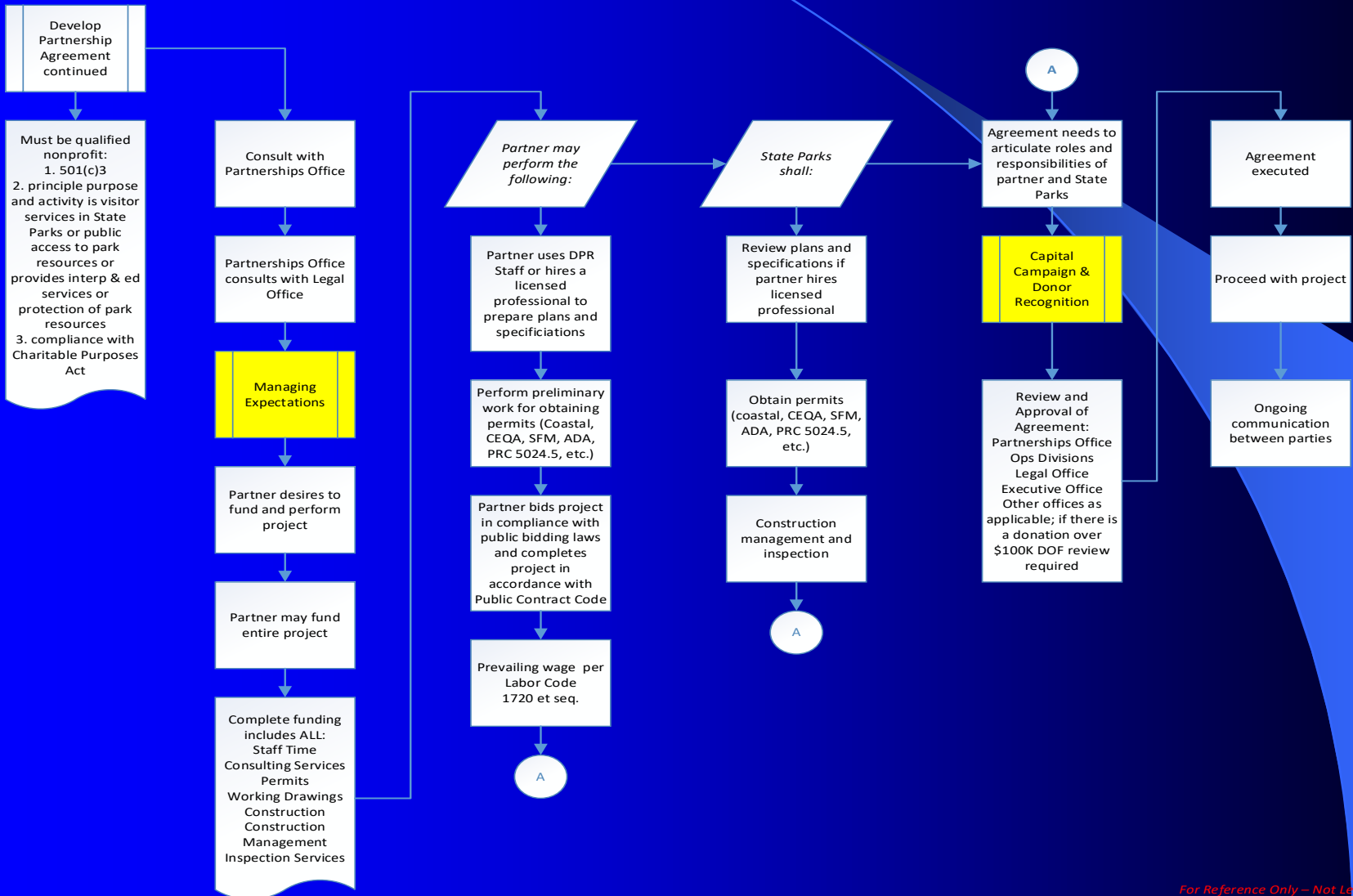
Develop Partnership Agreement

(Donor Agreements PRC 5005, 5009.1-5009.2)



Develop Partnership Agreement

(Operating/Co-management Agreements PRC 5080.42)



Facility Improvement Accounts

- Concession contracts may require a Facility Improvement Account
 - Percentage of Gross Receipts
 - Used for Facility Improvements
 - Not maintenance
 - Concession contracts may also require a Maintenance Improvement Account
 - Non-state managed improvement requirements apply

Questions?

- Future questions and inquiries should be directed to the Partnerships Division