

**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 02/15)

Fiscal Year 2016/17	Business Unit 2720	Department California Highway Patrol	Priority No. 4
Budget Request Name 2720-004-BCP-BR-2016-GB		Program VARIOUS	Subprogram

**Budget Request Description**  
 Relocation of Fresno Area Office

**Budget Request Summary**

The California Highway Patrol (CHP) requests \$2.788 million from the Motor Vehicle Account for the relocation of the Fresno Area office to a new, build-to-suit facility. Approval to proceed with the relocation was included in the Budget Act of 2010 (Chapter 712 of the Statutes of 2010). This proposal is consistent with the CHP's Five-Year Infrastructure Plan and the CHP's mission to provide the highest level of safety, service, and security to the people of California.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed
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Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
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For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR       SPR      Project No.      Date:

If proposal affects another department, does other department concur with proposal?  Yes       No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By <i>[Signature]</i>	Date 10-30-15	Reviewed By <i>[Signature]</i>	Date 10/30/15
Department Director <i>[Signature]</i>	Date 11/5/15	Agency Secretary <i>[Signature]</i>	Date 12/31/15

**Department of Finance Use Only**

Additional Review:  Capital Outlay     ITCU     FSCU     OSAE     CALSTARS     Dept. of Technology

BCP Type:       Policy       Workload Budget per Government Code 13308.05

PPBA <i>[Signature]</i>	Date submitted to the Legislature 1/7/16
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## A. Budget Request Summary

The California Highway Patrol (CHP) requests \$2.788 million from the Motor Vehicle Account for the relocation of the Fresno Area office to a new, build-to-suit facility. Approval to proceed with the relocation was included in the Budget Act for fiscal year 2010/11 (Chapter 712 of the Statutes of 2010, item 2720-401).

## B. Background/History

The Fresno Area office opened in 1963 in an 11,100 square-foot facility and is considered to be a large command with a dispatch center. This office is assigned 113 uniformed, 32 dispatch, and 13 nonuniformed staff. The Fresno Area office has been identified as having serious seismic structural issues. The facility has not been inspected by a structural engineer; however, it is assumed to be a level six seismic-rated facility due to the decade it was built. Seismic rating is determined by the expected seismic performance based on the level of current structural compliance. The current earthquake performance levels for existing buildings are rated from one (negligible) to seven (dangerous). A seismic rating level of six is expected to cause serious implied risk to life and a 20 to 50 percent implied seismic damageability.

The Fresno Area office lease with purchase option project has been awarded and construction is to begin in October 2015. Current estimates are that CHP will occupy the new facility January 2017.

## C. State Level Considerations

This proposal is consistent with the CHP's Five-Year Infrastructure Plan and the CHP's mission to provide the highest level of safety, service, and security to the people of California.

## D. Justification

Funding is needed to meet the lease costs associated with this facility. In addition, there are also one-time costs associated with moving to a new facility. One-time moving costs will include: installation of telephone and data services, to include Voice Over Internet Protocol telephone equipment that is the current California Department of Technology standard; modular and conventional furniture as needed; and incidental office supplies. Wherever possible, existing furniture will either be repurposed for the new facility or recycled for use elsewhere within the CHP.

Attachment 1 provides a breakdown of costs associated with this project, including the on-going funding needed for future rent payments. Attachment 2 is an excerpt from the Budget Act of 2010, item 2720-401, showing Legislative approval for this project.

## E. Outcomes and Accountability

The current project schedule anticipates occupancy for the Fresno facility to occur around January 2017.

## F. Analysis of All Feasible Alternatives

1. Authorize funding for the relocation of the Fresno Area office.

Pro: This option would authorize adequate funding to relocate this office.

Con: This option would obligate funds from the Motor Vehicle Account.

2. Remain in the existing facility (i.e., default on the new lease agreement).

Pro: This option would not obligate additional funds from the Motor Vehicle Account.

Con: This option would expose the CHP to litigation and a likely judgment to compensate the builder and other interested parties for their losses.

3. Authorize no additional funding to facilitate the relocation of the office.

Pro: This option would not obligate funds from the Motor Vehicle Account.

Con: This option would require the CHP to produce annual savings in excess of \$3.5 million to relocate the facility. With limited options available, the most viable option for generating such savings would be to leave uniformed positions vacant.

#### G. Implementation Plan

This augmentation would be available July 1, 2016, or upon enactment of the budget.

#### H. Supplemental Information

The following costs are based on the executed lease for the Fresno Area office and one-time costs associated with relocating to the new office. Details may be found in Attachment 1.

Expenditure Projection for fiscal year 2016/17 (one-time):

Fresno Rent Costs (6 months)	\$ 1,741,800
One-time Moving Costs	<u>1,046,000</u>
Total Expenditures, First Year	\$ 2,787,800

Expenditure Projection for fiscal year 2017/18 (on-going):

Fresno Rent Costs (12 months)	\$ 3,520,992
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#### I. Recommendation

The CHP recommends Alternative 1, authorize funding for the relocation of the Fresno Area office.

# BCP Fiscal Detail Sheet

BCP Title: Relocation of Fresno Office

DP Name: 2720-004-BCP-DP-2016-GB

## Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5301 - General Expense	0	878	0	0	0	0
5304 - Communications	0	168	0	0	0	0
5324 - Facilities Operation	0	1,742	3,521	3,521	3,521	3,521
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$2,788</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$2,788</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>

## Fund Summary

Fund Source - State Operations

0044 - Motor Vehicle Account, State Transportation Fund	0	2,788	3,521	3,521	3,521	3,521
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$2,788</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$2,788</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>

## Program Summary

Program Funding

2050010 - Ground Operations	0	2,554	3,226	3,226	3,226	3,226
2050019 - Flight Operations	0	72	91	91	91	91
2055010 - School Pupil Transportation Safety	0	22	26	26	26	26
2055019 - Regulated Special Purpose Vehicles	0	5	6	6	6	6
2055028 - Transportation of Hazardous Materials	0	18	22	22	22	22
2055055 - Motor Carrier Safety Operations	0	48	61	61	61	61
2060010 - Vehicle Theft Control	0	62	79	79	79	79
2060019 - Vehicle Identification Numbering Program	0	7	10	10	10	10
<b>Total All Programs</b>	<b>\$0</b>	<b>\$2,788</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>	<b>\$3,521</b>

**Fresno Area office:** In Fiscal Year (FY) 2016/17, establish a replacement facility to address infrastructure deficiencies in the Fresno Area office. This project was initially submitted and approved in FY 2010/11. The new facility will be ready for occupy during FY 2016/17.

				FY 2016/17	FY 2017/18
<i>On-Going Expenditures</i>	Sq. Ft.	Cost / Sq. Ft.	Monthly	(6 Month)	
Rent	39,360	13.56	290,300	1,741,800	3,520,992
Total On-Going Funds Required				1,741,800	3,520,992
<i>One-Time Expenses</i>					
Moving Expenses				166,000	-
Telephone/Data				168,000	-
Supplies				19,000	-
Modular Systems Furniture				259,000	-
Conventional/Misc. Furniture				434,000	-
Total One-Time Expenses				1,046,000	-
Total Request				2,787,800	3,520,992

Ch. 712

Item

Amount

Schedule:

- (1) 50.04.004-California Highway Patrol Enhanced Radio System: Replace Towers and Vault—Construction..... 26,174,000
- (2) 50.04.005-California Highway Patrol Enhanced Radio System: Replace Towers and Vault, Phase 2—Preliminary plans and working drawings..... 2,977,000
- (3) 50.40.400-Oakhurst: Replacement Facility—Construction..... 10,171,000
- (4) 50.57.507-Santa Fe Springs: Replacement Facility—Working drawings..... 1,326,000
- (5) 50.63.603-Oceanside: Replacement Facility—Working drawings..... 1,544,000

Provisions:

- 1. Notwithstanding any other provision of law, funds appropriated in Schedule (1) shall be available for expenditure until June 30, 2014, and funds appropriated in Schedule (2) for working drawings shall be available for expenditure until June 30, 2012. In addition, the balance of funds appropriated in Schedule (1) that has not been allocated, through fund transfer or approval to proceed to bid, by the Department of Finance on or before June 30, 2012, shall revert as of that date.

2720-401—The Department of General Services, with the consent of the Department of the California Highway Patrol, may enter into or amend a lease, lease-purchase agreement, or lease with a purchase option for build-to-suit facilities to replace the Grass Valley Area Command Office, Mojave Area Command Office, and the Fresno Area Command Office, subject to Department of Finance approval of the terms and conditions of the agreement. Thirty days prior to entering into any agreement, the Department of General Services shall notify the chairpersons of the committees in each house of the Legislature that consider appropriations and the Joint Legislative Budget Committee of the terms and conditions of the agreement.