

STATE OF CALIFORNIA
CAPITAL OUTLAY
BUDGET CHANGE PROPOSAL (COBCP)
COVER PAGE (REV 06/15)

DEPARTMENT OF FINANCE
915 L Street
Sacramento, CA 95814
IMS Mail Code: A15

BUDGET YEAR 2016-17

BUSINESS UNIT: 8940 COBCP NO. 4 PRIORITY: 4 PROJECT ID: 0000918
(7 digits; for new projects, leave blank)

DEPARTMENT: California Military Department

PROJECT TITLE: Sustainable Armory Renovation Program: Escondido

TOTAL REQUEST (DOLLARS IN THOUSANDS): \$4,128 MAJOR/MINOR: MA

PHASE(S) TO BE FUNDED: PC/DB PROJ CAT: CID CCCI/EPI: 6055

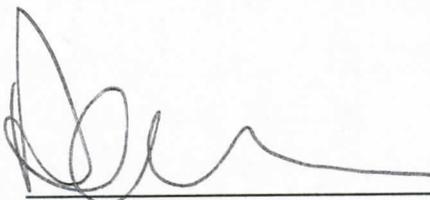
SUMMARY OF PROPOSAL:

The California Military Department (CMD) seeks \$4,128,000 (\$2,064,000 General Fund and \$2,064,000 matching federal funds) for the performance criteria and design-build phases of the Sustainable Armory Renovation Program: Escondido project. Total project costs are estimated to be \$4,128,000 (\$326,000 for performance criteria and \$3,802,000 for the design-build phase).

HAS A BUDGET PACKAGE BEEN COMPLETED FOR THIS PROJECT? (E/U/N/?): N
REQUIRES LEGISLATION (Y/N): N IF YES, LIST CODE SECTIONS: _____
REQUIRES PROVISIONAL LANGUAGE (Y/N): N
IMPACT ON SUPPORT BUDGET: ONE-TIME COSTS (Y/N): N FUTURE COSTS (Y/N): N
FUTURE SAVINGS (Y/N): Y REVENUE (Y/N): N
DOES THE PROPOSAL AFFECT ANOTHER DEPARTMENT (Y/N): N IF YES, ATTACH
COMMENTS OF AFFECTED DEPARTMENT SIGNED BY ITS DIRECTOR OR DESIGNEE.

SIGNATURE APPROVALS:


PREPARED BY _____ DATE August 3, 2015
MAJ Edward Landrith


REVIEWED BY _____ DATE August 3, 2015
COL Darrin Bender


DEPARTMENT DIRECTOR _____ DATE August 3, 2015
COL Robert Spano

AGENCY SECRETARY _____ DATE August 3, 2015

DOF ANALYST USE

DOF ISSUE # _____ PROGRAM CAT: _____ PROJECT CAT: _____ BUDG PACK STATUS: _____
ADDED REVIEW: SUPPORT: _____ OCIO: _____ FSCU/ITCU: _____ OSAE: _____ CALSTARS: _____

PPBA: Original Signed By: Sally Lukenbill DATE SUBMITTED TO LEGISLATURE: 1-7-2016

BUDGET YEAR 2016-17

BUSINESS UNIT: 8940 COBCP NO. 4 PRIORITY: 4 PROJECT ID: 0000918
(7 digits; for new projects, leave blank)

A. PURPOSE OF THE PROJECT:

An ever increasing number of California's National Guard (CNG) armories are no longer suitable to support the stationing of CNG soldiers and must be modernized.

This proposal requests funding to renovate the 11,817 square feet (sf) Escondido Armory, built in 1961 on 5.18 acres. The size of the facility is inadequate to support the units currently assigned to this location. The armory requires extensive renovations to support the training of 2 unit with 133 Soldiers. Renovations would allow the armory to accommodate the existing units as well as approximately 25 additional soldiers, alleviating overcrowding in the nearby Azusa and San Diego armories, by changing the interior design of the building. Over 1450 sf of space (originally designed as an indoor rifle range) will be repurposed and used for administrative, storage, and classroom space.

The selection criteria used by CMD to select Armories to renovate includes armories that are located in an area of the state where a large number of members of CNG live and work. CMD also takes into account whether the facility condition, quality, and capabilities fully support the mission readiness of the units assigned. Facility size and overcrowding are also significant factors considered in this analysis. Critical response elements of CMD's Defense Support of Civilian Authorities enterprise are also considered.

This renovation project will use a modified (bridging) design-build delivery model to replace HVAC, electrical and energy systems, plumbing and bathrooms, kitchen, roofing, energy efficient windows, code compliant doors, sensitive item storage vaults, security fencing, required Anti-Terrorism Force Protection improvements, and paving/site work. This renovation will, given adequate maintenance and repair of the facility over time, have a design life of 30 years.

The primary mission of CNG is to respond to state emergencies and use military training and equipment to save lives and protect property. CNG armories are located in over 100 communities throughout the state. Armories are the backbone of CNG emergency response operations. During an emergency, armories are used as troop and equipment staging areas, emergency operations centers, and emergency evacuation centers.

CMD maintains over 100 CNG armories, 30 maintenance shops, 4 logistical support facilities and 4 aviation facilities that support over 16,000 soldiers. Over 70% of these facilities were built in the 1940's and 50's.

It is far more cost effective to renovate an armory rather than replace it with new construction because new armories must meet modern construction and security requirements. Stringent federal anti-terrorism standards put in place after 9/11 require new buildings that support military units and receive federal funding to have upgraded walls, windows, and redundant power, among other requirements. Modern state and federal building codes require many millions of dollars in additional construction costs, driving up the average cost to build a new armory in California to over \$17

million. Therefore, the state saves approximately \$15 million each time an armory is renovated instead of being demolished and built new from the ground-up.

B. RELATIONSHIP TO THE STRATEGIC PLAN:

CNG armories are critical infrastructure to the state because they directly support CNG operations during state emergencies.

C. ALTERNATIVES

Alternative 1: Approve the request for \$4,128,000 to renovate the Escondido Armory.

California cannot afford to postpone the decision to address its deteriorating CNG armories. Approval of this COBCP will protect and preserve critical community based California infrastructure needed to provide for public safety, and maintain current levels of CNG personnel and equipment.

Alternative 2: Provide an augmentation of CMD's support budget to address needed repairs of the Escondido Armory.

This alternative would allow the state to provide funding for special repairs as needed but would not address the comprehensive problems that a full renovation of the Escondido Armory would solve (i.e. lack of female showers, non-operational kitchen, lack of storage space, lack of vault space).

Alternative 3: Deny the request.

If the COBCP is denied, the state will fall further behind in repairing and maintaining CNG facilities and will continue the status quo, which will result in the closure of additional armories that become unusable and the associated loss of federal funding for maintenance, equipment and payroll. CMD will face significant challenges protecting the state's capital investments. Systemic building failures will dramatically increase maintenance needs and costs. Future-years' capital outlay requirements will increase significantly.

D. RECOMMENDED SOLUTION:

1. Which alternative and why?

CMD recommends Alternative 1, Approve COBCP as proposed to renovate the Escondido Armory.

2. Detail scope description.

This project will renovate the Escondido Armory, which was built in 1961, and is 11,817 sf located on 5.18 acres. While the site could accommodate a small expansion of up to 3,000 sf, CMD believes that it is in the best interest of the state to renovate and repurpose the underused space within the existing armory footprint.

Renovations would allow the armory to accommodate the existing units as well as approximately 25 additional soldiers, alleviating overcrowding in the nearby Azusa and San Diego Armories, by changing the interior design of the building. Over 1450 sf of space (originally designed as an indoor rifle range) will be repurposed and used for administrative, storage, and classroom space.

Renovations include: replacement/upgrades to electrical and energy systems, HVAC, plumbing, bathroom, kitchen, roofing, windows/doors, storage vaults, security fencing, Anti-Terrorism Force Protection improvements, and paving work. In addition, renovations will allow for separate shower and bathroom facilities for men and women. See table below for project cost breakdown:

Project Cost Breakdown

	<u>FY</u>	<u>Total</u>	<u>State</u>	<u>Federal</u>
Performance Criteria	16-17	<u>\$326</u>	<u>\$163</u>	<u>\$163</u>
Performance Criteria Subtotal		<u>\$326</u>	<u>\$163</u>	<u>\$163</u>
Design-Build	16-17	\$3,752	\$1,876	\$1,876
Equipment	16-17	<u>\$50</u>	<u>\$25</u>	<u>\$25</u>
Design-Build Subtotal		<u>\$3,802</u>	<u>\$1,901</u>	<u>\$1,901</u>
Total Project Costs:	16-17	<u>\$4,128</u>	<u>\$2,064</u>	<u>\$2,064</u>

3. Basis for cost information.

Costing is based on Unit Cost Tables for Department of Defense Facilities using Area Cost Factors, Size Adjustment Factors and Office of the Secretary of Defense Inflation Rates, Change 1 June 2011 (*UFC 3-701-01*).

4. Factors/benefits for recommended solution other than the least expensive alternative.

CNG armories are critical infrastructure to the state because they directly support CNG operations during state emergencies. The Escondido armory must be modernized to accommodate soldiers who are stationed and train there. Postponing the decision to address this problem will only increase the cost to the state and may result in the loss of future federal funding.

It is far more cost effective to renovate an armory rather than replace it with new construction because new armories must meet modern construction and security requirements. Stringent federal anti-terrorism standards require new buildings that support military units and receive federal funding to have upgraded walls, windows, and redundant power, among other requirements. Modern state and federal building codes require many millions of dollars in additional construction costs, driving up the average cost to build a new armory in California to over \$17 million. Therefore, the state saves approximately \$15 million each time an armory is renovated instead of being demolished and built from the ground-up.

Conditions at many armories throughout the state threaten CMD's ability to meet mission readiness requirements. Many have failing mechanical and electrical systems. CNG's full-time personnel and unit members have suffered with substandard working conditions for years, resulting in a negative impact on readiness, recruiting, and retention. There are health and safety issues in working armories that could result in serious injury or death.

5. Complete description of impact on support budget.

There should be a decrease in the state's share of deferred maintenance as the renovated armory will require less maintenance when outdated systems are replaced. There will also be a decrease in utility costs, as the renovated facility will be designed to be energy-efficient and will

be replacing the existing inefficient systems.

6. Identify and explain any project risks.

N/A, CMD does not foresee any significant risks with this project.

7. List requested interdepartmental coordination and/or special project approval (including mandatory reviews and approvals, e.g. technology proposals).

N/A

E. CONSISTENCY WITH GOVERNMENT CODE SECTION 65041.1:

1. Does the recommended solution (project) promote infill development by rehabilitating existing infrastructure and how?

Yes, the renovation of an existing armory not only saves the state millions in new construction costs, but additionally improves the communities in which they reside. Revitalizing and renovating aging and dilapidated armories makes the best use of existing city infrastructure and brings value to the communities that they serve.

2. Does the project improve the protection of environmental and agricultural resources by protecting and preserving the state's most valuable natural resources? Explain.

Yes, by renovating the existing site no additional land will be disturbed by this project. Further, the renovation will address long term energy and water efficiency at the facility.

3. Does the project encourage efficient development patterns by ensuring that infrastructure associated with development, other than infill, support efficient use of land and is appropriately planned for growth? Explain.

Yes, the project will utilize an existing, already developed site.

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Budget Year 2016-17

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Proj ID: 0000918

FISCAL DETAIL WORKSHEET

Department Title: CALIFORNIA MILITARY DEPARTMENT

BU/Entity: 8940

Project Title: SUSTAINABLE ARMORY RENOVATION PROGRAM: ESCONDIDO

Program ID: 6950

Program Category: CRITICAL INFRASTRUCTURE DEFICIENCIES (CID)

COBCP #: 4

Program Subcategory:

Priority: 4

MA/MI: MA

Identify all items which fit into the categories listed below. Attach a detailed list if funding is included in this request. Provide descriptions and summary estimates for items for which you plan to request funding in the future. When possible, identify funding needs by fiscal year (BY+1 through BY+4).

PROJECT RELATED COSTS		COST	TOTAL
AGENCY RETAINED:			
None			
TOTAL AGENCY RETAINED			0
GROUP 2 EQUIPMENT			
Furniture		50	
TOTAL GROUP2 EQUIPMENT			50
IMPACT ON SUPPORT BUDGET		COST	TOTAL
ONE-TIME COSTS			
None			
TOTAL SUPPORT ONE-TIME COSTS			0
ANNUAL ONGOING FUTURE COSTS			
None			
TOTAL SUPPORT ANNUAL COSTS			0
ANNUAL ONGOING FUTURE SAVINGS			
None			
TOTAL SUPPORT ANNUAL SAVINGS			0
ANNUAL ONGOING FUTURE REVENUE			
None			
TOTAL SUPPORT ANNUAL REVENUE			0

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SCOPE/ASSUMPTIONS WORKSHEET

Department Title:	CALIFORNIA MILITARY DEPARTMENT	BU/Entity:	8940
Project Title:	SUSTAINABLE ARMORY RENOVATION PROGRAM: ESCONDIDO	Program ID:	6950
Program Category:	CRITICAL INFRASTRUCTURE DEFICIENCIES (CID)	COBCP #:	4
Program Subcategory:		Priority:	4
		MA/MI:	MA

Project Specific Proposals: For new projects provide proposed Scope language. For continuing projects provide the latest approved Scope language. Enter Scope language in cell A110.

Conceptual Proposals: Provide a brief discussion of proposal defining assumptions supporting the level of funding proposed by fiscal year in relation to outstanding need identified for that fiscal year. (Also include scope descriptions for BY+1 through BY+4 in cell A110).

Request is for the renovation of the 11,817 square foot Escondido Armory. Renovations will include HVAC, electrical and energy systems, plumbing and bathrooms, kitchen, roofing, energy efficient windows, code compliant doors, sensitive item storage vaults, security fencing, required Anti-Terrorism Force Protection improvements, and paving/site work.