

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

ORG CODE: 8940 COBCP NO. 1 PRIORITY: 1 PROJECT ID: 0000000000000759
(Business Unit/Entity) (15 digits; for new projects, leave blank)

DEPARTMENT: California Military Department (CMD)

PROJECT TITLE: Sustainable Armory Renovation Program: San Bernardino

TOTAL REQUEST (DOLLARS IN THOUSANDS): \$4,802 MAJOR/MINOR: MA

PHASE(S) TO BE FUNDED: C PROJ CAT: CID CCCI/EPI: 5959

SUMMARY OF PROPOSAL: The California Military Department (CMD) seeks \$4.8 million (\$2.4 million General Fund and \$2.4 million federal matching funds) for the construction phase of the San Bernardino Armory Renovation project. The existing authority for preliminary plans, working drawings, and construction reverted in March 2016, pursuant to the provisions of section 13332.11 of the Government Code. Design for this project is virtually complete and a new appropriation for the construction phase will allow the project to proceed to construction during 2016-17.

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

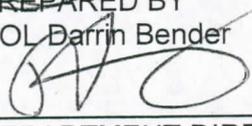
IMPACT ON SUPPORT BUDGET: ONE-TIME COSTS (Y/N): N FUTURE COSTS (Y/N): N

FUTURE SAVINGS (Y/N): Y REVENUE (Y/N): N

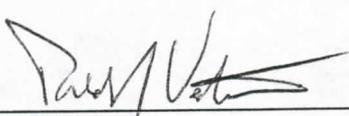
DOES THE PROPOSAL AFFECT ANOTHER DEPARTMENT (Y/N): N IF YES, ATTACH COMMENTS OF AFFECTED DEPARTMENT SIGNED BY ITS DIRECTOR OR DESIGNEE.

SIGNATURE APPROVALS:



PREPARED BY COL Darrin Bender DATE 3/24/16


DEPARTMENT DIRECTOR DATE
MG David S. Baldwin



REVIEWED BY COL Steven J. Buethe DATE 24 Feb 16

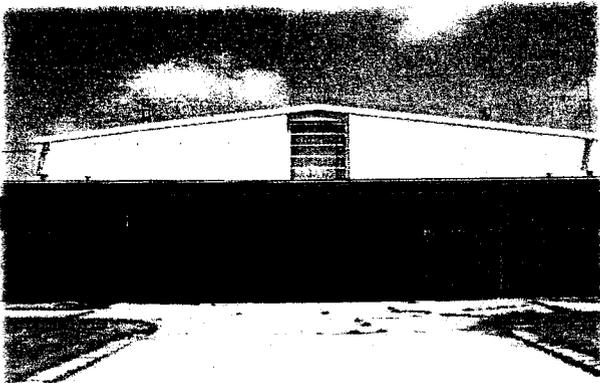
AGENCY SECRETARY DATE

DOF ANALYST USE
DOF ISSUE # _____ PROGRAM CAT: _____ PROJECT CAT: _____ BUDG PACK STATUS: _____
ADDED REVIEW: SUPPORT: _____ OCIO: _____ FSCU/ITCU: _____ OSAE: _____ CALSTARS: _____
Original Signed By: _____ Date: 4/1/16
PPBA: Sally Lukenbill

BUDGET YEAR 2015-16

ORG CODE: 8940 COBCP NO. 1 PRIORITY: 1 PROJECT ID: 000000000000759

- A. PURPOSE OF THE PROJECT: The San Bernardino Armory was built in 1969 and is 26,274 square feet on 4.27 acres. This site was acquired by the CMD from the Army Reserves and has been vacant for the past five years. The armory requires extensive renovations due to damage by vandals who removed the plumbing, electrical and HVAC components from the building.



National City Armory (Before)



National City Armory (After)

This project was approved for funding in 2015-16; however the funding authority for preliminary plans, working drawings, and construction reverted in March 2016, pursuant to the provisions of section 13332.11 of the Government Code. Design for this project is virtually complete and a new appropriation for the construction phase will allow the project to proceed to construction during 2016-17.

The original scope of the project submitted in 2015-16 contemplated a two-phase project. The first phase would have involved the renovation of the most critical life and safety issues; including HVAC, electrical energy upgrades, rewiring, plumbing upgrade or replacement, lead and asbestos abatement, energy efficient window installation, reroof, painting, required regulatory upgrades to the latrines, and vault upgrades. Phase two envisioned the conversion of the kitchen to a training room, landscaping, the conversion of a Field Maintenance Shop into an equipment storage facility, and furnishings.

It is more efficient and cost effective to complete the San Bernardino armory renovation project in one phase. Therefore this proposal requests an expanded scope of work that combines both of the previous phases. Specifically, the project will include:

- Selective demolition
- Lead and asbestos abatement

- Site work including utility upgrades and paving
- Building structural improvements
- Comprehensive HVAC upgrade
- Electrical upgrades including LED and energy-efficient lighting
- Complete facility rewiring
- Plumbing upgrades and/or replacement
- Energy efficient window installation
- Reroof
- Interior and exterior painting
- Required regulatory and code compliance upgrades to the Latrines
- Vault upgrades
- Convert kitchen area into training space
- Install drought tolerant landscaping
- Convert Field Maintenance Shop building to organizational equipment storage
- Provide individual equipment lockers for assigned personnel
- Comprehensive furnishings replacement for the armory and storage facility

The primary mission of the California National Guard (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 National Guard emergency response operations. During an emergency, armories are used as troop and equipment staging areas, emergency operations centers, and emergency evacuation centers.

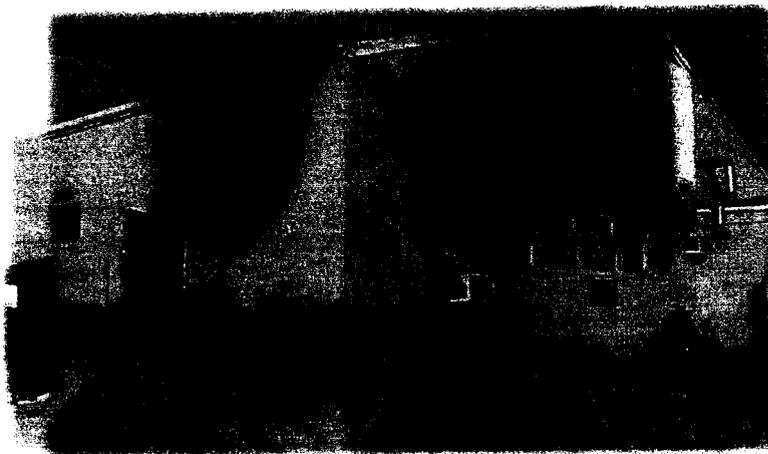
The CMD maintains 109 Army National Guard armories, 30 maintenance shops, 4 logistical support facilities, and 4 aviation facilities that support over 16,000 CAARNG Soldiers. Over 70% of these facilities were built in the 1940's and 50's.

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 \$14.5 million each time an armory is renovated instead of being demolished and built from the ground-up.

The Department of Defense provides nearly a billion dollars in personnel, equipment, and training funds to California each year to ensure the National Guard is trained and equipped to deploy at home or abroad. The Governor, as Commander-in-Chief, has access to the 22,000 service members of the CNG and the California State Military Reserve, along with dual-use military equipment stationed at armories throughout the state worth billions of dollars. This dual-use equipment is just as valuable to an incident commander during an emergency as it is to a military commander in combat. Examples of dual use equipment are rotary and fixed-wing aircraft, heavy construction equipment, flat-bed trucks, water purification equipment and medical field hospitals. In exchange for this multi-billion dollar

capability, National Guard Regulation 409-80 states that: "Primary responsibility for providing armory-type facilities rests with each individual State".

Department of Defense standards dictate the CNG currently requires 3,551,670 square feet of armory space for unit administration and training (NG Pam 415-12). The State of California provides less than two-thirds of that, only 2,257,397 square feet of armory space leaving a 1,294,273 SF deficit.



Armories are critical community-based assets that are essential to the CNG's ability to train and respond to state emergencies. These structures, originally built to last only 25 years, have far exceeded their design life, are deteriorating at an ever-increasing rate, and do not meet modern access, training, or equipment storage requirements.

Budget cuts in the early 1990's eliminated over 100 maintenance employees and significantly reduced the CMD's scheduled General Fund maintenance program. The lack of sufficient maintenance funding during the 1990's exacerbated the deterioration of roofs, restrooms, heating and cooling systems, doors, security fencing, and electrical systems. Gas pipes have holes from rust, electrical circuit breakers have burned-through, and water and sewer lines are leaking. Toilets, sinks, and showers are closed-off because funding is not available for repair or replacement. Some of the armories have become hazards with leaking roofs, failing mechanical systems, and antiquated electrical systems.



A vast majority of California's armories were built before women were fully integrated into the force and therefore do not properly accommodate female Soldiers. Military equipment has also changed significantly over the last 50 years and our older armories do not have the space required to properly store or maintain modern vehicles. These buildings also lack modern electrical systems needed to operate today's sophisticated electronic equipment.

When an armory becomes unsuitable to support National Guard forces, those troops and their equipment must be relocated to another armory in a

different community. If the new unit location does not have enough equipment storage space, the unit is forced to store its vehicles and equipment at a federal National Guard training base, often hours away from where it is needed for unit weekend training or deployment during an emergency. Many armories in California must accommodate double or triple the number of personnel they were designed to support. This dramatically increases the wear and tear on these facilities, and because the CMD receives federal money based on available square footage instead of the number of personnel that use the armory, there is no additional federal money to make repairs. The "third-world" conditions of many armories limit the effectiveness of unit training and degrade the readiness of our units who respond to state emergencies. The ever-increasing backlog of maintenance and repair, currently standing at over

\$109 million, continues to grow exponentially as buildings continue to be used decades beyond their design lifespan.

It is not long until an obsolete armory becomes a liability for the state and the host community. Once a facility is vacated, it no longer receives any maintenance or repair funding. Soldiers, who many times pay out-of-pocket to make armory repairs, are no longer available to do so. Frequently, a vacant armory is vandalized, defaced, and stripped of copper wiring. These obsolete armories languish and remain as problems for their host communities, or are demolished at an unaffordable cost to the CMD.

B. RELATIONSHIP TO THE STRATEGIC PLAN: CNG armories are critical infrastructure to the state of California because they directly support National Guard operations during state emergencies.

C. ALTERNATIVES:

ALTERNATIVE #1: Provide \$4.8 million (\$2.4 million General Fund and \$2.4 million federal funds) for the construction phase of the San Bernardino Armory renovation project.

Analysis: The preliminary plans and working drawings phases of this project have been completed; however, the existing project authority reverted in March 2016 pursuant to the provisions of section 13332.11 of the Government Code. A new appropriation for the construction phase of the project will allow the project to proceed to construction during 2016-17.

ALTERNATIVE #2: Provide an augmentation of CMD's support budget to address needed repairs of the San Bernardino armory.

Analysis: 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 San Bernardino 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.

Analysis: If the COBCP is denied, the state will fall further behind in repairing and maintaining CNG facilities. Denial of this request and continuance of the status quo will result in the closure of additional armories that become unusable and the associated loss of federal funding for maintenance, equipment and payroll. The 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?

Alternative 1: Approve COBCP as proposed; provide \$4.8 million (\$2.4 million General Fund and \$2.4 million federal funds) for the construction and equipment phases of the San Bernardino Armory renovation project.

Detail scope description.

Selective demolition, lead and asbestos abatement, site work including: utility upgrades and paving, building structural improvements, comprehensive HVAC upgrade, electrical upgrades including LED and energy-efficient lighting, complete facility rewiring, plumbing upgrades and/or replacement, energy efficient window installation, reroof, interior and exterior painting, required regulatory and code compliance, upgrades to the latrines, vault upgrades, convert the kitchen area

into training space, install drought tolerant landscaping, convert the Field Maintenance Shop to organizational equipment storage, provide individual equipment lockers for assigned personnel, and comprehensive furnishings replacement for the armory and storage facility.

2. 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).

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

California's National Guard armories are critical infrastructure to the state of California because they directly support National Guard operations during state emergencies.

The San Bernardino armory must be modernized before Soldiers can be stationed and train there. Postponing the decision to address this problem will only increase the cost to the state and put the CNG and the State of California in jeopardy of losing billions of dollars in federal funding.

Conditions at many armories throughout the state threaten the CMD's ability to meet mission readiness requirements. Simply put, these armories are not safe for Soldiers. Many have failing mechanical and electrical systems.

The CNG's full-time workforce 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 resident in working armories that could result in serious injury or death.

4. Complete description of impact on support budget.

There should be a minor decrease in the support budget in savings on the State's share of maintenance and utility costs, as the renovated facility will be designed to be energy-efficient and will be replacing the existing inefficient systems.

5. Identify and explain any project risks.

No anticipated project risks with renovation of the San Bernardino armory.

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

The CMD will manage the renovation project independently of the Department of General Services, saving the state approximately 20% of the total construction costs.

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 developing and expanding the existing site, no additional land will be disturbed by this project.

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, project will utilized an existing, developed site.

STATE OF CALIFORNIA		Budget Year 2015-16	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	000000000000759
FISCAL IMPACT WORKSHEET		BU/Entity:	8940
Department Title:	CALIFORNIA MILITARY DEPARTMENT	Program ID	6950
Project Title:	San Bernardino Armory Renovation	COBCP #:	A60417
Program Category:	Critical Infrastructure Deficiencies	Priority:	2
Program Subcategory:		MAMI:	MA

			Existing Authority	January 10 Action	April 1 Action	May 1 Action	Special Action	Net Legis Changes	Project Total
FUNDING									
org-ref-fund-voa-yob	ph	action							
8940-301-0001-15-15	P	BA	65						65
8940-801-0890-15-15	P	BA	65						65
8940-301-0001-15-15	W	BA	98						98
8940-801-0890-15-15	W	BA	98						98
8940-301-0001-15-15	C	BA	1452						1,452
8940-801-0890-15-15	C	BA	1452						1,452
8940-301-0001-15-15	E	BA	25						25
8940-801-0890-15-15	E	BA	25						25
8940-301-0001-15-16	P	BA	-65						-65
8940-801-0890-15-16	P	BA	-65						-65
8940-301-0001-15-16	W	BA	-98						-98
8940-801-0890-15-16	W	BA	-98						-98
8940-301-0001-15-16	C	RV	-1452						-1,452
8940-801-0890-15-16	C	RV	-1452						-1,452
8940-301-0001-15-16	E	RV	-25						-25
8940-801-0890-15-16	E	RV	-25						-25
8940-301-0001-16-16	C	BA			2098				2,098
8940-801-0890-16-16	C	BA			2098				2,098
8940-301-0001-16-16	E	BA			303				303
8940-801-0890-16-16	E	BA			303				303
TOTAL FUNDING			0	0	4,802	0	0	0	4,802
PROJECT COSTS									
Study									
Acquisition									
Preliminary Plans									
Working Drawings									
Total Construction			0	0	4,196	0	0	0	4,196
Equipment (Group 2)					606				606
TOTAL COSTS			0	0	4,802	0	0	0	4,802
CONSTRUCTION DETAIL									
Contract									
Contingency									
A&E									
Agency Retained									
Other									
TOTAL CONSTRUCTION			0	0	4,196	0	0	0	4,196
FUTURE FUNDING			0	0	0	0	0	0	0

SCHEDULE		PROJECT SPECIFIC CODES			
	mm/dd/yyyy				
Study Completion	8/1/2015	Proj Mgmt:	G	Location:	San Bernardino
Acquisition Approval		Budg Pack:	N	County:	San Bernardino
Start Preliminary Plans	8/1/2015	Proj Cat:	CID	City:	San Bernardino
Preliminary Plan Approval	7/8/2016	Req Legis:	N	Cong Dist:	8
Approval to Proceed to Bid	8/1/2016	Req Prov:	N	Sen Dist:	20
Contract Award Approval	12/1/2016	SO/LA Imp:	N	Assm Dist:	40
Project Completion	1/1/2018				

STATE OF CALIFORNIA		Budget Year 2015-16	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	000000000000759
FISCAL DETAIL WORKSHEET		BU/Entity:	8940
Department Title:	CALIFORNIA MILITARY DEPARTMENT	Program ID:	6950
Project Title:	San Bernardino Armory Renovation	COBCP #:	A60417
Program Category:	Critical Infrastructure Deficiencies	Priority:	1
Program Subcategory:		MAMI:	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:		
TOTAL AGENCY RETAINED		0

GROUP 2 EQUIPMENT		
Kitchen Equipment	50	
TOTAL GROUP 2 EQUIPMENT		50

IMPACT ON SUPPORT BUDGET	COST	TOTAL
ONE-TIME COSTS		
TOTAL SUPPORT ONE-TIME COSTS		0

ANNUAL ONGOING FUTURE COSTS		
TOTAL SUPPORT ANNUAL COSTS		0

ANNUAL ONGOING FUTURE SAVINGS		
TOTAL SUPPORT ANNUAL SAVINGS		0

ANNUAL ONGOING FUTURE REVENUE		
TOTAL SUPPORT ANNUAL REVENUE		0

STATE OF CALIFORNIA		Budget Year 2015-16	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	00000000000759
SCOPE/ASSUMPTIONS WORKSHEET		BU/Entity:	8940
Department Title:	CALIFORNIA MILITARY DEPARTMENT	Program ID:	6950
Project Title:	San Bernardino Armory Renovation	COBCP #:	A60417
Program Category:	Critical Infrastructure Deficiencies	Priority:	2
Program Subcategory:		MA/MI:	MA
<p>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.</p>			
<p>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).</p>			
<p>The California Military Department (CMD) seeks \$4.8 million (\$2.4 million General Fund and \$2.4 million federal matching funds) for the construction phase of the San Bernardino Armory Renovation project. The existing authority for preliminary plans, working drawings, and construction reverted in March 2016, pursuant to the provisions of section 13332.11 of the Government Code. Design for this project is virtually complete and a new appropriation for the construction phase will allow the project to proceed to construction during 2016-17.</p>			