



Program #78206 - Facilities Capital Asset Preservation Program 7/14/2022

Department: County Assets **Program Contact:** Greg Hockert
Program Offer Type: Internal Service **Program Offer Stage:** As Adopted
Related Programs: 78204, 78205, 78213
Program Characteristics:

Executive Summary

The Asset Preservation (AP) Program is designed to create a self-sustaining fund which provides for the continuing reinvestment and capital work required to keep the County's Tier I buildings safe, reliable, maintainable, functional, and efficient for the operating programs. Decisions are based on these priorities: life, safety, fire, and equity. The majority of the funding for this offer comes from the fees from Asset Preservation (AP) fees.

Program Summary

The Asset Preservation Program (AP) provides funding for the annual 5-year Capital Plan that focuses on the County's primary owned Tier I buildings. A Tier I building is one which is designated for long-term retention and which meets current County standards. AP funding is intended to support replacement or repairs to essential building elements such as roofs, plumbing, electrical, heating ventilation air-conditioning (HVAC), Americans with Disabilities Act (ADA) modifications, seismic upgrades, and interior finishes that keep buildings functioning, and maintainable. The program prolongs building life and provides the County with assets that are worth their market value. It includes planned upgrades in equipment and systems intended to meet changing building needs.

The AP program continues to look at the long term County benefits by examining program needs, building needs, flexibility, cost efficiencies, building operations and maintenance. The AP Program is managed via the annual 5-year Capital Plans that focus on short-term requirements that are integrated with the long-term Facilities Asset Strategic Plan (FASP). The Capital Plan is based on a comprehensive database which identifies all projected replacement needs in Tier I buildings. The 5-year CIP Plan sets clear goals to distribute project funds equitable across County Departments and buildings. The plan fosters communication with departments as well as providing a tool to facilitate collaboration with both internal and external clients and building users.

The program allows Capital fees, bond/levy, grants, and other funding components to be distributed based on priorities established with the aid of a detailed needs assessment and a decision-scoring matrix that prioritizes fire, life, safety, maintainable, and equity. The program looks for project efficiencies that benefit the building users and extend the useful life of the building plus a strong allocation of project funds to diverse local vendors. Implementation of the Facilities Asset Strategic Plan (FASP) will also impact future capital needs.

Performance Measures

Measure Type	Primary Measure	FY21 Actual	FY22 Budgeted	FY22 Estimate	FY23 Offer
Output	Number of new projects added to the Asset Preservation portfolio	N/A	N/A	28	22
Outcome	Percent of projects planned for completion during a fiscal year that are completed in that fiscal year.	61%	70%	70%	75%

Performance Measures Descriptions

PM #1: Number of new capital projects added to the Asset Preservation (AP) portfolio to be implemented and managed by FPM project managers in the fiscal year. Note a decline in projects reflects a concerted effort to combine multiple requested projects that can be managed as one project within a building.
 PM #2: Percent of projects planned for completion during a fiscal year that are completed in that fiscal year.

Legal / Contractual Obligation

There are a number of projects carrying over into FY 2023 that have contractual obligations to vendors and/or service providers.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Adopted General Fund	Adopted Other Funds
Program Expenses	2022	2022	2023	2023
Contractual Services	\$0	\$24,188,920	\$0	\$28,649,521
Total GF/non-GF	\$0	\$24,188,920	\$0	\$28,649,521
Program Total:	\$24,188,920		\$28,649,521	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Other / Miscellaneous	\$0	\$8,368,003	\$0	\$8,314,398
Financing Sources	\$0	\$170,626	\$0	\$194,114
Interest	\$0	\$200,000	\$0	\$100,000
Beginning Working Capital	\$0	\$16,957,795	\$0	\$20,856,303
Service Charges	\$0	\$92	\$0	\$99
Total Revenue	\$0	\$25,696,516	\$0	\$29,464,914

Explanation of Revenues

BWC from Routine Project Carryover \$20.8 Million
Intl Svc Reimbursement AP Fee from County Occupants \$8.3 Million
Cash Transfer Revenue from External Clients \$0.2 Million
Interest Income \$0.1 Million

Significant Program Changes

Last Year this program was: FY 2022: 78206 Facilities Capital Asset Preservation Program

This offer increases BWC due to more projects having beginning working capital carryover.

Due to COVID19 the staff in this program were moved to hybrid teleworking instead of reporting to the office each day. Operational changes include virtual meetings and check ins, communication is primarily through email or google chat, and reporting is emailed and some followed up in person. Projects are slowed due to difficulty in material availability, shipping delays, other agency review delays. Over 50% turnover of staff has slowed progress and pace of project completion. Restarting project that may have paused or been completely stopped should improve project turnover in the future fiscal year.