



Livermore Area
Recreation and Park District
An independent special district

LIVERMORE AREA RECREATION AND PARK DISTRICT
SPECIAL MEETING of the BOARD OF DIRECTORS
CIP PRIORITIZATION WORKSHOP

DRAFT MINUTES

WEDNESDAY, SEPTEMBER 11, 2019

5:00 P.M.

ROBERT LIVERMORE COMMUNITY CENTER
4444 EAST AVENUE, LIVERMORE, CALIFORNIA

DIRECTORS PRESENT: Directors Faltings, Palajac, Pierpont, Wilson and Chair Furst

DIRECTORS ABSENT: None

STAFF MEMBERS PRESENT: Mathew Fuzie, Bruce Aizawa, Fred Haldeman, Alexandra Ikeda, Stacey Kenison, Patricia Lord, Jill Kirk, Michelle Newbould, Jeffrey Schneider, Vicki Wiedenfeld, Linda VanBuskirk

- 1. CALL TO ORDER – ROLL CALL – PLEDGE OF ALLEGIANCE:**
Chair Furst called the meeting to order at 5:05 p.m. All Directors were present. Chair Furst led the Pledge of Allegiance.
- 2. CIP PRIORITIZATION PROCESS:**
Chair Furst stated the Board of Directors and General Manager will hold a roundtable discussion about the philosophy behind future CIP Prioritization and the CIP process from concept to conclusion.

GM Fuzie distributed two documents to guide the conversation:

- Definitions
- Project Concept Proposal

A discussion ensued to clarify what a capital improvement vs. routine and preventative maintenance is, because that will affect the scope, actual result, and its impact on the assets, values, depreciation and equity return.

3. ADJOURNMENT: The meeting was adjourned at 6:44 p.m.

APPROVED,

David Furst
Chair, Board of Directors

ATTEST:

Mathew L. Fuzie
General Manager and
Ex-officio Clerk to the Board of Directors

Definitions

A **capital improvement** is the addition of a permanent structural change or the restoration of some aspect of a property that will either enhance the property's overall value, prolongs its useful life, or adapt it to new uses.

The IRS defines a capital improvement as a home improvement that adds market value to the home, prolongs its useful life or adapts it to new uses. Minor repairs and maintenance jobs like changing door locks, repairing a leak or fixing a broken window do not qualify as capital improvements.

Generally speaking, both **routine and preventative maintenance** are classified as such if they are performed to restore the asset's physical condition and/or operation to a specified standard, prevent further deterioration, replace or substitute a component at the end of its "useful life," serve as an immediate but temporary repair, or assess ongoing maintenance requirements.

Categorizing an expenditure as either maintenance or as a capital expenditure or improvement is a careful decision that should be made each time any type of maintenance, repair or renovations are performed. To get it right, consider the value of the asset, the intended goal of the work to be performed, the scope of work, the actual result and its impact on the asset's value, depreciation and equity return.

What is our determining dollar threshold for board approval.

Maintenance jobs can turn into capital improvements.

Surprises happen. Say, for instance, a roof has a leak, and a roofing company is called to repair it. After an evaluation, the roofing experts determine that the leaky area is beyond repair and, in fact, the entire roof needs to be replaced. While a roof repair would have been considered a maintenance expense, the necessary roof replacement has just become a capital expenditure.

Discussion on definitions:

How are we going to prioritize our Capital Improvement Projects?

Philosophy?

What are our overarching philosophies we will be using when we do Capital Improvement Project Prioritization?

Compliance

Public Safety

“New” facilities- A facility that increases capacity and therefore is eligible for AB 1600 Funds

Replacement Facilities- Total Park redo? Also possibly eligible for AB1600 funds.

Replace in Kind?

Enhance what we have? E. G. Shade structures

Repair what we have and try to get by.

Decommission and go back to bare dirt. Consider space for another project. E.G Ledford Building.

Opportunity Project- Partner, Donor, Grant funding.

Discussion: Prioritization Philosophy

Process-

Separate CIP from other projects.

*Capital Projects by their very nature can travel at differing speeds through the process.

Phase 1

CIP Concept submittal period. Use Concept Form.

Concepts submitted to annual CIP Prioritization.

Concepts prioritized by the board.

Concept partially tested by staff comments.

Concepts Scoped and Cost Estimated in prioritized order.

Phase 2

Concept scopes and cost estimates accepted or denied by board,

Re-prioritized by the board.

Accepted projects submitted for first phase of design.

Phase 3

First phase design and budget estimate submitted to board. Board direction as to design and budget. Accept, deny or modify.

Reprioritized by the board.

Phase 4

Wash rinse repeat. Designs come back to board at each design phase with updated budget estimates. A project can be killed at any time by board action.

Phase 5

Design and budget ready for board approval to go out to bid.

Phase 6

Board votes on bid acceptance or rejection.

Phase 7

Build the project



Project Concept Proposal

Author:

Project Concept Title:

Description of Project:

Scope of Work

Problem to be solved

Impacts of not completing project

Anticipated Benefits of Project:

Anticipated Opposition:

Permits, Licenses and/or Review Projected – if known:

- County of Alameda
- City of Livermore
 - Public Works
 - Planning
 - Transportation
 - Public Safety
 - Arts Commission
 - Historic Commission
 - Review of Bid Submittals
 - Other City Departments _____
- School District
- Livermore/Pleasanton Fire District – Fire Permits
- Zone 7 Water Agency; Stream bed alteration; storm water management
- Office of State Architect
- CA Native American tribes – plan for consultation PRC7 21080.3.1
- Storm Water Pollution Prevention Plan
- Municipal Storm Water Permit (SWPPP if over one acre)
- US Army Corps
- Fish & Wildlife
- Financing approval (if applicable)
- Other _____

Environmental Review - Estimated CEQA Level

- Exempt under CEQA
- Negative Declaration (ND)
- Mitigated Negative Declaration (MND)
- Environmental Impact Report (EIR)

Estimated Cost:

- California Uniform Public Construction Cost Accounting Act (CUPCCAA):
 - Informal Bid Limit: \$45,001-\$175,000
 - Formal Bid Limit: \$175,000+

Submitting Employee Title:

Name:

Signature:

Date:

Supervisor Review

Title:

Name:

Signature:

Date:

Recommend

Approve:

Deny:

Comments

Manager Review

Title:

Name:

Signature:

Date:

Recommend

Approve:

Deny:

Comments

General Manager

Signature:

Date:

Approve:

Deny:

Comments

Approved Concepts

➤ Move to Programmatic Review

PROGRAMMATIC CONCEPT REVIEW

Assistant General Manager

Name:

Date:

Administrative Services Manager

Name:

Date:

Community Services Manager

Name:

Date:

Recreation Department Manager

Name:

Date:

Parks and Facilities Manager

Name:

Date:

FINAL CONCEPT APPROVAL

General Manager

Name:

Date:

Signature:

Approve

Deny

Next Steps

Project Assigned to:

Project Budgeted? Yes No

If yes, budgeted at what level and funding source:

- Continue to refine concept, scope and budget
- Initiate CEQA
 - In house
 - Consultant
- Define scope, complete project

Authority Needed:

- **Board Approval**
- **GM Approval**
- **Department Head approval**
- **Within home base allocation**