

SUPPLEMENTAL
EXECUTIVE OFFICER SUMMARY REPORT
June 9, 2006

- ITEM: **8**
- SUBJECT: **Capital Outlay Budget Change Proposals for FY 07-08**
The Executive Officer will inform the Board of seven Capital Outlay Budget Change Proposals (COBCPs) recently submitted to the Resources Agency. Based on the Conservancy's Five Year Strategic and Infrastructure Plan, each proposal requests budget increases for FY 07-08 (in capital outlay funds or budget authority). Information only, no Board action. (*Deborah Jayne*)
- PURPOSE: Information item. This item is included to update the Board on the status of the seven Capital Outlay Budget Change Proposals (COBCPs) recently submitted to the Resources Agency. Specifically, the Executive Officer will explain the Resources Agency's response to the COBCP package, and the Conservancy's subsequent resubmittal of two of the proposals.
- DISCUSSION: The Conservancy recently received a response from the Resources Agency regarding the seven COBCPs submitted in May of 2006. Resources has reviewed and commented on all seven of the COBCPs that the Conservancy submitted, and recommended forwarding two of the seven COBCPs on to the Department of Finance. The Resources Agency's email and comments are attached as Supporting Document #1.
- In response to the Resources Agency's comment, I revised and re-submitted the two recommended COBCPs. I am requesting that Board Members read the Resources Agency analysis and response to each of the original seven COBCP requests, and review the two final, revised COBCP requests that are attached as Supporting Document #2.
- Regarding our resubmittals, please pay particular attention to the changes in COBCP #3 "Historical & Cultural Resources Restoration & Preservation – Old Mission Dam, Flume, and Waterworks", and the new Attachment A which details the scope of work and budget for the project. The dollar amount

requested in the revised COBCP #3 has increased from \$1.2 million (estimated in the Five Year Strategic Plan and recommended in the Resources Agency's response e-mail) to \$1.6 million. This is because the original project described in the Strategic Plan (entitled "The Historic Mission Dam Dredging Project") consisted only of the first two phases of a larger overall five-phased project (entitled "Old Mission Dam, Flume and Waterworks System Restoration and Preservation Project". Phases 1 and 2 alone were estimated in the Strategic Plan to cost approximately \$1.2 million.

Since adoption of the Strategic Plan, the City of San Diego has secured full funding for Phase 1 of the project. For this reason, COBCP #3 has been adjusted / expanded and now requests funding sufficient to conduct the next 2.5 phases of the overall 5-phased project. By including additional phases in COBCP #3, we will ensure the preservation of the most "at-risk" component of the overall project, the 3.5-mile hand-made tile flume. This small increase in requested funding will provide an enormous increase in public benefit. Furthermore, protection of the flume is in compliance with your directive pursuant to Resolution 05-06 adopted April 8, 2005. (Funding for the final 1.5 phases is still needed and the Conservancy will seek additional future funding sources for this purpose.)

LEGAL CONCERNS: None.

FISCAL IMPACT: None.

SUPPORTING
DOCUMENTS:

1. Resources' response to original seven COBCPs.
2. Revised Capital Outlay Budget Change Proposal package dated June 2, 2006 to Resources Agency.
 - a. Cover letter to Mr. Patrick Kemp of Resources Agency
 - b. COBCP #3 - Historical & Cultural Resources Restoration & Preservation – Old Mission Dam, Flume, and Waterworks COBCP, Attachment A and Federal Impact Worksheet
 - c. COBCP #4 - Water Quality and Natural Flood Conveyance COBCP and Federal Impact Worksheet

RECOMMENDATION: No Action.