

CAPITAL OUTLAY

The Governor's Budget for the 1954-55 Fiscal Year presents a capital outlay program which is substantially reduced in scope, as compared with the current fiscal year, or with any year since the start of the post-war construction program. For major and minor construction and real property acquisition, exclusive of the district fairs' construction program, the state highway construction program, the flood control and reclamation program, and the water project authority program, there is contemplated to be expended approximately \$43,760,000 from a variety of fund sources and by a number of state agencies. This expenditure includes \$2,450,000 in unallocated funds, payable from the Capital Outlay and Savings Fund for augmentation purposes. This total expenditure program is substantially less than one-half of that which was provided in the 1953 Budget Act and final Governor's Budget.

Of the total expenditure, approximately \$30,100,000 will require appropriation in the 1954 Budget Act. Of this amount, approximately \$28,756,000 will be payable from the Capital Outlay and Savings Fund. Since this amount is not wholly available in the Capital Outlay and Savings Fund, a transfer from the General Fund to the extent of \$13,573,247 will be required. This will augment the amount which will already be available in the Capital Outlay and Savings Fund, primarily due to reversions of savings from previous appropriations and reversions of entire appropriations resulting from the determination of the Department of Finance that it would not be proper to expend these particular prior appropriations for the purposes for which they were appropriated. The balance of the over-all expenditure program will be payable from carry-overs of prior appropriations, or from certain continuing appropriations, such as the Fair and Exposition Fund and the Wildlife Restoration Fund.

Approximately 60 percent of the new appropriations required in this program will go towards providing actual new capacity, either in the form of beds in Mental Hygiene institutions, Youth Authority institutions, and correctional institutions, or in the form of classrooms in the state college system and the University of California. A considerable part of the balance of the new appropriations would be required to make the additional capacity usable by providing expanded kitchen, laundry, boiler plant and other auxiliary facilities. On the whole, the total expenditure program for the 1954-55 Fiscal Year includes comparatively little rehabilitation work, which indicates that since the inception of the post-war program through the current fiscal year, the State's plant has been brought to a fairly modern status while, at the same time, it was being expanded in size and capacity.

In our analysis of the Capital Outlay Budget, we have taken no exceptions to the estimated amounts for construction cost. The reason for this is based on the fact that adequate preliminary planning money has been provided, as well as machinery for adequate scrutiny of the estimates prior to submission for inclusion in the Governor's Budget. Where we have recommended against projects in their entirety, it is primarily based on our belief that the project as a whole is either unnecessary or untimely. It should be pointed out that the Capital Outlay Budget for

the 1954-55 Fiscal Year has, for the first time, included a number of projects for the preparation of working drawings and specifications only, with the actual construction and equipment to be requested in future budgets. The total of these working drawings projects is \$1,125,500, which represents in ultimate construction costs approximately \$28,000,000, with possibly \$5,000,000 for equipment. In the past we have been, to a considerable extent, opposed to the appropriation of money for working drawings only, on the basis that many such drawings became obsolete before the construction funds were appropriated, and were therefore wasted effort and money. However, since the institution of controls on the planning and design activities of the Division of Architecture has reduced the possibility that such plans may become obsolete before they can be used, we feel that the inclusion of appropriations for working drawings only in the 1954-55 Budget is a logical and proper step in providing expanded plant facilities for various institutions throughout the State.

With regard to the minor capital outlay program, as in prior years we have examined most projects in detail in cooperation with the respective agencies, and the Department of Finance. We have also engaged in considerable inspection of the various institutions in the field.

We conclude from our inspection that most of the deferred maintenance has been completed or provided for, the exceptions being those institutions which were late getting started on their maintenance programs, such as Agnews State Hospital and Camarillo State Hospital. Aside from this type of situation, most maintenance items have been eliminated from the minor program. We believe that from a practical standpoint the State institutions can be considered as being at a maintainable physical standard and that minor construction items should be considered as a category for minor construction and alterations which are not of a replacement nature.

The support budgets of the various institutions reflect the increase in level of maintenance provided, and this, we feel, is as it should be. In the past few years, all major institutions have received maintenance surveys by the Division of Architecture and have been provided with written reports. In addition, these facilities have been provided competent maintenance personnel, headed in most cases by a chief of institution maintenance, who should be able to easily determine the maintenance needs of the physical plant.

PLANNING AND CONTROLS

The Budget Act of 1951 included, for the first time in the post-war construction program, substantial appropriations for the preparation of preliminary plans and specifications for projects to be presented to subsequent legislatures for consideration and funding. As a result of these appropriations, the projects which were presented to the 1952 Legislature for consideration were substantially more reliable as to estimate of cost, scope and character than had been the case in any of the prior budgets subsequent to the end of World War II. The Budget Act of 1952 also contained substantial appropriations for preliminary plans and specifications for projects to be submitted to subsequent legislatures for consideration.

In addition, the Budget Act of 1952 contained, for the first time, a section, No. 7.5, which imposed upon the State Department of Finance the responsibility for evaluating and approving preliminary plans and specifications prior to submission to the Public Works Board for its approval and allocation of working drawing and construction funds previously appropriated by the Legislature. The initiation of controls under Section 7.5 resulted in significant changes in the planning and design of various state projects. These changes brought about substantial economies, not only in construction costs, but in maintenance and staffing costs. The Budget Act of 1953 included a similar section, No. 6, which continued the program of controls established by the Legislature in 1952.

As a result of the sounder preliminary planning for budget purposes and the controls mentioned above, fewer projects have presented wide variations between budgeted amounts and final construction estimates. Also, many projects have reached the bidding stage with substantial surpluses. For instance, as of January 1, 1954, 96 major construction projects, for which appropriations had been made in the 1952 Budget Act, had been submitted to the Public Works Board for action. The total appropriation for construction alone for these 96 projects was \$39,702,168. The total presented to the Public Works Board for this group of projects was \$39,810,691, or an apparent over-all savings of \$391,477. However, this latter figure is composed of anticipated savings totaling \$1,273,528, offset by anticipated deficits of \$882,051.

Sixty-six of the above projects have already received a major bid, usually for the general construction. The appropriated total for these 66 projects was \$25,549,354, and the total of the estimates submitted to the Public Works Board was \$25,431,344, an apparent anticipated savings of only \$118,010. However, this latter figure was composed of anticipated savings of \$797,098, which were offset by anticipated deficits of \$679,088. The re-estimates of these 66 projects, based on the major bids received, however, substantially change this picture. The anticipated savings on these projects is now \$2,968,805, and the anticipated deficits are only \$196,393, or a net potential saving of \$2,772,412. This represents a net savings of almost 11 percent of the total amount appropriated for these 66 projects.

Of the projects appropriated for by the 1953 Budget Act and three special capital outlay acts in 1953, seventeen, totaling \$7,835,620 in construction appropriations have been submitted to the Public Works Board. Five of these projects have been submitted without change from the appropriated amount. The other 12 have been submitted with potential savings or potential deficits, with a net total of potential savings of \$803,001. This represents approximately 11 percent of the amount appropriated. It is anticipated that when these projects have actually been submitted for bid, the savings will be further increased.

The potential savings enumerated above have come about in part as a result of improved conditions in the construction market. Competition among contractors has sharpened considerably, and the State is now receiving many bids on each project, where a year or two ago it was fortunate to receive the minimum number of three. Productivity in

the building trades has increased appreciably, so that even though wages have increased, the net result has been somewhat reduced costs of labor. However, we believe that the major part of the potential savings is attributable to the continued scrutiny, criticism, and suggestions made by both the Department of Finance and our office. We believe that the record speaks well for the effectiveness of the control program. It should be pointed out, however, that future savings may not be as readily apparent as indicated above, because of the fact that the present procedure produces substantially tighter original estimates and, therefore, does not show large future savings. Actually, the savings will be made before the estimates are submitted for inclusion in the budget.

FUTURE NEEDS

Forecasts of population growth for the State of California for the next 10 years indicate that substantial yearly expenditures will be required merely to hold the various state institutions at their present capacity ratios in relation to anticipated populations. For instance, in the Department of Mental Hygiene, in institutions for the mentally ill only, from 1951 through 1957, assuming that the appropriations requested in the 1954-55 Budget are allowed, the overcrowding has been or will have been held to a percentage running between 14 and 16 percent. If no additional appropriations were made for additional capacity in the 1955-56 or 1956-57 Budget Act, the overcrowding percentage would begin to climb until by 1960 it would be 28 percent. In order to hold the percentage of overcrowding in 1960 to 15 percent, the State will have to provide at least 4,000 additional available beds by that time. This would mean that money would have to be appropriated in the 1955-56 Fiscal Year, and each of the two fiscal years thereafter, to produce approximately 1,650 beds for each of the three years. Due to the lag between the time funds are appropriated and the project becomes a usable facility, the funds would have to be appropriated in those three years in order to affect the program in 1960. On the basis of an average cost of \$7,000 per bed, this would mean approximately \$11,550,000 annually for construction, and possibly \$2,000,000 annually for equipment.

Essentially a similar condition would exist with regard to the institutions for the mentally defective. In this case, the overcrowding percentage, as of June 30, 1957, based on projects for which funds have already been appropriated, would be approximately 13 percent. If no additional appropriations were made, this overcrowding would reach almost 21 percent by 1960. In order to maintain the same overcrowding percentage, the State would have to provide approximately 275 beds annually for the Fiscal Years 1955-56 through 1957-58. These, together with equipment, would represent capital outlays of approximately \$2,500,000 annually. In total, therefore, we would need to expend approximately \$16,000,000 annually for the three fiscal years mentioned merely to keep abreast of the growth without permitting more overcrowding than now exists.

In the Department of Corrections, the estimated population increases indicate that the State will have to provide funds for approximately

500 beds annually for each of the three fiscal years mentioned above. With hoped for changes in designs, which we believe will produce substantial economies, these beds might be provided at approximately \$5,000 each, or a total of \$2,500,000 annually, plus \$500,000 for equipment. This would not take into consideration the extensive rehabilitation that is still required at San Quentin and Folsom and replacement of temporary facilities at other prisons.

The needs of the state college system and of the special schools for the physically handicapped are not as readily estimated as are those in the Departments of Mental Hygiene and Corrections. However, the state colleges are projecting an annual increase in enrollment of approximately 2,000 students. We have estimated that providing facilities for students in the colleges would cost conservatively not less than \$2,500 per student. This would mean a capital outlay of approximately \$6,000,000 annually, including equipment, to keep abreast of the student growth. In addition, it should be pointed out that none of the state colleges has yet achieved a 100 percent permanent type of plant. Construction financed to date will not make any significant change in the percentage of temporary buildings now in use. Consequently, the amounts mentioned above, after being expended, would still find the various college plants as a combination of permanent and temporary construction.

The University of California is currently projecting increases of approximately 4,000 students annually, from an estimate of 36,900 in 1955, to 56,700 in 1960, and 76,100 in 1965. Facilities for students at the University would probably cost not less than \$3,000 per capita. On this basis, requirements would amount to over \$12,000,000 annually, if the University is to accept the increased enrollment. Here, also, the expenditure of these appropriations would not provide for the replacement of very old temporary facilities. Such facilities would have to be continued in use indefinitely unless additional funds were provided for their replacement.

It would appear from the foregoing that an annual investment of \$35,000,000 in all types of institution facilities would be a comparatively conservative estimate if the State of California is to keep abreast of its current level of facilities. This would not include purchases of land as required, rehabilitation and minor repairs and alteration projects. It is obvious that, as the State is faced with mounting deficits, the most stringent economy and ingenuity must be practiced in all of its capital outlay projects. There must be a complete re-evaluation of needs, both from the standpoint of size and character of facilities.

Certain characteristics of the workload of the Division of Architecture for the 1954-55 Fiscal Year should be pointed out. The Capital Outlay Budget, as proposed, contains approximately \$22,000,000 of new appropriations for those major construction projects which would be handled entirely by the Division of Architecture. In addition, there is approximately \$950,000 for working drawings and specifications to be prepared by the Division of Architecture. These represent the equivalent of approximately \$23,000,000 of construction appropriations. Consequently, it may be said that the total workload being appropriated for in the 1954 Budget Act will be approximately \$45,000,000 for the

Division of Architecture. Since the capacity of the Division of Architecture is approximately \$60,000,000 annually, and since there is still some considerable carry-over from prior years, it would appear that the 1954-55 Budget will present a full annual workload for the Division of Architecture.

OFFICE OF CIVIL DEFENSE**ITEM 280** of the Budget BillBudget page 971
Budget line No. 41**ANALYSIS**

This item provides for the reappropriation of funds not to exceed \$111,475 of the amount appropriated by the Budget Act of 1951, and reappropriated by Chapter 8, Statutes of 1952 (1st Extraordinary Session), and Section 3, Budget Act of 1953, and in addition, any funds received from the Federal Government for the projects listed below.

Originally it was planned to complete all work in the communications command network by July 1, 1954. However, three projects possibly will not be finished due to delays and technical problems. The projects are specifically the fire network, law enforcement network, and installation of radio equipment for operational control centers.

We recommend approval of the item as submitted.

CAPITAL OUTLAY**Department of Agriculture****ITEMS 281 and 282** of the Budget BillBudget page 973
Budget line No. 42**For Acquisition of Real Property, Department of Agriculture, From the Capital Outlay and Savings Fund**

Amount budgeted	-----	\$15,750
Legislative Auditor's recommendation	-----	15,750

Reduction	-----	None
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ANALYSIS

These items provide for the purchase of two sites, one at an estimated \$15,000 for the Fort Yuma plant quarantine inspection station, which is needed because a realignment of the highway will bypass the present site, and the other for \$750 for a site for the Alturas plant quarantine inspection station. Funds are available for the construction of the latter station, which was originally intended to be constructed on land procured under a long-term lease. However, this land could not be so procured because it is Indian Department land for which long-term leases are not available. It appears both of these purchases are necessary and, consequently, we recommend approval of the items as requested.

ITEM 283 of the Budget Bill

Budget page 973
Budget line No. 59

For Major Construction, Improvements, and Equipment, Department of Agriculture, From the Capital Outlay and Savings Fund

Amount budgeted	\$137,800
Legislative Auditor's recommendation	137,800
Reduction	None

ANALYSIS

This item covers a construction project, together with necessary operating equipment, for a new plant quarantine inspection station at Fort Yuma. The construction cost will be \$136,600, and the equipment will be \$1,200.

The present inspection station at Fort Yuma is expected to be bypassed within the next year by a realignment of the highway. Since this is a very important port of entry, it is necessary to provide a new station adjacent to the new highway. Unfortunately, the present buildings cannot be moved economically and satisfactorily. Consequently, we recommend approval of this item as submitted.

ITEM 284 of the Budget Bill

Budget page 974
Budget line No. 23

For Minor Construction, Improvements, Repairs, and Equipment, Department of Agriculture, From the Capital Outlay and Savings Fund

Amount budgeted	\$17,300
Legislative Auditor's recommendation	17,300
Reduction	None

ANALYSIS

This item consists of two minor projects, one will provide a building at the Fresno Animal and Poultry Pathology Laboratory to house large animals while conducting tests for infectious diseases of livestock. The other project is to provide acceleration and deceleration lanes at the Banning-Beaumont inspection station. The State Division of Highways has requested this installation to insure safety on this high-speed stretch of highway.

We recommend approval of the item as submitted.

ITEM 285 of the Budget Bill

Budget page 975
Budget line No. 50

For Major Construction, Improvements, and Equipment, Poultry Improvement Commission, From the Fair and Exposition Fund

Amount budgeted	\$18,480
Legislative Auditor's recommendation	18,480
Reduction	None

ANALYSIS

The Budget Act of 1953, by Item No. 289.1, appropriated \$76,500 as a lump sum item for the purchase of a site, construction of brooder houses, and other necessary improvements and facilities for a new turkey testing project. At the time this item was added to the 1953

Budget Act, there was not available a specific site, nor was the estimate of cost for the entire project very accurately arrived at. A site has now been procured and more accurate estimates of construction indicate the necessity to increase this item by \$18,480. We have examined the project in detail and we feel that the facilities are being simply and economically planned. Consequently, we recommend approval of this item as submitted.

DEPARTMENT OF CORRECTIONS**ITEM 286** of the Budget BillBudget page 979
Budget line No. 35**For Minor Construction, Improvements, Repairs, Equipment, and Supplies, Medical Facility, From the Capital Outlay and Savings Fund**

Amount budgeted	\$23,000
Legislative Auditor's recommendation	23,000
Reduction	None

ANALYSIS

The medical facility of the Department of Corrections is currently located at Terminal Island and housed in quarters leased from the United States Navy. The State has been permitted the use of the facility with the understanding that it will be maintained in at least the condition which existed at the time the State took occupancy and, further, must be able to move with only 30-days notice.

A new medical facility is now under construction near Vacaville, and should be ready for occupancy within the next year. The item proposed here consists of two projects, one of which is for the repairs and renovation of existing residential housing which was purchased with the site at Vacaville. The other project provides for various minor repairs required from time to time to maintain the leased facility at Terminal Island. We have examined the housing project in detail and are satisfied as to the need, as well as the cost estimate. We recommend approval of this item as submitted.

ITEM 287 of the Budget BillBudget page 980
Budget line No. 33**For Major Construction, Improvements, Repairs, and Equipment, Temporary Facility, San Luis Obispo, From the Capital Outlay and Savings Fund**

Amount budgeted	\$490,000
Legislative Auditor's recommendation	490,000
Reduction	None

ANALYSIS

This item would provide \$190,000 for construction and alterations in the hospital section of the United States Army's Camp at San Luis Obispo, which portion is being released to the State in order to provide temporary facilities in which to house inmates who are to be transferred from the present medical facility at Terminal Island, which must be returned to the Federal Government as soon as possible. Three

hundred thousand dollars is provided for equipment for these temporary facilities.

It is estimated that 600 elderly and chronically infirm inmates will be housed in this unit until such time as the Vacaville plant is fully complete. As a matter of fact, the Department of Corrections may find it necessary to continue to use these temporary facilities for some years after the Vacaville plant is occupied. We believe that this expenditure will provide facilities quickly at a very low cost per inmate. We recommend approval of this item as submitted.

ITEM 288 of the Budget Bill Budget page 981
For Major Construction, Improvements, and Equipment, Correctional Facility, Chino, From the Capital Outlay and Savings Fund Budget line No. 32

Amount budgeted	\$171,000
Legislative Auditor's recommendation	171,000

Reduction	None
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ANALYSIS

This item provides for the working drawings only for a new institution to be constructed on a segregated portion of the property now occupied by the Institution for Men at Chino, in accordance with the provisions of Chapter 629 of the Statutes of 1953.

The new institution will be designed primarily to house partially physically incapacitated, aged infirm, or otherwise chronically infirm, inmates under the jurisdiction of the Department of Corrections. The institution is planned to be a low security type of the simplest possible permanent construction to house approximately 1,000 inmates. Its proximity to the Institution for Men will enable the use of certain joint facilities, which will materially assist in reducing the cost of the new institution. This item will result in a cost for construction and equipment of approximately \$4,600,000, or less than \$5,000 per bed, as compared with other types of institutions where the cost per bed approaches \$10,000. We believe that the need for this institution is justified by the increasing population of the Department of Corrections. The appropriation for working drawings alone is a logical step in the direction of producing this facility at the earliest possible time. We recommend approval.

ITEM 289 of the Budget Bill Budget page 984
For Major Construction, Improvements, and Equipment, Institution for Men, Chino, From the Capital Outlay and Savings Fund Budget line No. 11

Amount budgeted	\$905,150
Legislative Auditor's recommendation	905,150

Reduction	None
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ANALYSIS

This item consists of a schedule of two construction projects together with the necessary equipment for each project.

The first construction project, at \$384,500 for construction and alterations, and \$225,000 for equipment, involves the reconditioning of the old prison for women at Tehachapi, which was abandoned following the earthquake in 1952 and the women removed to the new institution at Corona. The reconditioned buildings will serve as a farm branch of the Institution for Men at Chino, and is expected to house 500 male inmates. The major problem in the reconditioning is the replacement of the roofs on the large permanent buildings. It appears that the re-use of the institution has been economically planned and will result in the production of housing at a very low cost. We recommend approval of this project as submitted.

The second project, involving \$277,650 for construction, and \$18,000 for equipment, consists of additions to the west dormitory, actually in the form of an extension at each end, to house a total of 100 additional inmates. The west dormitory is the medium security unit at the Chino institution, where increased capacity in this type of facility is needed because of the over-all growth of the institution, and the percentage relationship between medium security capacity and over-all minimum security population. We believe the project is necessary, and it does provide additional capacity. We recommend approval.

ITEM 290 of the Budget Bill

Budget page 984
Budget line No. 38

For Minor Construction, Improvements, Repairs, and Equipment, Institution for Men, Chino, From the Capital Outlay and Savings Fund

Amount budgeted	\$53,130
Legislative Auditor's recommendation	53,130

Reduction	None
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ANALYSIS

This item represents 10 minor projects, two of which provide additional space for necessary functions at Chino. The other eight projects are needed to place the former women's prison in an operable condition. While we have not had the opportunity to examine these projects in detail, we have discussed these projects with representatives of the departments of Finance and Corrections. We are satisfied both as to need and the cost estimates involved. In view of the eminent need for additional prison capacity, we recommend approval of the item as submitted.

ITEM 291 of the Budget Bill

Budget page 987
Budget line No. 33

For Minor Construction, Improvements, Repairs, and Equipment, State Prison at Folsom, From the Capital Outlay and Savings Fund

Amount budgeted	\$63,110
Legislative Auditor's recommendation	63,110

Reduction	None
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ANALYSIS

This item consists of five minor projects of improvement, alteration, or construction needed to facilitate the operation of the physical plant in an efficient manner. We are satisfied both as to the need and the propriety of the cost estimates and recommend approval of this item as requested.

For Minor Construction, Improvements, Repairs, and Equipment, State Prison at San Quentin, From the Capital Outlay and Savings Fund

Amount budgeted	\$142,260
Legislative Auditor's recommendation	142,260
Reduction	None

ANALYSIS

This item consists of eight minor projects of maintenance and alterations which will provide for more efficient utilization of the existing facilities, and one project provides for a ranch dormitory which will give additional capacity. We have examined these projects in detail with the Department of Corrections and are satisfied both as to need, estimates of cost, and utilization of inmate labor. Consequently, we recommend approval of this item as requested.

**For Major Construction, Improvements, and Equipment, State Prison at Soledad,
From the Capital Outlay and Savings Fund**

Amount budgeted \$1,194,000 **Legislative Auditor's recommendation** \$1,194,000
Reduction None

ANALYSIS

This item consists of one major project for the construction of permanent type barracks buildings with a capacity of 480 inmates, to be located between the present main institution and the temporary farm housing units. The construction cost is estimated at \$1,084,000, and operating equipment at \$110,000.

This project will produce additional capacity at approximately \$2,200 per inmate, and will provide this additional capacity much more quickly than could be provided in the building of a complete institution. We believe that Soledad can very readily be increased in size without injury to the program. We recommend approval of this project as submitted.

ITEM 294 of the Budget Bill

Budget page 992
Budget line No. 28*For Minor Construction, Improvements, Repairs, and Equipment, State Prison at Soledad, From the Capital Outlay and Savings Fund*

Amount budgeted	\$13,160
Legislative Auditor's recommendation	13,160

Reduction	None
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ANALYSIS

This item consists of four minor projects; one provides for the lowering of the column on a well which will increase water capacity. Two projects are agricultural in nature and will provide for more efficient use of farm facilities. The other project provides additional perimeter lighting to increase security, which was proved necessary by a recent escape.

We have examined these projects in detail both as to cost and need. Consequently, we recommend approval of this item.

ITEM 295 of the Budget Bill

Budget page 993
Budget line No. 55*For Major Construction, Improvements, and Equipment, New Medium Security Prison, From the Capital Outlay and Savings Fund*

Amount budgeted	\$533,000
Legislative Auditor's recommendation	533,000

Reduction	None
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ANALYSIS

This item provides for the working drawings only for a new medium security prison plant with a capacity of approximately 1,812 inmates. Preliminary plans for this institution were provided for in the current fiscal year.

The Budget Act of 1948, Item 67, provided \$500,000 for the purchase of a site for this new institution. To date, a definite site has not yet been selected, although a decision by the Public Works Board is expected within the next few months. It should be pointed out that this item for working drawings will result in an expenditure for construction and equipment of approximately \$14,000,000. We believe that the need for an additional medium security institution is unquestionable. In fact, steps are being taken to provide temporary facilities to house the increasing population until a new institution can be constructed. Consequently, we recommend approval of this item as a logical step in the long-range program to provide additional facilities for the Department of Corrections.

YOUTH AUTHORITY

ITEM 296 of the Budget Bill	Budget page 1000 Budget line No. 54
For Acquisition of Real Property, Youth Training School, Payable From the Capital Outlay and Savings Fund	
Amount budgeted	\$200,000
Legislative Auditor's recommendation	None
Reduction	\$200,000

ANALYSIS

This item would provide for the purchase of a site of approximately 100 acres on which would be constructed a new Youth Authority institution in accordance with Chapter 303 of the Statutes of 1949. The institution would provide an educational and vocational type of program for males between the ages of 16 to 21. The ultimate capacity would probably be a total of 725, which would include hospital and detention capacity for 125. The ultimate cost of construction and equipment for an institution of this type would probably be between five and six million dollars.

We do not believe that it is necessary to purchase additional land for this purpose. We suggest that various lands already owned by the State can be utilized for this institution. For instance, it is our understanding a determination may be made that the farming program at Metropolitan State Hospital is no longer a desirable adjunct to the rehabilitation program. If such a policy is adopted some of the farm land at this institution could be utilized for this new purpose. The Deuel Vocational Institution at Tracy has considerable surplus land which could be used for the new institution. In either case, the new institution would be close to an existing Youth Authority institution, which might help to reduce costs of operation.

Furthermore, we believe that the Youth Authority should present clear-cut data to support the following:

1. The need for an additional institution of this type.
2. If such an institution is needed, why must it be located in Southern California?
3. If this is to be an educational and vocational institution for males between the ages of 16 and 21, what will be the program which will insure adequate training and not simply removing a juvenile delinquent from circulation for a few months and then returning him to society with partially or poorly learned skills?

In view of the foregoing, we recommend that this item of appropriation be deleted.

ITEM 297 of the Budget Bill	Budget page 1004 Budget line No. 68
For Minor Construction, Improvements, Repairs, and Equipment, Youth Authority Camp at Pine Grove, From the Capital Outlay and Savings Fund	

Amount budgeted	\$7,500
Legislative Auditor's recommendation	7,500
Reduction	None

ANALYSIS

This item involves one project which is, the improvement of the sewage disposal system, which will bring it up to a standard that will meet public health requirements. We have discussed this project in detail with the agency and the Department of Finance and we are satisfied both as to need and the propriety of the cost estimate. Consequently, we recommend approval of this item as requested.

ITEM 298 of the Budget Bill

Budget page 1008
Budget line No. 62

For Minor Construction, Improvements, Repairs, and Equipment, Fred C. Nelles School for Boys, From the Capital Outlay and Savings Fund

Amount budgeted	\$61,020
Legislative Auditor's recommendation	61,020
Reduction	None

ANALYSIS

This item provides for four projects, three of which are necessary to bring the physical condition of the institution to a maintainable standard, the fourth project is for additional laundry water softening equipment. This equipment is necessary in order to handle the additional load imposed by the Southern Reception Center. We have examined these projects in detail and are satisfied both as to need and the propriety of the cost estimates involved. Consequently, we recommend approval of this item as requested.

ITEM 299 of the Budget Bill

Budget page 1010
Budget line No. 40

For Major Construction, Improvements, and Equipment, Paso Robles School for Boys, From the Capital Outlay and Savings Fund

Amount budgeted	\$233,100
Legislative Auditor's recommendation	233,100
Reduction	None

ANALYSIS

This item would provide for the construction of a restricted detention building at a cost of \$225,300, plus \$7,800 for equipment. The new building would replace an existing temporary structure which, while structurally and physically still adequate for use, is functionally undesirable.

The present building is an open dormitory type, which makes segregation and custody difficult to maintain. Personnel problems have increased because of the difficulty of controlling the inmates. It is believed that the ratio of staff to inmates can be reduced in the new, more secure type of building. In view of the fact that the average age of Youth Authority inmates at this school is rising, and that the percentage of more difficult cases is increasing, we recommend approval of this item as requested.

ITEM 300 of the Budget Bill

Budget page 1010
Budget line No. 66

For Minor Construction, Improvements, Repairs, and Equipment, Paso Robles School for Boys, From the Capital Outlay and Savings Fund

Amount budgeted	\$2,500
Legislative Auditor's recommendation	2,500
Reduction	None

ANALYSIS

This item will provide for one project to gravel roads and install two cattle guards. This work is necessary in order to guarantee access to the recently constructed sewage disposal plant. We have had the opportunity to examine this project in detail and we are satisfied both as to need and the propriety of the cost estimate involved. Consequently, we recommend approval of this item as submitted.

ITEM 301 of the Budget Bill

Budget page 1013
Budget line No. 14

For Major Construction, Improvements, and Equipment, Preston School of Industry, From the Capital Outlay and Savings Fund

Amount budgeted	\$225,250
Legislative Auditor's recommendation	188,800
Reduction	\$36,450

ANALYSIS

This item would provide for the construction of a schedule of two projects, together with equipment for them.

The first project is for the construction of a new firehouse at a cost of \$35,000, plus equipment at \$1,450. The present firehouse is a brick building, large enough to store two pieces of fire apparatus, and located close to the existing administration building. We would like to point out that funds appropriated in the last several years will result in eliminating the worst fire hazards represented by the old wooden dormitory buildings. The replacement of these buildings with fire proof construction will appreciably reduce the over-all fire hazard of the institution. Also, the razing of the old dormitories will provide a considerable amount of salvage lumber and other materials. In view of the limited capital outlay funds, we believe that the old firehouse should be continued in use with perhaps some sort of an addition to it which can be constructed by the inmates using the salvage materials. Therefore, we recommend that this project be deleted.

The second project is the construction of a control and counseling center at a cost of \$181,600, plus \$7,200 for equipment. This unit actually represents somewhat less than half of the administration building requirements. Originally it was proposed to replace the old existing administration building with a single new administration building. It has now been decided that it would be wiser to break the administrative function into two parts housed in two separate buildings. The first building, which is covered by this project, would house those functions which are most directly concerned with the inmates and personnel, such as offices for head supervisor, counselors, psychologists, barber

shop, et cetera. This unit will be placed close to the center of inmate activity and population. At some future date a second building will be constructed which will house the purely business administrative functions of the institution. This building would be adjacent to the entrance gate and removed from the main security area. We believe that this approach to the problem is a very logical one, and we find that there will be no increase in construction cost because of this change. This step will reduce the number of people now using the old administration building, and thereby reduce the hazard incident to the age of the building. We recommend approval of this project as requested.

ITEM 302 of the Budget Bill

Budget page 1013

Budget line No. 43

For Minor Construction, Improvements, Repairs, and Equipment, Preston School of Industry, From the Capital Outlay and Savings Fund

Amount budgeted	\$26,440
Legislative Auditor's recommendation	26,440
Reduction	None

ANALYSIS

This item will provide for two projects, the first one being a standby electrical system which will provide minimum lighting for security purposes in the case of a power failure. We believe it is necessary to provide this service because of the history of frequent power outages in this area. It is not possible to arrange for an alternate service line with the utility company, as only one trunk serves this area. The second project provides for the extension and modernization of the security sound system. We are satisfied both as to need and the propriety of the cost estimates involved and, consequently, we recommend approval of this item as submitted.

ITEM 303 of the Budget Bill

Budget page 1015

Budget line No. 59

For Minor Construction, Improvements, Repairs, and Equipment, Los Guilicos School for Girls, From the Capital Outlay and Savings Fund**RECOMMENDATIONS**

Amount budgeted	\$12,000
Legislative Auditor's recommendation	12,000
Reduction	None

ANALYSIS

This item consists of a control building to be located at the north end of the receiving building and for an intercommunication system, which will provide stations at various locations so that contact can be readily made with the control booth mentioned above.

We have examined the plant in detail and recommend approval of the item as submitted.

Capital Outlay

ITEM 304 of the Budget Bill

Budget page 1017
Budget line No. 37

For Minor Construction, Improvements, Repairs, and Equipment, Ventura School for Girls, From the Capital Outlay and Savings Fund

Amount budgeted	\$4,000
Legislative Auditor's recommendation	4,000
Reduction	None

ANALYSIS

This item will provide for emergency maintenance projects that might become necessary during the year. This type of item will be required until the new institution is constructed. We recommend approval as requested.

DEPARTMENT OF EDUCATION

ITEM 305 of the Budget Bill

Budget page 1024
Budget line No. 33

For Minor Construction, Improvements, Repairs, and Equipment, Chico State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$49,265
Legislative Auditor's recommendation	49,265
Reduction	None

ANALYSIS

This item consists of 11 projects, 10 of which are for minor alterations and improvements which either provide additional capacity or improve the function of existing facilities. The other project provides a shipping-receiving building to replace a small inadequate facility which will be razed to provide space for a proposed alumni building. We have examined all projects in detail and have been satisfied both as to the need for them and the propriety of cost estimates involved. Consequently, we recommend approval of this item as submitted.

State Colleges, Technical Colleges and Special Schools

ITEM 306 of the Budget Bill

Budget page 1027
Budget line No. 22

For Major Construction, Improvements, and Equipment, Fresno State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$273,590
Legislative Auditor's recommendation	273,590

Reduction	None
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ANALYSIS

This item provides for the partial financing of the construction and equipment of the physics wing of the science building at Fresno. The construction cost of the project is \$565,000, plus \$36,100 for equipment.

Financing will be \$237,490 for construction out of the Capital Outlay and Savings Fund by this item, and \$327,510 from the General Fund as a result of the sale of state property at Fresno in accordance with Chapter 33 of the Statutes of 1950 (First Extraordinary Session).

Capital Outlay

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This wing is probably the most expensive area of the entire science building because of the elaborate electrical installations required for the teaching of the physical sciences. We believe the laboratory facilities contained in this unit are essential to the operation of the college on the new site and recommend approval of this project as requested.

ITEM 307 of the Budget Bill

Budget page 1028

Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Fresno State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$28,600
Legislative Auditor's recommendation	28,600
Reduction	None

ANALYSIS

This item provides for five minor projects, one for the initial complement of equipment for the new women's shower and locker unit, another for a shipping-receiving building similar to the one being provided for Chico, two projects are for minor alterations and betterments, and the last is for an incinerator which will be needed at the new campus. While we have not examined all of the above projects in detail, we have discussed them with the agency and the Department of Finance and have satisfied ourselves as to need. Therefore, we recommend approval of the item as submitted.

ITEM 308 of the Budget Bill

Budget page 1028

Budget line No. 29

For Minor Construction, Fresno State College, From the State College Fund

Amount budgeted	\$125,400
Legislative Auditor's recommendation	125,400
Reduction	None

ANALYSIS

This item provides for minor construction and equipment for the School of Agriculture at Fresno State College. Actual expenditures from this item are subject to approval by the Joint Legislative Interim Committee on Agriculture and Livestock Problems and the Director of Finance. We recommend approval of the item as submitted.

ITEM 309 of the Budget Bill

Budget page 1030

Budget line No. 56

For Major Construction, Improvements, and Equipment, Humboldt State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$85,192
Legislative Auditor's recommendation	None
Reduction	\$85,192

ANALYSIS

This item would provide for the completion of the installations in the fish hatchery, and for the construction of raceways and ponds to be used in connection with the fish hatchery. We recommend deletion of this project for the following reasons:

The 1953 Budget Act in Item 317 provided \$427,926 for the construction of a wildlife management building or buildings, plus equipment for these buildings. At that time it was our understanding that the main building would provide adequate classroom and laboratory space, and that a single hatchery trough in the fish hatchery building would be adequate for instructional purposes. We were led to believe that this development would provide a sufficient facility in which the college could conduct an adequate instructional program. It was also our understanding that the major problem at this college was the fact that the classroom facilities for the wildlife curriculum were the poorest of any state college. We agreed with this estimate of conditions, and recommended the replacement of the classroom facilities with adequate buildings. However, it was our distinct understanding that no more would be required at this time to make the unit operable. Consequently, we recommend that this item be deleted from the budget.

ITEM 310 of the Budget Bill

Budget page 1031

Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Humboldt State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$64,160
Legislative Auditor's recommendation	64,160

Reduction	None
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ANALYSIS

This item provides for nine minor projects of which two are initial complements of equipment, and six are for minor alterations and improvements to existing facilities to improve their efficiency or physical condition. One project is for additional space needed at the existing gym for shower and locker room facilities.

We have examined the above projects in detail and have been satisfied both as to the need and economical cost estimates involved. Consequently, we recommend approval as submitted.

ITEM 311 of the Budget Bill

Budget page 1032

Budget line No. 65

For Major Construction, Improvements, and Equipment, Long Beach State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$507,000
Legislative Auditor's recommendation	507,000

Reduction	None
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ANALYSIS

This item will provide for a single construction project of an administration building at a cost of \$474,000, plus \$33,000 for equipment.

The present administrative space is composed of temporary buildings, which have now grown far too small to permit efficient functioning of the administrative staff. The construction of a permanent administration building will relieve the temporary space which, in turn, will be converted into temporary classrooms and be so used for many years. Consequently, we recommend approval of this item as requested.

ITEM 312 of the Budget Bill

Budget page 1033
Budget line No. 11

For Minor Construction, Long Beach State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$42,250
Legislative Auditor's recommendation	42,250
Reduction	None

ANALYSIS

This item consists of four projects of alterations to the existing temporary buildings to provide additional instructional space. We are aware of the acute need for additional space at this campus, which is now housed wholly in temporary facilities. We have found the estimates in line with present economic conditions; therefore, we recommend approval of the item as submitted.

ITEM 313 of the Budget Bill

Budget page 1037
Budget line No. 49

For Minor Construction, Sacramento State College, From the Capital Outlay and Savings Fund

Amount budgeted	\$70,900
Legislative Auditor's recommendation	49,150
Reduction	\$21,750

ANALYSIS

This item consists of nine minor projects. Four of these are to correct oversights in the original construction. Another project provides storage space for the outdoor theater and physical education activities. Parking space has been at a premium at the new campus, and \$19,500 is being requested to relieve this situation.

The other three projects are listed below with our recommendations.

Bumpers and markings for parking areas \$750

This project is to provide for permanent markings and bumpers in the temporary parking lot provided.

In view of the fact that \$19,500 is being requested for additional parking area, we believe that this small project can be handled as part of the larger request. Consequently, we recommend deletion of this project.

Lighting for tennis courts \$1,000

This project would provide sufficient lighting to carry on various recreational activities such as folk dancing, et cetera.

Due to the fact that the gymnasium will be completed within the next fiscal year and that the outdoor theater area is already available for activities other than folk dancing and, further, that the Music Speech Building will soon be constructed, we recommend that this project be deferred until a greater need exists.

Additional play areas ----- \$20,000

This project is to provide additional playfield facilities for various recreational activities.

We have pointed out in our comments on the above project that the gym is scheduled for completion in the 1954-55 Fiscal Year. Further, in referring to our analysis for 1953-54 on page 478, it can be readily seen that the per-capita gymnasium space based on the enrollment at that time was well above any other state college. At the time of completion Sacramento will still be the highest, but eventually will be second to Chico.

Large play areas exist now on the campus, including the two tennis courts mentioned previously, which we believe can serve adequately until some future budget when funds can be more readily appropriated for this type of use. Consequently, we recommend deferral of this project.

ITEM 314 of the Budget Bill	Budget page 1040
	Budget line No. 11
For Major Construction, Improvements, and Equipment, San Diego State College, From the Capital Outlay and Savings Fund	
Amount budgeted	\$486,800
Legislative Auditor's recommendation	<u>486,800</u>

Reduction	None
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ANALYSIS

This item will provide for a single construction project of an education classroom building, at a cost of \$437,000, plus \$49,800 for equipment.

The enrollment at San Diego State College is growing quite rapidly and students are still being housed, to a considerable extent, in temporary facilities. This project will be located immediately adjacent to the new training school, and will thus provide a compact teacher-training area. We believe the additional capacity is justified and recommend approval of this project as requested.

ITEM 315 of the Budget Bill	Budget page 1040
	Budget line No. 36
For Minor Construction, Improvements, Repairs, and Equipment, San Diego State College, From the Capital Outlay and Savings Fund	
Amount budgeted	\$96,550
Legislative Auditor's recommendation	<u>96,550</u>

Reduction	None
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ANALYSIS

This item consists of nine minor projects of alteration and improvement to the physical plant to provide more efficient utilization of existing facilities.

During 1953 we had the opportunity of visiting this campus and examining each project in detail and we are satisfied both as to need and the estimates of cost. Therefore, we recommend approval of the item as submitted.

ITEM 316 of the Budget Bill	Budget page 1042
	Budget line No. 10
For Major Construction, Improvements, and Equipment, San Francisco State College, From the Capital Outlay and Savings Fund	
Amount budgeted	\$270,800
Legislative Auditor's recommendation	<u>270,800</u>
Reduction	None

ANALYSIS

This item will provide for three construction projects, the first being a health clinic building at a cost of \$121,000, plus \$18,000 for equipment. San Francisco State College, on its new site, does not have adequate facilities to provide the minimum health services established as a standard for all state colleges. The unit is designed to minimum size and will be constructed of wood frame and stucco. We believe the project is needed for the proper operation of this campus and, consequently, we recommend approval of this project as requested.

The second project is for the construction of a play field with fencing, paving, and equipment to serve the laboratory school, at a cost of \$76,000. This project is made necessary as a part of the agreement between San Francisco State College and the school system of the City of San Francisco, which provided the buildings for the laboratory school. The understanding was that the State would provide the necessary play field facilities at a standard equivalent to those provided by the City of San Francisco in its own new schools. Consequently, we recommend approval of this item as requested.

This third project is for the installation of an additional boiler in the heating plant, at a cost of \$55,800. The present heating plant is operating to full capacity without any standby facilities. The completion of facilities now under construction will somewhat overload the existing plant and, consequently, we feel that this additional boiler is essential. Therefore, we recommend approval.

ITEM 317 of the Budget Bill	Budget page 1042
	Budget line No. 39
For Minor Construction, Improvements, Repairs, and Equipment, San Francisco State College, From the Capital Outlay and Savings Fund	
Amount budgeted	\$50,605
Legislative Auditor's recommendation	<u>50,605</u>
Reduction	None

ANALYSIS

This item consists of nine minor projects of construction, alterations and repairs designed to increase the functional use of the college plant.

We have made a physical inspection of the campus during the past year and reviewed the proposed projects in detail with the college staff. We recommend approval as submitted.

ITEM 318 of the Budget Bill

Budget page 1044

Budget line No. 42

**For Major Construction, Improvements, and Equipment, San Jose State College,
From the Capital Outlay and Savings Fund**

Amount budgeted	\$2,186,425
Legislative Auditor's recommendation	1,440,425
Reduction	\$746,000

ANALYSIS

This item will provide for three construction projects, together with equipment for one of them. The first project is for the installation of an additional boiler in the existing boiler house at a cost of \$59,500. The expanding permanent plant of San Jose State College has gradually overrun the capacity of the original boiler installation, so that at this time the demand exceeds the normal capacity of the boiler installation. Since additional construction is yet to make more demands on this plant, we believe an expansion is essential. Consequently, we recommend approval of this project.

The second project would be the financing of the balance of the library addition, for which \$550,000 was provided in the 1953 Budget Act. The balance would cost \$746,000. Equipment, at \$104,621, was also provided in the 1953 Budget Act. The first portion of the addition has not yet been started, and it is contemplated that the two portions will be let to bid as one unit, thereby saving an appreciable sum. We do not believe that the basic questions which we raised last year concerning the scope of this building have been answered. Until the Legislature is given the basis for making a sound policy decision applicable to all libraries we cannot recommend the amount budgeted for this project.

The third project is for the construction of a general classroom building at a cost of \$1,283,700, plus equipment at \$97,225. While the maximum enrollment at San Jose State College has presumably been pegged at 6,000, the actual enrollment for the past few years has been approaching 7,000. If this college is to provide adequate permanent facilities for an enrollment exceeding 6,000, then there is no question that this project is justified. Actually, many of the classrooms in this new project are now being provided by the use of rooms in old residences surrounding the campus, which were bought in the course of property acquisitions to expand the campus. We believe that this project is a necessary and logical step in providing an adequate plan for this expanding institution. Consequently, we recommend approval of this project as requested.

Capital Outlay

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ITEM 319 of the Budget BillBudget page 1044
Budget line No. 68**For Minor Construction, Improvements, Repairs, and Equipment, San Jose State College, From the Capital Outlay and Savings Fund**

Amount budgeted	\$30,600
Legislative Auditor's recommendation	30,600
Reduction	None

ANALYSIS

This item is composed of four minor projects, three are for alterations and improvements to improve the physical condition of the college plant, and the other project will provide much needed parking space.

We are satisfied as to the need for the above projects. Consequently, we recommend approval.

ITEM 320 of the Budget BillBudget page 1047
Budget line No. 18**For Major Construction, Improvements, and Equipment, California State Polytechnic College, From the Capital Outlay and Savings Fund**

Amount budgeted	\$1,107,500
Legislative Auditor's recommendation	1,107,500
Reduction	None

ANALYSIS

This item will provide for two projects, one of construction at Kellogg Ranch, and the other for working drawings for the San Luis Obispo campus.

The first project, consisting of \$800,000 for construction and \$237,000 for equipment, is for the second unit of the science building at the Kellogg campus. The Budget Act of 1952 provided \$1,000,000 for the first unit, for which construction has not yet been started. However, it was pointed out that an operable permanent plant could not be constructed for \$1,000,000 and, consequently, action has been delayed until at least a second million dollars could be provided, in order to make a reasonably well-rounded plant. We believe that this new campus should now be permitted to move forward to the eventual completion of a full-scale institution. If the second half of this unit is not provided for in this budget act, then we believe that the entire project should be dropped, and the Kellogg campus should be allowed to revert to the original owners in accordance with the gift deed.

The second project is for working drawings, plans, and specifications for the first unit of an engineering building on the San Luis Obispo campus, at a cost of \$70,500. The ultimate construction and equipment costs of this first unit will probably be close to \$2,000,000. The San Luis Obispo campus of the California Polytechnic College has the fewest permanent facilities of any of our state colleges, and we believe that it is proper to gradually provide permanent facilities for this campus. Consequently, we recommend approval of this project as requested.

Capital Outlay

Elsewhere we have recommended that revenues into the Fair and Exposition Fund be reduced by \$8,000,000. If this is done the projects under reference should be financed out of the Capital Outlay and Savings Fund as proposed in the Budget. If it is not done we believe they should be financed out of the last balance of the Fair and Exposition Fund in lieu of going to fairs.

ITEM 321 of the Budget Bill

Budget page 1047
Budget line No. 43

For Minor Construction, Improvements, Repairs, and Equipment, California State Polytechnic College, From the Fair and Exposition Fund

Amount budgeted	\$141,590
Legislative Auditor's recommendation	141,590
Reduction	None

ANALYSIS

This item will provide for 25 minor projects of repairs, alterations and equipment and minor construction needed to provide more efficient use of existing facilities at all three campuses. We have examined all projects in detail and have been satisfied both as to need and the propriety of the cost estimates involved. Consequently, we recommend approval as submitted.

ITEM 322 of the Budget Bill

Budget page 1050
Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, California School for the Blind, From the Capital Outlay and Savings Fund

Amount budgeted	\$1,500
Legislative Auditor's recommendation	1,500
Reduction	None

ANALYSIS

This item provides for the replacement of the roof gutters and down-spouts on the administration building.

While we have not examined this project in detail, we have discussed it with the departments of Finance and Education, and we are satisfied as to need and cost. Consequently, we recommend approval as submitted.

ITEM 323 of the Budget Bill

Budget page 1052
Budget line No. 10

For Major Construction, Improvement, and Equipment, California School for the Deaf, Berkeley, From the Capital Outlay and Savings Fund

Amount budgeted	\$673,600
Legislative Auditor's recommendation	214,700
Reduction	\$458,900

ANALYSIS

This item would provide for two major construction projects at this institution. The first, at a cost of \$214,700, would prepare an athletic field to replace the original field that was used as a site for some new dormitories. We believe that adequate outdoor athletic facilities should be provided for this institution and, although the cost is comparatively high because of the difficult site involved, we recommend that the project be approved.

The second project, at a cost of \$439,400 for construction, and \$19,500 for equipment, is for a gymnasium which would be the first unit of the ultimate structure. The first unit would be for the gymnasium itself, together with shower and locker room facilities, heating plant, et cetera. The second unit, which would be requested at some future date, would provide a swimming pool enclosed in a wing attached to the new gymnasium. We recommend that this project be deleted from the budget for the following reasons:

1. The present gymnasium and swimming pool building, which is used jointly by the California School for the Deaf and the School for the Blind having a total combined enrollment of approximately 600 students, provides approximately 20 square feet of gymnasium and swimming pool facilities per student. This is considerably higher than the average high school, and actually exceeds the per capita area provided in most of our state colleges.
2. It should be pointed out that, of the total enrollment in the two institutions, only a small portion is of high school or junior high school age, the balance being at the elementary school level, where facilities of this type are seldom provided.
3. In view of the deficits with which the State of California is now faced, we do not believe that this is an appropriate time to provide a facility of this type, when other institutions are in urgent need of actual capacity, rather than auxiliary facilities.

In view of the foregoing, and the fact that a new athletic field will be constructed, which will provide a considerable facility to take care of the 600 students, we recommend that this project be indefinitely deferred.

ITEM 324 of the Budget Bill

Budget page 1052
Budget line No. 33

For Minor Construction, Improvements, Repairs, and Equipment, California School for the Deaf, Berkeley, From the Capital Outlay and Savings Fund

Amount budgeted	\$3,250
Legislative Auditor's recommendation	3,250

Reduction	None
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ANALYSIS

This item consists of two minor projects, one to raze the old superintendent's residence, and the other to provide additional parking space.

We have discussed these projects with representatives of the Departments of Finance and Education and are satisfied as to need and the propriety of the estimates. Consequently, we recommend approval of the item as submitted.

Capital Outlay

ITEM 325 of the Budget Bill

Budget page 1053
Budget line No. 75

For Minor Construction, Improvements, Repairs, and Equipment, California School for the Deaf, Riverside, From the Capital Outlay and Savings Fund

Amount budgeted	\$9,800
Legislative Auditor's recommendation	9,800
Reduction	None

ANALYSIS

This item consists of two minor projects, one of which provides a small building to serve as a shop and storage building for the groundsman flower gardener. We have inspected this institution and reviewed this project with representatives of the Department of Education. We are satisfied both as to need and the cost involved. We recommend approval.

The second project is for the construction of two basketball courts at a cost of \$4,800. Athletic facilities at the present time include an exercise house which has indoor basketball courts. In addition, a swimming pool and large areas of lawn are available. It should be noted that \$6,000 is available in the current year's budget for paved play areas.

We recommend approval.

ITEM 326 of the Budget Bill

Budget page 1057
Budget line No. 59

For Minor Construction, Improvements, Repairs, and Equipment, Los Angeles Center, California Industries for the Blind, From the Capital Outlay and Savings Fund

Amount budgeted	\$2,460
Legislative Auditor's recommendation	2,460
Reduction	None

ANALYSIS

This item consists of two minor projects; one will provide an opening to be cut to an existing elevator for the mezzanine floor of the stock room, which will facilitate use of this area. The other project is to increase the lighting in the office and factory areas. While we have not examined these projects in detail, we have discussed them with representatives of the agency and recommend approval as submitted.

ITEM 327 of the Budget Bill

Budget page 1058
Budget line No. 62

For Minor Construction, Improvements, Repairs, and Equipment, Oakland Center, California Industries for the Blind, From the Capital Outlay and Savings Fund

Amount budgeted	\$14,350
Legislative Auditor's recommendation	14,350
Reduction	None

ANALYSIS

This item provides for the installation of an overhead sprinkler system in a warehouse which has a large inventory of broom corn and handles. This project is recommended by the local fire marshal. While we have not inspected the building, we have discussed this project with representatives of the Departments of Finance and Education and are satisfied both as to need and cost. Consequently, we recommend approval of the item as submitted.

University of California

ITEM 328 of the Budget Bill	Budget page 1067 Budget line No. 29
<i>For Major Construction, Improvements, and Equipment, University of California, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$4,258,000
Legislative Auditor's recommendation	4,258,000
Reduction	None

ANALYSIS

This item would provide for seven projects, of which one is a major construction project, three are major alteration and conversion projects, and three are initial complements of equipment.

The first project is for the construction of a classroom building to house the social sciences and arts, at a cost of approximately \$2,360,000 for construction, and \$98,000 for equipment, or a total of \$2,458,000. This building would be constructed on the north side on Bancroft Way between the School of Law and the Hearst Gymnasium. The building will probably be a two-story one, with part of it three-story, resulting from a sloping site. The gross area is expected to be in excess of 96,000 square feet. The new building will replace a number of temporary facilities, many of which are over 30 years old and totally inadequate for proper teaching purposes. We believe the classroom needs at the Berkeley campus justify this project, and recommend approval as requested.

The second project is for the rehabilitation of the old physics building on the Los Angeles campus at a total cost estimated at \$500,000, of which \$400,000 is being requested here, and \$100,000 is expected to be made available from the Fair and Exposition Fund. This building has been vacated as a result of the removal of certain departments into newly constructed quarters. In order to make the space usable for other departments certain changes are required. We have recently examined this project in some detail and we believe that the cost is justified.

The third project is for the rehabilitation of Royce Hall on the Los Angeles campus at a cost of \$350,000. This change is to a considerable degree occasioned by the fact that the construction of a new boiler plant caused the abandonment of the old boiler plant in the basement of Royce Hall. This space can now be made useful for other purposes. We believe the project is well justified.

The fourth project is for the rehabilitation of the education building on the Los Angeles campus at a cost of \$150,000. This building is one of the earliest constructed on the Los Angeles campus and requires

considerable alteration to make it more useful and efficient. We believe the project is justified.

The next three projects are for initial complements of equipment; \$700,000 is for the final increment of the initial complement at the Medical Center on the Los Angeles Campus, \$100,000 for the final increment of the initial complement at Mount Hamilton, and \$100,000 for the initial complement of equipment for the College of Letters and Science at Riverside. We believe that these equipment items are necessary to the proper operation of these campuses and recommend approval.

ITEM 329 of the Budget Bill

Budget page 1067
Budget line No. 60

For Minor Construction, Improvements, Repairs, and Equipment, University of California, From the Capital Outlay and Savings Fund

Amount budgeted	\$362,150
Legislative Auditor's recommendation	347,150
Reduction	\$15,000

ANALYSIS

This item represents 20 minor projects of repairs, alterations, equipment replacement, and minor construction on the various campuses of the university, as well as Mount Hamilton.

While we have not examined these projects in detail, we have discussed them with university staff and are satisfied with the cost estimates involved and the need, with the following exception.

It is proposed to convert an existing building on the Goleta Campus to an indoor rifle range for use of the Military Science Department at a cost of \$15,000.

We understand that a large outdoor range is available on the campus and, further, that the Federal Government does not require that it be enclosed.

The possibility of the university using the indoor range, available in the nearby Santa Barbara Armory, has been discussed with the Adjutant General's Office, whereupon they indicated they would be glad to be of assistance. While we recognize transportation as possibly presenting a problem, we do not believe that enough inclement weather will be encountered in this locality to justify the construction of this project. Consequently, we recommend approval of the item, with the exception of the above-mentioned project.

DEPARTMENT OF FINANCE

ITEM 330 of the Budget Bill

Budget page 1073
Budget line No. 50

For Major Construction, Improvements, and Equipment, Division of Buildings and Grounds, Department of Finance, From the Capital Outlay and Savings Fund

Amount budgeted	\$712,700
Legislative Auditor's recommendation	92,500
Reduction	\$620,200

ANALYSIS

This item consists of seven projects of alterations and equipment in various state buildings in Los Angeles, San Francisco, and Sacramento.

The first project, at a cost of \$375,000, is for alterations and improvements to convert the old printing plant for use as a storage and archives area, in Sacramento. It is anticipated that the old printing plant will have been completely vacated by the Printing Division by about the end of August of 1954, and the Department of Finance desires to make some use of the old building. To our knowledge, no complete and thorough study has been made of all the possible uses or dispositions of this building. We are not convinced that the best use is as a storage area or for archives. The building is located in an area which is comparatively valuable from the real estate standpoint, and we do not believe that the State's need for additional storage space is so urgent as to justify the arbitrary use of the building as a storage area. Consequently, since we do not believe that the State will sustain any loss if this building is allowed to remain vacant for another year, we recommend that this project be deferred and that a proper study be undertaken and subsequently presented to the 1955 Legislature.

The second project is for alterations in the state building at San Francisco to provide space for a snack bar at a cost of \$11,900 for construction, and \$20,000 for equipment. We have, in the past, questioned the justification for providing this type of facility in every state building. We recommend that the Department of Finance undertake a study of the methods by which private business provides this sort of facility in private office buildings. It is our understanding that in many cases a fixed congregating area is not provided, but that instead some form of portable snack bar is used and moved throughout the building as required. Consequently, we recommend that this project be deferred pending the results of such a study.

The next item is for alterations and improvements to the state building in Los Angeles at a cost of \$139,500. This project proposes to make certain alterations in space now occupied on the first, third, fourth, fifth, eighth, and ninth floors of the building, and in areas on the first and fourth floors that were recently vacated by the Department of Veterans Affairs and the Division of Architecture, which were recently moved to a leased building at 11th and Grand Streets in Los Angeles. These changes are proposed presumably to permit the agencies now in the building to expand into additional space, and to rearrange their facilities. We question seriously the justification for the expenditure of almost \$140,000 simply to permit agencies being housed in the building to rearrange their facilities. We suggest instead that these agencies move into the vacant space just as it is and accommodate themselves to that space for a period of at least a year, after which a far better determination can be made as to the exact alterations required. Consequently, we recommend that this project be deferred at this time.

The next project at a cost of \$24,500 is for the replacement of the roof and repair of the gutters on the state building in San Francisco. It appears that this project is necessary since the roof is in poor condition. Consequently, we recommend approval as requested.

The next project is for alterations in the Capitol Building in Sacramento to provide additional office space and to rearrange some existing

space for the State Treasurer at a cost of \$56,000. We have examined this project in detail and we do not believe that this expenditure can be justified in terms of the results to be achieved. Much of the rearrangement will not achieve sufficient increase in efficiency to justify the expenditure. In addition, the project involves the installation of a great deal of bullet-proof glass in exterior windows that are not now so equipped. We seriously question the necessity to do this. Consequently, we recommend that this project be deferred.

The next project is for the equipment of the snack bar at a cost of \$17,800 in the Personnel Building now under construction on the Capitol Mall in Sacramento. We make the same recommendations with regard to this project as was made above in connection with the San Francisco state building.

The last project is for improvements to the elevators in the state building at San Francisco at a cost of \$68,000. There are only two elevators in this building, and the improvements consist of the installation of modern automatic controls which will make the elevators considerably more efficient and will probably reduce operating costs. Consequently, we recommend approval of this project as submitted.

ITEM 331 of the Budget Bill	Budget page 1074 Budget line No. 13
For Minor Construction, Improvements, Repairs, and Equipment, Division of Buildings and Grounds, From the Capital Outlay and Savings Fund	
Amount budgeted	\$18,422
Legislative Auditor's recommendation	18,422
Reduction	None

ANALYSIS

This item consists of two projects, one of which is an initial complement of janitorial equipment for new office buildings, the other is for an incinerator at the state growing yards. We recommend approval as submitted.

ITEM 332 of the Budget Bill	Budget page 1078 Budget line No. 55
For Major Construction, Improvements, and Equipment, State Agricultural Society, From the Fair and Exposition Fund	
Amount budgeted	\$159,490
Legislative Auditor's recommendation	67,400
Reduction	\$92,090

ANALYSIS

This item would provide for four new projects and additional financing for a previously approved project.

The first project at a cost of \$45,000 is for the construction of five concession stands to take the place of those which were destroyed in the process of building the two new structures along the main entrance mall. We believe that these stands should be replaced in order to help increase the concession income.

The next project is for the construction of two race horse barns at a cost of \$22,400. This is needed to enable the fair management to obviate the necessity to house a number of horses in the buildings at Galt, with the attendant expenses and difficulties of moving the horses back and forth by van. We believe the project is justified.

The next project is for the construction of a service and supply warehouse at the front part of the grounds at a cost of \$25,000. We can see no clear justification for this project, as we believe that a certain amount of warehousing can be done in most of the main buildings at the front part of the fair and, therefore, we do not believe that such an expenditure is justified for only the 10-day period of the fair. Consequently, we recommend that this project be deleted.

The next project is for the construction of six rest rooms at a cost of \$42,090. We would like to point out that the attendance at the fair has become comparatively static and, in fact, for the 1954 fair, the attendance is anticipated to be somewhat reduced. We can see no justification for this expenditure to cover only a 10-day period of utilization. Therefore, we recommend that the project be deleted.

The last project is for additional financing for the remodeling of the Hall of Flowers, for which \$35,000 was provided in the current fiscal year. The additional amount required is \$25,000 as a result of reported inadequate estimating in the prior year. We recommend that the remodeling be done with the amount originally estimated and that this project be disallowed.

ITEM 333 of the Budget Bill

Budget page 1079
Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, State Agricultural Society, From the Fair and Exposition Fund

Amount budgeted	\$232,488
Legislative Auditor's recommendation	232,488
Reduction	None

ANALYSIS

This item consists of 30 projects of repair, alteration, and minor construction needed to either maintain the existing Fair plant in an acceptable operating condition or to improve facilities for the coming fair.

While we have not had the opportunity to examine the projects in detail, we have discussed them with representatives of the Fair. From the information we have received, we feel there is a justifiable need and that the cost estimates are in line. Consequently, we recommend approval of the item as submitted.

ITEM 334 of the Budget Bill

Budget page 1080
Budget line No. 53

For Minor Construction, Improvements, Repairs, and Equipment, Sixth District Agricultural Association, From the Fair and Exposition Fund

Amount budgeted	\$8,820
Legislative Auditor's recommendation	8,820
Reduction	None

ANALYSIS

This item provides for three projects, one of which is for preparation of preliminary plans for a new petroleum products exhibit. The other two are for minor alterations to the present exhibit facilities.

We recommend approval.

HIGHWAY PATROL

ITEM 335 of the Budget Bill	Budget page 1084 Budget line No. 76
<i>For Minor Construction, Improvements, Repairs, and Equipment, California Highway Patrol, From the Motor Vehicle Fund</i>	
Amount budgeted	\$38,250
Legislative Auditor's recommendation	11,250
Reduction	\$27,000

ANALYSIS

This item consists of four minor projects of alteration and construction, which we feel are necessary, with the exception of one project. That project would provide for the installation of approximately 650 lineal feet of movable-type partitioning at a cost of \$27,000 in the new Sacramento headquarters building. We have inspected the new building since its completion and observed the operation. We do not believe that partitioning is necessary to provide privacy for certain employees or to separate operations. The trend in private industry today is to provide open loft space without partitioning for proprietary operations. Consequently, we recommend approval of the item with the deletion of this project.

DEPARTMENT OF MENTAL HYGIENE

ITEM 336 of the Budget Bill	Budget page 1087 Budget line No. 36
<i>For Major Construction, Improvements, and Equipment, Psychiatric Hospital Clinic, Los Angeles, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$170,000
Legislative Auditor's recommendation	170,000
Reduction	None

ANALYSIS

This item will provide \$170,000 for working drawings and specifications for the first major unit of a psychiatric hospital clinic to be constructed as part of the new medical school on the campus of the University of California at Los Angeles. Seventy-five thousand dollars was made available for this purpose in the 1950-51 Fiscal Year, but a balance of \$70,000 still remains unexpended. This balance is being reverted to the Capital Outlay and Savings Fund, and serves to partly provide funds for the new item. It is anticipated that the funds will be transferred by the Department of Mental Hygiene to the University of California so that planning can be carried out on the same basis as the new medical school. The ultimate construction and equipment cost of

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this unit will probably be in excess of \$5,000,000 which a future Legislature will be requested to appropriate.

The Department of Mental Hygiene and the University of California have considered the need of a metropolitan center for clinical diagnosis and treatment in Southern California as having very high priority. There is no doubt that this is an area in which additional knowledge and training are imperative. For this reason we believe that a training and research clinic of this type, as part of the medical school, is justified. Consequently, we recommend approval of this project as requested.

ITEM 337 of the Budget Bill

Budget page 1088

Budget line No. 71

For Minor Construction, Improvements, Repairs, and Equipment, Langley Porter Clinic, From the Capital Outlay and Savings Fund

Amount budgeted	\$5,000
Legislative Auditor's recommendation	5,000
Reduction	None

ANALYSIS

This item provides for painting of miscellaneous interior areas, which is needed to maintain the institution in an acceptable physical standard. We have examined this project and have been satisfied as to need and the estimate of cost.

We recommend approval of this item.

ITEM 338 of the Budget Bill

Budget page 1091

Budget line No. 21

For Major Construction, Improvements, and Equipment, Agnews State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$156,000
Legislative Auditor's recommendation	156,000
Reduction	None

ANALYSIS

This item would provide \$156,000 for the working drawings and specifications of a new 500-bed receiving and treatment unit for Agnews State Hospital. The ultimate cost of constructing and equipping this unit will be between \$4,000,000 and \$4,500,000. A receiving and treatment unit for Agnews State Hospital is in line with the orderly expansion program of the Department of Mental Hygiene. It is part of the stepped-up rehabilitation program advocated by the department. We believe that this item is a proper step forward in the implementation of this program. Consequently, we recommend approval of this item as submitted.

ITEM 339 of the Budget Bill Budget page 1091
 Budget line No. 48

For Minor Construction, Improvements, Repairs, and Equipment, Agnews State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$135,579
Legislative Auditor's recommendation	135,579

Reduction	None
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ANALYSIS

This item consists of 10 minor projects of alterations, repairs and modernization, which are intended to provide for the more functional use of existing facilities. We have had the opportunity to examine the proposed projects in detail and to make an inspection of the institution with agency personnel, and we are satisfied as to the need and the cost estimates involved. Consequently, we recommend approval of the item as submitted.

ITEM 340 of the Budget Bill Budget page 1093
 Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Atascadero State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$6,950
Legislative Auditor's recommendation	6,950

Reduction	None
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ANALYSIS

This item is composed of two projects, one to provide fencing around the corporation yard area, and the other to provide partitions in wards and corridors in order to reduce the number of patients concentrated in a given area.

While we have not had the opportunity to examine these projects in detail, we have discussed them with officials of the department. Due to the urgency, we recommend approval as submitted.

ITEM 341 of the Budget Bill Budget page 1097
 Budget line No. 22

For Major Construction, Improvements, and Equipment, Camarillo State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$215,800
Legislative Auditor's recommendation	30,800

Reduction	\$185,000
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ANALYSIS

This item provides for two construction projects, both of which are in the nature of repair, rather than new construction.

The first project is for the rehabilitation of the boiler plant at a cost of \$30,800. This is a project which has been very carefully considered, and we believe that it is necessary to increase the efficiency of the boiler plant and to avoid breakdowns. Consequently, we recommend approval of this project as submitted.

The second project, at a cost of \$185,000, is for the completion of the flood control work on Calleguas Creek. The emergency repair work, necessitated by the floods of several years ago, has already been completed. Possible additional damage from future floods is a reasonable risk to take at this location. Furthermore, we would like to point out that part of this project involves construction work on privately owned land at state expense. The work on this privately owned land is necessary if the balance of the flood control project is to have any value. In view of this fact, we believe that this particular project can be deferred until some future date, particularly since the potential floods on this creek do not menace the main buildings themselves.

ITEM 342 of the Budget BillBudget page 1097
Budget line No. 46**For Minor Construction, Improvements, Repairs, and Equipment, Camarillo State Hospital, From the Capital Outlay and Savings Fund**

Amount budgeted	\$194,400
Legislative Auditor's recommendation	194,400

Reduction	None
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ANALYSIS

This item consists of 14 minor projects of alteration, repairs, modernization, and deferred maintenance to provide for more efficient use of existing facilities.

We have examined these projects in detail, and recommend approval as submitted.

ITEM 343 of the Budget BillBudget page 1099
Budget line No. 66**For Minor Construction, Improvements, Repairs, and Equipment, DeWitt State Hospital, From the Capital Outlay and Savings Fund**

Amount budgeted	\$140,720
Legislative Auditor's recommendation	140,720

Reduction	None
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ANALYSIS

This item is composed of 15 minor projects of repairs, alterations, and minor construction needed to maintain the institution at an acceptable standard of repair. Minor construction projects will remain at a fairly high level at this facility due to the fact that it was built for the Army during the war to serve in a semitemporary capacity.

We have inspected the institution and have satisfied ourselves as to the need for the projects, as well as the estimates submitted. Consequently, we recommend approval of the item.

ITEM 344 of the Budget Bill

Budget page 1102
Budget line No. 36

For Minor Construction, Improvements, Repairs, and Equipment, Mendocino State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$69,300
Legislative Auditor's recommendation	69,300
Reduction	None

ANALYSIS

This item provides for five projects of repairs, alterations, equipment and repairs. These projects are needed to provide more efficient operating conditions of the existing plant. We have made a physical inspection of the institution during the past year and have satisfied ourselves both as to need and the propriety of the cost estimates. We recommend approval of the item as presented.

ITEM 345 of the Budget Bill

Budget page 1105
Budget line No. 66

For Major Construction, Improvements, and Equipment, Metropolitan State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$9,252,775
Legislative Auditor's recommendation	9,252,775
Reduction	None

ANALYSIS

This item will provide for six major construction projects, plus equipment for them. Five of these projects are needed to provide approximately 1,600 additional beds. The sixth project is needed to provide adequate administrative space in view of the greatly expanded inmate capacity resulting from the other five projects.

This item, as a whole, will provide additional bed capacity at approximately \$5,400 per bed, including equipment. A similar capacity in a totally new plant on a new site would result in a cost approaching \$10,000 per bed. Furthermore, this additional capacity, by being added to an existing institution, can be provided in about one-half to two-thirds of the time that a completely new institution would require. Since the need for additional capacity in the Department of Mental Hygiene is still great and is, in fact, continuing to grow, we believe that this group of projects is well justified and, consequently, we recommend approval as submitted.

ITEM 346 of the Budget Bill

Budget page 1106
Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Metropolitan State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$82,980
Legislative Auditor's recommendation	82,980
Reduction	None

ANALYSIS

This item is composed of nine projects of repairs, alterations, and minor construction needed to provide for the more efficient use of existing facilities or to maintain the institution at an acceptable physical standard.

We have examined the above projects in detail and are satisfied as to need and that the cost estimates involved are in line with present economic conditions.

Consequently, we recommend approval of the item as submitted.

ITEM 347 of the Budget Bill

Budget page 1108

Budget line No. 61

For Minor Construction, Improvements, Repairs, and Equipment, Modesto State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$120,000
Legislative Auditor's recommendation	120,000

Reduction	None
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ANALYSIS

This item is comprised of six projects of repairs, alterations, and minor construction. This institution is similar to DeWitt in that it was built during the war for the Army and is of a temporary type of construction. Therefore, minor repair projects will be at a higher level than at other institutions. We have examined the projects in detail both as to need and cost. Consequently, we recommend approval of the item.

ITEM 348 of the Budget Bill

Budget page 1111

Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Napa State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$118,997
Legislative Auditor's recommendation	118,997

Reduction	None
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ANALYSIS

This item consists of seven projects of repairs, alterations, and minor construction needed for more efficient utilization of existing facilities.

We have had the opportunity to make a physical inspection of the institution and have satisfied ourselves both as to need and the propriety of the cost estimates involved. Consequently, we recommend approval as submitted.

ITEM 349 of the Budget Bill

Budget page 1114

Budget line No. 59

For Major Construction, Improvements, and Equipment, Patton State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$125,960
Legislative Auditor's recommendation	76,200

Reduction	\$49,760
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ANALYSIS

This item provides for two construction projects and for the equipment of one of them.

The first project is for the construction of a large reservoir, and for the repair of an existing one, both of which are needed to insure an adequate water supply at this institution. The present water storage capacity equals less than one-half day's demand. This is far too small a storage capacity for safety. The new reservoir will bring the total storage capacity up to the equivalent of one day's demand. We believe this project is well justified and recommend its approval as submitted.

The second project is for the construction of a fire house at a cost of \$44,760, plus equipment at \$5,000. The present fire house is an old brick building which is believed to be too small to adequately house equipment and personnel. While we believe that this may be true, we wish to point out that the basic problem of fire protection at this institution is taken care of by the presence of adequate fire-fighting equipment. Adequate housing for this equipment, while desirable, is not nearly as essential as the equipment itself. In view of the shortage of funds for capital outlay purposes and of the many more essential needs for this money, we believe that this project can be deferred. Consequently, we recommend that it be deleted from the budget.

ITEM 350 of the Budget Bill

Budget page 1115
Budget line No. 11

For Minor Construction, Improvements, Repairs, and Equipment, Patton State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$99,050
Legislative Auditor's recommendation	99,050

Reduction	None
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ANALYSIS

This item is composed of 14 minor projects of repair, alteration, and construction needed to provide for more efficient utilization of existing facilities or to maintain the plant at an acceptable physical standard. We have examined the projects in detail and have been satisfied both as to need and the propriety of the cost estimates. Consequently, we recommend approval as submitted.

ITEM 351 of the Budget Bill

Budget page 1118
Budget line No. 54

For Minor Construction, Improvements, Repairs, and Equipment, Stockton State Hospital, From the Capital Outlay and Savings Fund

Amount budgeted	\$134,879
Legislative Auditor's recommendation	134,879

Reduction	None
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ANALYSIS

This item is composed of 20 minor projects of repairs, alterations, and construction necessary to maintain the institution at an acceptable physical standard and to provide more efficient utilization of existing facilities. During the previous year we visited the hospital and were

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able to inspect the various facilities with members of the staff of the institution. We have satisfied ourselves both as to cost and need for these projects. Consequently, we recommend approval of the item as submitted.

ANALYSIS

This item consists of six minor projects of repair, alteration and construction to provide more efficient use of existing facilities or maintain an acceptable state of repair. We have examined the projects in detail and have discussed them with the agency and we are satisfied both as to need and cost. Consequently, we recommend approval.

ITEM 353 of the Budget Bill **Budget page 1126**
Budget line No. 58

**For Minor Construction, Improvements, Repairs, and Equipment, Porterville
 State Hospital, From the Capital Outlay and Savings Fund**

Amount budgeted _____	\$29,803
Legislative Auditor's recommendation _____	29,803
Reduction _____	None

ANALYSIS

This item consists of six projects of minor construction, alterations, and repairs which are necessary for the efficient operation of this institution. This is a new institution, and four of these projects correct oversights in the original construction. We have made a physical inspection of the institution and have satisfied ourselves both as to need and that the estimates are proper. Consequently, we recommend approval as submitted.

ITEM 354 of the Budget Bill **Budget page 1130**
Budget line No. 39

For Minor Construction, Improvements, Repairs, and Equipment, Sonoma State Home, From the Capital Outlay and Savings Fund.

Amount budgeted _____	\$97,564
Legislative Auditor's recommendation _____	97,564
Reduction _____	None

ANALYSIS

This item consists of 17 projects of repair, alteration, and construction to provide a more functional institution or to maintain an acceptable level of maintenance. We have examined these projects in detail

with representatives of the agency and have satisfied ourselves both as to estimated cost and need. Consequently, we recommend approval of this item as requested.

OFFICE OF THE ADJUTANT GENERAL

ITEM 355 of the Budget Bill	Budget page 1134 Budget line No. 41
<i>For Major Construction, Improvements, and Equipment, Adjutant General, California National Guard, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$25,000
Legislative Auditor's recommendation	25,000
Reduction	None

ANALYSIS

This item provides for the preparation of plans and working drawings and for the supervision of construction of auxiliary armory projects, which are financed entirely by federal funds. Since this represents a comparatively minor investment by which the National Guard receives substantial federal funds, we recommend approval as submitted.

ITEM 356 of the Budget Bill	Budget page 1135 Budget line No. 9
<i>For Minor Construction, Improvements, Repairs, and Equipment, Adjutant General, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$50,000
Legislative Auditor's recommendation	50,000
Reduction	None

ANALYSIS

This item consists of one project of minor construction and alterations to the San Francisco Armory. It is proposed to provide an entrance ramp which will replace an obsolete elevator. This will greatly facilitate the movement of equipment in and out of the building and eliminate the potential hazard in case of fire. It also provides for the installation of an additional fire exit and the alteration of a heretofore unusable area into administrative and classroom space.

We recommend approval of the item as submitted.

DEPARTMENT OF MOTOR VEHICLES

ITEM 357 of the Budget Bill	Budget page 1137 Budget line No. 18
<i>For Acquisition of Real Property, From the Motor Vehicle Fund</i>	
Amount budgeted	\$60,000
Legislative Auditor's recommendation	60,000
Reduction	None

ANALYSIS

This item provides additional funds to augment the amount available from Chapter 100, Statutes of 1946 and Chapter 1461, Statutes of 1947, which totals \$105,679. This augmentation is necessary in order to complete acquisition of the site for a new office building in Oakland. It will be noted that working drawings are being provided in Item 358.

We recommend approval of the item as submitted.

ITEM 358 of the Budget Bill

Budget page 1137
Budget line No. 40

For Major Construction, Improvements, and Equipment, Department of Motor Vehicles, Payable From the Motor Vehicle Fund

Amount budgeted	\$331,322
Legislative Auditor's recommendation	76,322
Reduction	\$255,000

Reduction ----- \$255,000

Reduction ----- \$255,000

Reduction ----- \$255,000

ANALYSIS *(Continued from page 1)*

ANALYSIS

ANALYSIS

This item would provide for two construction projects and one project for plans and specifications for the future construction of an office building.

The first project is for the construction of an office building in Vallejo at a cost of \$57,500. The Department of Motor Vehicles is presently leasing space in Vallejo at an annual cost of \$4,080 for 1,700 square feet. On this basis, the construction of a new building having 2,400 square feet could be amortized in approximately 15 years. The Department of Motor Vehicles now has a lease on a piece of property at \$1 per year, which was provided by the County of Solano. This lease still has 17 years to run, since it was entered into in 1946 for a period of 25 years. While we believe that it would be reasonably good economy for the Department of Motor Vehicles to construct its own office building in Vallejo, we do not believe it would be wise to do so on ground having only a 17-year lease period remaining. We suggest that before this construction is undertaken that an additional 25-year period be obtained from the county.

The second project is for the preparation of plans and specifications for a new office building in Oakland to take the place of the present building, which is on a site on which it is expected that a new state office building will be constructed. We believe that this project is in order, and consequently, recommend approval.

The third project is for the construction of a warehouse in Sacramento at a cost of \$255,000. The Department of Motor Vehicles points out that it is presently using private warehouse space on a leased basis. We would like to point out that the old printing plant might be considered for warehouse purposes for the Department of Motor Vehicles and also, that the new book storage warehouse at the new printing plant may have some excess capacity which can be used in the same way. Consequently, we would recommend that this project be deferred until an over-all study of the old state printing plant is completed to determine just what uses will be made of it.

DEPARTMENT OF FISH AND GAME

ITEM 359 of the Budget Bill	Budget page 1141 Budget line No. 20
For Minor Construction, Improvements, Repairs, and Equipment, Department of Fish and Game, From the Fish and Game Preservation Fund	
Amount budgeted	\$208,260
Legislative Auditor's recommendation	<u>208,260</u>
Reduction	None

ANALYSIS

This item provides for 34 projects of repair, alteration, equipment, and minor construction needed to increase the operating efficiency at various installations. Many of them will be handled by department personnel. While we have not examined these projects in great detail, we have discussed them with the Department of Fish and Game and are satisfied both as to need and cost. Consequently, we recommend approval of the item as submitted.

DEPARTMENT OF NATURAL RESOURCES

ITEM 360 of the Budget Bill	Budget page 1150 Budget line No. 52
For Major Construction, Improvements, and Equipment, Division of Beaches and Parks, From the Capital Outlay and Savings Fund	
Amount budgeted	\$426,600
Legislative Auditor's recommendation	<u>426,600</u>
Reduction	None

ANALYSIS

This item would provide for major development work in expanding five existing state parks and in providing initial development at one newly acquired state park, Emerald Bay. The new facilities are a continuation of the standard types that have been adopted by the Division of Beaches and Parks for some years, and they would provide for the increased attendance that has been experienced at these particular locations. The appropriation is made on a loan basis subject to repayment when the impounded oil royalties are released to the State. We recommend approval of this item as submitted.

ITEM 361 of the Budget Bill	Budget page 1151 Budget line No. 18
For Minor Construction, Improvements, Repairs, and Equipment, Division of Beaches and Parks, From the Capital Outlay and Savings Fund	
Amount budgeted	\$93,100
Legislatitve Auditor's recommendation	<u>93,100</u>
Reduction	None

ANALYSIS

This item consists of six projects of alterations, repairs, and minor construction. Four projects are for parks, and the other two for beaches. The individual projects consist of camp and picnic units, comfort stations, combination buildings, culverts, and drainage control.

While we have not had the opportunity to examine these projects in detail, we have had the opportunity to discuss them with representatives of the Departments of Finance and Natural Resources, and we are satisfied both as to need and cost. The majority of the projects will be handled by the Division of Beaches and Parks by contract or by park maintenance personnel. Consequently, we recommend approval of this item as submitted.

ITEM 362 of the Budget Bill	Budget page 1156 Budget line No. 54
<i>For Acquisition of Real Property, Division of Forestry, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$35,000
Legislative Auditor's recommendation	None
Reduction	\$35,000

ANALYSIS

The 1953 Budget Act, Item 385-2B, provided \$275,000 for the construction of a building to house the District III headquarters of the Division of Forestry, as well as to provide housing for the regional office of the Department of Fish and Game. The item was appropriated with the understanding that property already owned by the State in the vicinity of Sacramento would be utilized as a site. We had recommended the use of a small portion of excess area now being used by Sacramento State College. Apparently the agencies involved have not been able to come to an agreement as to the use of this property and, consequently, this item for the acquisition of a site has been included in the budget. We recommend again that presently owned state property be used for the purpose, and that this item be deleted from the budget.

ITEM 363 of the Budget Bill	Budget page 1157 Budget line No. 11
<i>For Major Construction, Improvements, and Equipment, Division of Forestry, From the Capital Outlay and Savings Fund</i>	
Amount budgeted	\$714,800
Legislative Auditor's recommendation	447,870
Reduction	\$266,930

ANALYSIS

This item would provide for seven major construction projects, one of which is a new 60-man forestry honor camp, and the other six are for the conversion of tent camp fire suppression stations into permanent construction.

We believe that the additional honor camp is a good investment, in that it will provide additional capacity for corrections inmates at a

lower operating cost than that which is provided in standard correctional institutions. Consequently, we recommend approval of this project.

The six projects for the conversion of tent units into permanent construction, on the other hand, do not represent any urgency or needed additional capacity. The Division of Forestry has, for a number of years since the war, been gradually converting this type of installation into permanent facilities. We believe that it would not decrease the operating efficiency of the Division of Forestry to declare a moratorium on this type of construction until such times as state funds for construction become more readily available. Consequently, we recommend that these projects be deleted from the budget.

ITEM 364 of the Budget Bill	Budget page 1157 Budget line No. 43
For Minor Construction, Improvements, Repairs, and Equipment, Division of Forestry, From the Capital Outlay and Savings Fund	
Amount budgeted	\$179,790
Legislative Auditor's recommendation	179,790
Reduction	None

ANALYSIS

This item consists of 13 minor projects of repair, alteration, and construction which are needed either to maintain the existing forestry work camps, and field stations at an acceptable standard, or to increase the operating efficiency. Most of the projects can be constructed on a contributed labor basis by the Division of Forestry personnel, with some hired artisan labor for supervision.

We are satisfied both as to need and with the propriety of the cost estimates involved. We recommend approval of the item as submitted.

DEPARTMENT OF PUBLIC HEALTH

ITEM 365 of the Budget Bill	Budget page 1160 Budget line No. 49
For Major Construction, Improvements, and Equipment, Department of Public Health, From the Capital Outlay and Savings Fund	
Amount budgeted	\$23,000
Legislative Auditor's recommendation	None
Reduction	\$23,000

ANALYSIS

This item provides for the equipment of a lunch room and snack bar in the new laboratory and office building in Berkeley. The space is already provided in the design of the building. In line with our comments on providing snack bars in state buildings under the Department of Finance, we recommend that this item be deferred.

Capital Outlay

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RECLAMATION BOARD**ITEM 366 of the Budget Bill**

Budget page 1208

Budget line No. 46

For Acquisition of Lands and Rights of Way for the Sacramento River Flood Control Project, From the Flood Control Fund of 1946

Amount budgeted	\$1,500,000
Legislative Auditor's recommendation	1,500,000

Reduction	None
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ANALYSIS

This item provides funds for the acquisition of rights of way, borrow pits and easements for flood control levees on the Sacramento River system. In addition, it provides for the cost of construction incidental to right-of-way work such as culverts, small bridges, replacement of buildings and other structures. The construction work is carried out by the United States Army Corps of Engineers and is reimbursed by the State. The major flood control work is provided for by the United States through the United States Army Corps of Engineers. We recommend approval of this item as submitted.

DEPARTMENT OF VETERANS AFFAIRS**ITEM 367 of the Budget Bill**

Budget page 1214

Budget line No. 27

For Major Construction, Improvements, and Equipment, Veterans' Home of California, From the Capital Outlay and Savings Fund

Amount budgeted	\$25,900
Legislative Auditor's recommendation	None

Reduction	\$25,900
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ANALYSIS

This item would provide for a single project for the improvement of the water distribution system at the Veterans' Home. The water to this institution is supplied by the Rector Canyon Reservoir, which has a maximum elevation differential that does not provide a sufficient head of water to the high-level buildings at the institution. These buildings are mainly residences on the west slope behind the main buildings. The pressure at these buildings, while normally within the range of adequacy, falls when great demands are placed on the line lower down. These demands often come from the Napa State Farm, which taps the Rector Canyon line before it reaches the home. Ordinarily, we would recommend this project. However, in view of the possibility that the Napa State Farm may be considered as a site for a new medium security prison, we believe that no additional funds should be expended on improving the water system at the Veterans' Home until the major supply problem to a new prison is resolved, or until it is definitely determined that a new institution will not be built on that site. Consequently, we recommend that this project be deferred until a more complete study is available.

ITEM 368 of the Budget Bill

Budget page 1214
Budget line No. 60

For Minor Construction, Improvements, Repairs, and Equipment, Veterans' Home of California, From the Capital Outlay and Savings Fund

Amount budgeted	\$36,750
Legislative Auditor's recommendation	36,750

Reduction	None
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ANALYSIS

This item consists of seven projects of repairs, alterations, and construction required to maintain the plant at an acceptable physical standard or to provide more efficient operating conditions.

We have examined these projects in detail and are satisfied both as to need and the propriety of the cost estimates. Consequently, we recommend approval as requested.

ITEM 369 of the Budget Bill

Budget page 1215
Budget line No. 34

For Minor Construction, Improvements, Repairs, and Equipment, Woman's Relief Corps Home, From the Capital Outlay and Savings Fund

Amount budgeted	\$5,000
Legislative Auditor's recommendation	5,000

Reduction	None
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ANALYSIS

This item provides for certain electrical work at the home which should be corrected prior to leasing the facility. We have not examined this project in detail, but due to the fact that the home is to be leased soon and the need is urgent, and appears justified, we recommend approval.

CAPITAL OUTLAY AND SAVINGS FUND

ITEM 370 of the Budget Bill

Budget page 938
Budget line No. 10

For Transfer From the General Fund to the Capital Outlay and Savings Fund

Amount budgeted	\$13,573,247
Legislative Auditor's recommendation	10,804,165

Reduction	\$2,769,082
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ANALYSIS

This item provides for a transfer from the General Fund to the Capital Outlay and Savings Fund of an amount adequate to make the total unreserved balance equal to the total appropriations that will be made from it in the Budget Act of 1954.

We have recommended reductions in projects payable from the Capital Outlay and Savings Fund in the amount of \$2,769,082. We recommend, therefore, a corresponding reduction in this item.