

CAPITAL OUTLAY

The 1957-58 Budget proposes the largest outlay for capital improvement since the end of World War II, not in dollar volume alone, which is deceptive because of inflation and rising cost index, but in actual volume of physical plant proposed to be financed.

Immediately after the close of World War II the State's first concern was for additional facilities of all kinds to overcome the deficit in physical plant which had occurred during the war years. This need was caused by both the inability to construct during that period and the explosive wartime and postwar population growth. The State's second concern was for the restoration of its prewar plant which had suffered from lack of maintenance funds before the war and inability to provide maintenance during the war. These goals were largely achieved through the 1954-55 Fiscal Year.

The State was then faced with the problems arising from the continued population growth, due both to increased birth rates and immigration from other states, and the realization that the high birth rate during the war years would result in an avalanche of college age students in the decade of the 1960's. This was and is further complicated by the increasing percentage of persons of college age who are seeking and will continue to seek higher education. Fortunately demands on mental hygiene and correctional facilities are not rising at the same phenomenal rate.

This unprecedented growth at first led to somewhat exaggerated estimates of that growth. However, this has now been refined to more realistic and supportable levels. Nevertheless, that is not to say that the need is not very great, in fact greater than at any time in the immediate past. Important long-range decisions need to be made, primarily about the State's approach to higher education. Other problems of lesser magnitude, but still of great importance, involve mental hygiene and correctional facilities and the expansion program for beaches and parks.

State Colleges

Actual and estimated expenditures from the Capital Outlay and Savings Fund for state college major and minor construction and property acquisition for the two fiscal year periods of 1955-56 and 1956-57 totals \$57,294,460. For the budget year of 1957-58 the total is \$91,393,435, which includes \$30,110,890 from the State Construction Program Fund (Bond). For a one-year period the total is approximately 60 percent greater than for the prior two-year period. A major factor in this unusually large amount is \$16,138,100 (bond funds) for the initiation of a residence hall program at all state college campuses except the Maritime Academy, which received authorization for a new residence hall in the Budget Act of 1956, and the San Jose Campus which has no land available for a residence hall site. In the latter case there is \$2,500,000 in the new Budget for the purchase of additional land both for residence hall use and academic facilities.

The total initial program provides 21 buildings of 202 beds each, or a total of 4,242. The cost will average between \$3,900 and \$4,000 per bed, including the nominal site development but not including furnish-

Capital Outlay

General Summary—Continued

ings. It is contemplated that student fees will amortize one-half of this amount over a 40-year period. The repayment would go into the General Fund. Elsewhere in this analysis in our comments on the support budgets for the state colleges, we have pointed out that this expenditure could provide academic facilities for an additional 3,000 students, whereas in building residence halls no such expanded enrollment could be accommodated.

It should also be pointed out that in the "First Revised Report on the State Building Construction Program" submitted in April of 1956 (five-year plan) only six residence hall units were scheduled for the 1957-58 Fiscal Year, eight in the 1958-59 Fiscal Year, 11 in the 1959-60 Fiscal Year, and 13 in the 1960-61 or final year.

Another factor that should be pointed out with respect to the residence hall program is that, to our knowledge, none of the colleges has made an actual student-by-student survey to determine the facts with respect to existing living conditions where students live away from home, and with respect to actual commuting distances being traveled by students. Until such information is gathered and made available we do not see how a sound case can be made for residence halls versus additional academic facilities in new locations.

In any event, we would suggest that in order to assure the State of the greatest possible return on its investment in residence halls, that all residence halls including those in existence on state college campuses, but excluding the university, be operated on a "pool" basis to assure uniformity in treatment and charges as well as maximum returns to the State.

Approximately 60 percent of the total proposed expenditure will be for additional classrooms, laboratories, libraries, and physical educational facilities. The balance will cover all manner of auxiliary facilities such as administration buildings, cafeterias, corporation yard facilities, health centers, etc., with the residence hall program representing almost 18 percent of the total. A number of the projects proposed have been moved forward from their prior positions in the five-year plan in addition to the residence halls previously mentioned. For example, the science building addition at San Francisco State College was originally scheduled for financing in the 1960-61 Fiscal Year but has been moved to the budget year. However, one of the major influences in the over-all size of the proposed expenditure is the fact that the costs shown in the five-year plan were grossly understated in many cases, for a variety of reasons, among which are uncertain scopes, inadequate programming, and rising cost index. For example, the cafeteria addition at Sacramento State College was scheduled at \$440,000 to provide an additional 280 seats and alterations to the existing unit. In the Budget it is proposed at \$963,700, more than double, and is intended to provide an additional 785 seats as well as some academic space in a partial second floor. In this instance the change is partially due to the fact that at the time the five-year plan was formulated the ultimate size of the campus had not yet been determined, and partially to miscalculation. There are, in fact, very few items in the proposal for the state

Capital Outlay

General Summary—Continued

colleges in which some upward change has not occurred since the publication of the five-year plan. Even for the 21 residence halls the prior amount totaled approximately \$15,000,000 as compared with the \$16,138,000 now proposed.

Throughout the proposed Budget there are a number of projects which were not previously included in the five-year plan and in some cases had not even been contemplated in longer range consideration. The most outstanding of these would be the construction of the Whale Rock Reservoir Project as a joint venture between the State and the City of San Luis Obispo to provide water for California Polytechnic at San Luis Obispo and the adjoining Men's Colony. The college share would be \$1,855,000.

As previously mentioned the rapid enrollment growth first led to somewhat exaggerated estimates which have since been refined. For instance, the 1956-57 Governor's Budget estimated total enrollment at all campuses for the fall of 1956 at 43,450. The actual enrollment as shown in the new Budget was 41,555, or about 5 percent less. The first revision of the five-year plan made the following estimates as compared with estimates now shown in the new Budget.

	1957-58	1958-59	1959-60
Five-year plan -----	49,275	54,400	60,400
Budget -----	47,675	53,500	61,200

For subsequent years the comparison is with a new estimate just released, as of this writing, as follows:

	1960-61	1961-62	1962-63	1963-64	1964-65
Five-year plan -----	67,300	73,400	78,500	No estimate	No estimate
New estimate -----	59,000	65,700	72,500	79,000	87,100

The new estimate goes to the 1967-68 year, which is 112,500. It may be seen from the above that the adjustment in re-estimate is substantial. It will also be noted that in the 10-year period from 1957-58 to 1967-68 the total enrollment will more than double (136 percent) indicating also that facilities will have to increase in capacity commensurately. At a cost of approximately \$8,000 per student for academic facilities alone, this could mean a *10-year investment of over a half billion dollars*. It is most important to note that the expected enrollment in the 1967-68 year involves a total of 18,400 at Long Beach, 11,300 at San Bernardino Freeway Campus of the Los Angeles State College, 15,100 at San Diego, and 17,400 at San Jose. The existing and funded capacity of the entire state college plant including the Maritime Academy and so-called temporary facilities at various campuses is 50,092; full-time day student fall enrollment for 1959 is projected at 61,200 indicating a potential deficit of 11,108 if no additional capacity were funded at this time. The proposed budget contains additional capacity of 10,500 which will bring the plant substantially in line with the needs at that time.

University of California

The 1957-58 program for the University of California also presents unusual magnitude when compared to the two prior years. The total for the biennium, 1955-56 and 1956-57, from Capital Outlay and

Capital Outlay

General Summary—Continued

Savings Fund alone is \$20,306,639. For the 1957-58 Fiscal Year the proposal totals \$19,005,774, which includes \$2,116,700 from bond funds. While this increase is not as spectacular as the state college increase, it still represents an unusual condition.

In the five-year plan the total to be financed from Capital Outlay and Savings Fund and bond proceeds for the 1957-58 Fiscal Year was \$15,879,735 which is reasonably in accord with the figure shown in the new Budget. However, it should be pointed out that the program shown in the Governor's Budget for the 1957-58 Fiscal Year varies rather widely as to individual items when compared to the five-year plan, particularly with regard to the inclusion of items in the Budget which did not appear at all in the five-year plan. For example, on the Berkeley Campus there is an item for \$600,000 for a union cafeteria project which is a state appropriation in addition to an existing nonstate appropriation of one million dollars. This was previously not in the five-year plan. For the La Jolla Campus there is an item of \$370,000 for the planning of a graduate program in science and technology and the construction of an initial building. This was not previously in the five-year plan. On the Los Angeles Campus there is an item for \$206,234 for completion of unfinished areas and facilities in the medical center, which was not in the five-year plan. There are also some instances of projects which were scheduled for subsequent years but were moved forward and put into the 1957-58 Fiscal Year. For example, there is an item of \$633,000 for fields and courts development on the Berkeley Campus which was originally scheduled for the 1960-61 Fiscal Year but has been moved up to 1957-58 in the new Budget. There are a number of such, but generally speaking they are not as numerous relatively as in the state college program.

One program which has been moved ahead in the time schedule is that of residence halls. The residence hall program is not reflected in the university's request in quite the same way as it appears in the state college proposal. In the first place, it will be financed on the basis of 50 percent state funds and 50 percent university funds as compared with the state college proposal which requires 100 percent state funds initially with 50 percent of it being ultimately repaid from fees. Three major units are being provided with working drawings only for 800 beds at the Los Angeles Campus, and 800 beds at the Berkeley Campus, and working drawings and construction money for 400 beds at the Santa Barbara Campus. With respect to the residence hall program on the university campuses, it should be pointed out that the university did conduct a careful survey to determine commuting distances by students already enrolled and living conditions of students living away from home in quarters other than existing university dormitories. The data developed by these surveys plus the fact that the university campuses represent centralized points of university type higher education, which must draw from all parts of the State, appears to provide a reasonably sound justification for expanding the existing residence hall program in the university.

General Summary—Continued

Enrollments on the university campuses, while increasing, do not show in the Budget estimates the spectacular changes anticipated in the State College System. Furthermore, the estimates made for the university have consistently been fairly conservative. For instance, in the 1956-57 Governor's Budget, the estimate for the fall of 1956 was 37,586 on five campuses. The actual enrollment was 38,200. For the 1957 fall enrollment the estimate was 39,081. In the Governor's Budget for the 1957-58 Fiscal Year this estimate has been adjusted upward to 40,900. Generally speaking the estimates in previous budgets as well as in the five-year plan have been fairly consistent. However, there is some question as to whether these estimates may not be a little low.

Of the total expenditures proposed by the university for the 1957-58 Fiscal Year between 50 and 60 percent will provide additional classrooms, laboratories, research facilities, etc. The balance will provide many types of auxiliary facilities including residence halls, corporation yard facilities, heating plant additions, etc. It might be said that on this basis the programs of the university and the State College System are reasonably parallel in that they are devoting approximately the same portion of the total to providing additional instructional capacity. The existing and funded capacity of all university campuses is estimated at 40,807 full-time day students. Fall enrollment for 1959 is projected at 45,700 indicating a potential deficit of 4,893 if no additional capacity were funded at this time. The proposed Budget contains additional capacity of 3,763 in actual construction. However, the Budget also includes a number of working drawing items with a potential capacity of 4,288 for which construction funds would be requested in the 1958-59 Budget. This would make a total of 8,051 new capacity, and provide for university funded capacity of 48,858 by 1960. Enrollment projected to the fall of 1960 is 48,300.

Mental Hygiene

While the need for additional bed capacity in the Department of Mental Hygiene continues to grow, the growth is comparatively slight. Of a total proposed expenditure program of \$20,205,056 for major and minor construction during the 1957-58 Fiscal Year, only \$8,360,000, or about 40 percent, represents new capacity which is partially offset by the elimination of condemned and obsolete buildings at Agnews State Hospital, Metropolitan State Hospital, and Napa State Hospital. This would provide for a net increase of 386 beds. The balance of the Budget provides auxiliary facilities such as administration buildings, medical office buildings, water supply improvement, laundry building additions, heating facility additions, and the replacement of 355 existing bed capacity at Stockton State Hospital. The program as a whole represents a substantial reduction from the more than 27 million dollars estimated to be expended in the current fiscal year.

The proposal would result in a capacity equal to the projected population at the end of the 1958-59 Fiscal Year in facilities for the mentally ill. That is to say, there would be no overcrowding of any kind. In fact, there would be theoretically a surplus of 452 beds. With respect

Capital Outlay

General Summary—Continued

to the mentally retarded there would be a theoretical shortage of 331 beds, representing less than 3 percent overcrowding.

Prior estimates of populations in both the hospitals for the mentally ill and mentally defective have been consistently higher than those realized. In the first edition of the five-year plan, submitted in January of 1955, it was anticipated that the population in hospitals for the mentally ill on June 30, 1956, would be 38,826. The actual number was 36,157. The estimate for June 30, 1957, was 40,232; this has now been corrected to 36,841. The estimate for June 30, 1960, was 44,613. This has now been corrected to 38,550. Even in the second edition of the five-year plan the estimate for June 30, 1960, was 41,991, and for June 30, 1962, it was 44,669, which has now been corrected to 39,550. These figures indicate a distinct decline in the rate of hospitalization and may possibly also indicate that improved treatment methods, and improved and expanded facilities may be resulting in more rapid releases and higher percentages of releases with respect to actual commitments. This viewpoint is not necessarily firm and will require future evaluations of population trends.

With respect to populations in the institutions for the mentally defective the same trend seems apparent. In the first edition of the five-year plan the estimate for June 30, 1956, was 13,263, the actual population was 8,836. The estimate for June 30, 1960, was 14,376. This has now been reduced to 12,286. Here the reduced upward trend may be the result of the development of more local facilities and possibly the more ready acceptance of the less difficult types of cases in the local communities.

Department of Corrections

The budget program for correctional facilities represents essentially an improvement aimed at reducing the number of inmates being housed two in a cell. The total major and minor construction financing proposed for the 1957-58 Fiscal Year is \$18,350,745 of which \$11,500,000 is from bond funds and the remainder from the Capital Outlay and Savings Fund. This is the largest single total in some years. The prior large commitment involved the initiation of the medical facility at Vacaville. The total scheduled in the five-year plan for the 1957-58 Fiscal Year was \$12,992,401, substantially less than the amount proposed. The increase is primarily the result of inadequate estimates in the five-year plan together with the proposal of some items which did not appear at all in the five-year plan. For instance, the prior estimate for the initial permanent construction at the Men's Colony (near San Luis Obispo) was \$11,390,000, whereas the proposed Budget estimate is over \$10,000,000 for the same initial capacity. The estimate of expenditures for the current year is only \$3,847,542.

Existing and funded capacity of the entire correctional plant including so-called temporary facilities is 15,337. Population projected for June 30, 1959 (the date when new construction might become available) is 16,955. If no new capacity were funded at this time, the net deficit would be 1,618. The new construction proposed in the Budget would provide added capacity of 1,660 including two new honor camps.

General Summary—Continued

Thus, by 1959-60 if projected population figures are correct double occupancy of cells should not be necessary.

Population projections have been reasonably accurate for the past few years, although some minor revisions have had to be made. For instance, the five-year plan estimated 16,365 for the 1956-57 Fiscal Year, which has now been refined to 15,780. On the other hand, the estimate for the 1957-58 Fiscal Year was 16,365 which has now been adjusted to 16,585. The annual rate of increase appears to be fairly uniform between 375 and 450. Unless economic conditions undergo a radical change there is no reason to suppose that these figures will not hold up.

Youth Authority

The budget program proposed for juvenile rehabilitation facilities is composed almost entirely of improvement projects since only one new 50-boy dormitory is included. The expenditure proposed for major and minor construction totals \$1,846,635 from the Capital Outlay and Savings Fund, as compared with the five-year plan which estimated a total of \$1,341,825. The increase results primarily from inadequate prior estimates as well as the inclusion of some projects which were not foreseen and included in the five-year plan.

Existing and funded capacity of all schools including so-called temporary facilities is 3,132 which includes 310 beds listed as hospital and detention facilities which are counted only at half value for capacity purposes. This results in a net capacity of approximately 3,000 beds. Population projected to June 30, 1959 is estimated at 3,165. If no additional capacity is funded at this time there would be a resulting deficit of 165 beds, which is partially offset by the additional 50 beds proposed for Preston School of Industry. It should be pointed out that the existing and funded capacity mentioned above does not include the 428 beds in the new Youth Training School which were funded in the 1956 Budget Act and which are not expected to become available until Fiscal Year 1959-60.

Population projections for the past few years have been reasonably accurate although adjustments have had to be made. There are some discrepancies which require explanation. For instance, the five-year plan estimated 3,025 for the 1957-58 Fiscal Year and 3,165 for the 1958-59 Fiscal Year. The new Governor's Budget has adjusted the 1957-58 Fiscal Year to 2,776, or an increase of 170 over the prior year's actual population. However, the new Budget continues to use 3,165 for the 1958-59 Fiscal Year which would indicate a one-year growth of 389. The succeeding years are projected at an annual increase averaging 170. Some explanation is therefore required for the unusual increase from the 1957-58 Fiscal Year to the 1958-59 Fiscal Year.

Compared with current year estimated expenditures the present Budget represents quite a reduction, since the 1956 Budget Act provided, among other sums, over \$6,800,000 for additional capacity of 618 including the new Youth Training School mentioned above. It should be pointed out that this represented an increase of more than 21 percent over the gross capacity existing at that time.

Capital Outlay

General Summary—Continued

Minor Capital Outlay

It is interesting to note that despite the unprecedented size of the major construction program proposed, the total expenditure requested for minor construction projects is one of the smallest in many years. Actually this points up our earlier comment concerning the general improvement and upgrading of the State's physical plant which occurred through 1954-55. This together with changes in approach to minor construction, by which many types of projects which were essentially maintenance or deferred maintenance were eliminated from the Capital Outlay Budget and cared for by increases and upgradings in institutional maintenance staffs and increases in maintenance expense and equipment allowances. At present the State's physical plant is at a high level of condition and efficiency, probably higher than it has ever been.

As in prior years, the Legislative Auditor's Office has been afforded the opportunity to review intensively and critically all initially proposed minor projects before inclusion in the Governor's Budget in cooperation with the respective agencies and the Department of Finance. This joint conference has usually resulted in very substantial reductions in the total money amounts and numbers of projects initially proposed by the agencies prior to inclusion in the Governor's Budget. Members of the Legislative Auditor's staff have also reviewed these projects, in the field, at their respective sites in order to become thoroughly familiar with the background information and the actual needs for the projects.

The approach of the staff has always been to take long-range views of the potential values of these projects as compared with their initial cost. For instance, projects such as additions of combustion controls to boiler equipment have been judged on the basis of potential fuel savings. Projects for installation of natural gas lines in lieu of oil firing have been evaluated on the basis of potential reduction in total fuel costs, etc. Projects for improvement of treatment facilities have been evaluated on the basis of potential savings in personnel and operating costs as well as benefits to patients and inmates.

Design and Cost Controls

The Legislature has for a number of years provided funds to secure adequate preliminary planning for projects prior to their inclusion in a budget and presentation to the Legislature for construction funding. Preliminary planning for even a comparatively simple project is a much more complex process than first meets the eye. The process must start at the "grass roots" of the agency involved and work up through that agency in order to arrive at a "functional program" for the project which will describe in detail the types of needed spaces, relationship of spaces, types and volumes of occupancy, equipment required for various functions, controlling factors such as physical handicaps of inmates, etc. Many of these factors are controlled by established and accepted standards. Many are not and require "educated" judgment to arrive at satisfactory criteria. The program development process

General Summary—Continued

includes many conferences among interested personnel to resolve differences of opinion and to establish the adequacy and economy of the program developed.

The next step involves the actual design and planning of the project based on the "approved" programs. This involves attention to many details including types of structure, types of structural and nonstructural materials, finishes, heating, lighting, ventilation and utility details, adjustment of the functional program made necessary by structural and physical limitations and other important factors. Here too, numerous conferences are required to resolve differences of opinion and to establish the economic suitability of the final design.

In prior years this process took place mainly after the project was funded for construction with only a comparatively sketchy preliminary approach to establish a budget figure. Last year a new approach was initiated by which efforts were made to prepare a complete and detailed preliminary package prior to inclusion in the Governor's Budget. Unfortunately this has not as yet been completely successful for two major reasons. One was the fact that firm, acceptable programs were not forthcoming from the agencies, in many cases, in time to permit the Division of Architecture to prepare adequate preliminary plans and estimates. The other was the fact that the total volume of projects for possible inclusion in the 1957-58 Budget was so great, being easily twice that of any prior year, that it was not possible to accomplish the work load in the available time. Many of the difficulties have been, or are, in the process of being ironed out and it is hoped that the Budget presented for the 1958-59 Fiscal Year will represent, in almost every case, complete preliminary studies and firm cost estimates. To that end the various agencies are already engaged in developing programs for projects having a potential for inclusion in the 1958-59 Budget.

In view of the above it should be pointed out that at this writing a number of projects in the budget now before the Legislature are unsatisfactory primarily from the standpoint of cost estimate. However, it is anticipated that these will be resolved before final action by the legislative committees.

Another important point that should be emphasized is that the total work load for the Division of Architecture represented by the budget is one of the largest in its history and may well be somewhat beyond its present capacities, or beyond that capacity which could be achieved by an expanded staff in a reasonable time. This could mean that the Division of Architecture might have to resort to the use of outside architectural service in order to keep the program moving on schedule.

If we assume that the division will use outside architectural service then thought should be given to the processes of utilizing such service so as to minimize time delays and excessive costs, not only of service fees but construction costs as well. The contract architects program that was activated by the Division of Architecture at the outset of the postwar construction program left much to be desired. It was time consuming, caused excessive construction costs in many cases and resulted in projects which we believe, in some instances, to be functionally

Capital Outlay

General Summary—Continued

inadequate and functionally inferior to similar buildings designed directly by the division.

We would suggest that consideration be given to the utilization of outside architectural service as required on the basis of starting with firm, approved preliminary plans prepared by the division and carried to working drawing completion by the contract architects. Controls over the work of such architects should be simplified and streamlined and full responsibilities should be placed on the contract architects to assure conformance with approved preliminary data and criteria.

With regard to economy of design and construction we feel that progress has been made and is being made by the Division of Architecture. The use of standards for space utilization, materials, equipment and etc., is expanding. This undoubtedly has resulted in savings primarily in construction cost but also in architectural and processing costs. Unfortunately, the rising construction cost index has tended to wipe out these savings. However, we believe that it is proper to say that costs might have been still higher if these approaches had not been made.

The construction cost index is still rising although there is reason to hope that its rate of rise will level off. Projects presented for the 1956-57 Budget were estimated on a California construction cost index of 750. Those presented in the 1957-58 Budget are on an index of 850 as of October 1, 1956. This is a 100-point rise or almost 12 percent in a 12-month period. We believe that artisan wage adjustments will be of lesser magnitude than in prior years and that the current "tight" money policy will tend to increase competition in the industrial construction field so that the average index rise for the next 12 months may not be over 5 percent.

Appropriation Procedures

The accounting procedures in the Division of Architecture are considerably complicated by the fact that the appropriation for each construction project includes all architectural design, planning and supervisory costs as well as contingency allowances. Subaccount allotments are set up for each project to cover each category of service. If actual work costs more than the amount in the subaccount, transfer from other subaccounts for the same project are complex and time consuming. The returns from subaccounts of excess moneys are made simply and rapidly.

In order to simplify this procedure we recommend that all architectural and engineering costs be subtracted from each project and appropriated as a lump sum to the Public Works Board to be allocated by it in lump sum increments as required. The Division of Architecture would still maintain its cost controls so that upon completion of a project, or at any time that a financial statement was desired, actual expenditures for each category of service could be demonstrated. Since the cost estimate for each project includes 6 percent for architectural and engineering services and since the average actual expenditure for these services is less than 5 percent we recommend that the lump sum amount be adjusted to reflect a total of 5 percent instead of 6 percent. The total amount for this purpose in the present budget is approxi-

General Summary—Continued

mately six million dollars, which would mean that it could be reduced by one million dollars.

The foregoing is essentially true for the construction supervision and inspection service which is budgeted at approximately 2.6 percent. The total included for this purpose in the budget is approximately \$2,600,000, which only by coincidence resembles the percentage. We believe that as a lump sum appropriation it could safely be reduced to 2 percent, or a reduction of \$600,000. Many of the projects occur simultaneously on the same sites and we believe that in such instances the 2.6 percent is an overstatement.

The foregoing is also true of the 10 percent contingency amount which is included in each estimate to cover supposedly unforeseen problems. We point out that the augmentation fund is essentially a lump sum contingency financing device. Consequently, we suggest that contingencies be lumped also and reduced to an average of 8 percent. Since the total for this purpose contained in the budget is approximately \$9,800,000 this would mean a reduction of \$1,800,000.

Analysis of Individual Items

In the following material wherever the term "building cost" is used it is defined to mean the cost of the building including the general work, mechanical work, electrical work, and heating and ventilating work in the building proper to a point approximately five feet outside the building perimeter. It does not include site development, construction of utilities such as long runs of sewer line, water line, etc., and highly specialized built-in equipment such as laboratory tables in a laboratory building or kitchen equipment in a kitchen building or cafeteria. Architectural costs such as plans, supervision, contingency, etc., are not included.

Whenever the term "construction cost" is used it is defined to mean all of the foregoing plus all site development, utilities development, specialized equipment, and etc., but it does not include architectural costs of any kind.

DEPARTMENT OF AGRICULTURE

ITEM 285 of the Budget Bill

Budget page 1017
Budget line No. 36

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF AGRICULTURE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted -----	\$51,150
Legislative Auditor's recommendation -----	51,150
Reduction -----	None

ANALYSIS

This item will provide for a single project, the construction of a fruit and vegetable standardization station at Carpinteria. The project was scheduled for the budget year in the five-year plan at an estimated cost of \$30,000. However, this estimate was made in the absence of complete knowledge of the site problems involved.

Capital Outlay

Department of Agriculture—Continued

The project is made necessary by the fact that existing facilities are old and inadequate and must be moved in any case because of highway relocation. The design is the reproduction of a standard plan used by the Department of Agriculture for this purpose. It provides 1,160 gross square feet of building area at a cost of \$13.50 per square foot for the building alone. However, at construction cost level it would be \$37.28 per square foot, almost three times as much, because of the high cost of grounds improvements and other site development. *As of this writing we have not received a satisfactory explanation of this high cost and consequently we would withhold recommendation of the amount of the appropriation but recommend that the project be approved in principle.*

ITEM 286 of the Budget Bill

Budget page 1019
Budget line No. 40

FOR MINOR CONSTRUCTION, REPAIRS, AND EQUIPMENT, DEPARTMENT OF AGRICULTURE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,350
Legislative Auditor's recommendation	2,350
Reduction	None

ANALYSIS

This item will provide for two projects, one at the Fresno laboratory for the installation of an irrigation and sprinkling system, and the other project is for the construction of a prefabricated feed storage building at the Petaluma laboratory. We have had the opportunity to review these projects with representatives of the agency and the Department of Finance, and are satisfied as to need and the propriety of the cost estimates involved. Consequently, we recommend approval of the item as requested.

ITEM 287 of the Budget Bill

Budget page 1021
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, POULTRY IMPROVEMENT COMMISSION, FROM THE FAIR AND EXPOSITION FUND

RECOMMENDATIONS

Amount budgeted	\$16,600
Legislative Auditor's recommendation	16,600
Reduction	None

ANALYSIS

This item provides for three projects, the first of which is a residence at the turkey testing project near Keyes, California, at a cost of \$13,000. This project is necessary to provide adequate coverage of the State's facilities on weekend and relief periods. The second project will provide utility lines for 20 brooder units while the third will provide a tractor. These items are necessary to adequately conduct the turkey tests and to efficiently use existing manpower. We recommend approval of the item as requested.

Capital Outlay

DEPARTMENT OF CORRECTIONS

ITEM 288 of the Budget Bill

Budget page 1026
Budget line No. 35

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, MEDICAL FACILITY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$7,525
Legislative Auditor's recommendation	7,525
Reduction	None

ANALYSIS

This item involves three minor projects; the first will provide an in-service training firing range at a cost of \$1,500 while the second will allow alterations to be made in the commissary warehouse to enlarge the dry storage areas, and the third will provide a security fence around an exercise yard for inmates. We have had the opportunity to visit this institution during the current year and to discuss these projects in detail with the Departments of Finance and Corrections and we feel the construction work is necessary and that the cost estimates are accurate. We recommend approval of the item as submitted.

ITEM 289 of the Budget Bill

Budget page 1027
Budget line No. 29

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA MEN'S COLONY, SAN LUIS OBISPO, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$620,000
Legislative Auditor's recommendation	620,000
Reduction	None

ANALYSIS

This item will provide a part of the State's share in the construction of the Whale Rock Reservoir project, jointly with the City of San Luis Obispo, to provide a dependable and adequate supply of water to the Men's Colony, California Polytechnic College and the City of San Luis Obispo. The reservoir will provide an annual minimum supply of 8,900 acre-feet of which the State will receive 4,000 acre-feet. The cost of the project is estimated at \$5,500,000, hence the State's share would be the approximate fraction four-ninths or approximately \$2,475,000. This has been allocated on the basis that the Men's Colony would receive approximately one-fourth of the State's share of the water and the college would receive the other three-fourths. The result is \$620,000 chargeable to the Men's Colony and \$1,855,000 chargeable to the college.

Water in the San Luis Obispo area is a critical problem and will probably get worse. This project appears to be an ideal solution whereby both the State and the City of San Luis Obispo will benefit. Consequently, we recommend approval of the item.

Capital Outlay

Department of Corrections—Continued

ITEM 290 of the Budget Bill

Budget page 1028

Budget line No. 73

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, TEMPORARY FACILITY, CALIFORNIA MEN'S COLONY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$64,210
Legislative Auditor's recommendation	64,210
Reduction	None

ANALYSIS

This item consists of nine projects to increase the usability of the existing physical plant by providing better structures in which to conduct a rehabilitation program. During the current fiscal year we had the opportunity to visit this institution and inspect each one of these projects in detail. We are satisfied that the projects are needed and that the cost estimates involved are accurate. Consequently, we recommend approval of the item as requested.

ITEM 291 of the Budget Bill

Budget page 1030

Budget line No. 23

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA INSTITUTION FOR MEN AT CHINO, AND INCLUDING THE TE HACHAPI BRANCH, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$539,650
Legislative Auditor's recommendation	Estimates unsatisfactory
Reduction	Unspecified

ANALYSIS

This item would provide for five major projects, none of which provide capacity in themselves but which are necessary to the efficient and economical operation of the institution.

A. Enlarge bakery—\$270,900.

The design for this project is generally satisfactory. However, some of the details which we have questioned have not been satisfactorily explained at this time and the cost estimate requires further refinement. In a project of this sort which involves alterations to an existing building it is not practical to use a square foot cost. The cost of the addition plus the alteration work at "building cost" level is \$103,539. At "construction cost" level it is \$224,159. This large difference is primarily the result of the inclusion of \$106,690 for bakery equipment plus \$12,000 for kitchen equipment.

The project is necessary to provide for additional bakery capacity to handle the needs of the new youth training school which is to be constructed near this institution. We recommend approval of the project in principle subject to a revision of the cost estimate.

Department of Corrections—Continued

B. Replace reservoir roof—\$84,750.

This project has been under discussion for a number of years and has been repeatedly postponed on the basis that the condition of the existing roof structure on a large reservoir was not sufficiently bad to justify replacement. During our most recent visit to the institution we examined the structure again and now believe the time has come to consider replacing the roof. The cost estimate appears to be appropriate for the work to be done and we recommend approval of the project.

C. Construct incinerator—\$50,850.

We seriously question this project from two standpoints. First, the fact that smog conditions in the area are such that the time may come when all incinerator operation may be banned. Secondly, since the institution has ample grounds we suggest that the "cut and fill" method of disposing of refuse would provide an economical way of disposing of such material and would obviate the difficulties in the operations of an incinerator, which incidentally is a maintenance and operation problem at every institution having an incinerator. *Consequently, we recommend that this project at least be deferred pending further investigation of the "cut and fill" method.*

D. Construct industrial warehouse—\$49,500.

This project is for the Tehachapi Branch of the institution which houses 300 inmates under the control and management of the main institution. The project will be used in connection with the industrial activities. It will be a building with a gross area of 5,787 square feet which will cost \$6.46 per square foot at "building cost" level and \$7.22 at "construction cost" level. Generally speaking the figures are satisfactory but we believe there are some excessive costs in the estimate. *Consequently, while we recommend the project in principle we withhold recommendation as to the actual amount necessary.*

E. Construct incoming natural gas transmission lines, internal distribution piping and burner conversion—\$83,650.

Generally speaking we would recommend encouragement of projects which would substitute natural gas for fuel oil in firing large steam boilers at the institutions. However, in this case the project, which was not in the five-year plan originally, was included in the budget without prior discussion as to the potential fuel savings or the actual basis for the estimate of cost. *Consequently, we must at this time reserve any opinions or recommendations either for or against this project until we have had an opportunity to review it in all its details.* We assume that this will be afforded sometime within the two months following this writing.

Capital Outlay

Department of Corrections—Continued

ITEM 292 of the Budget Bill

Budget page 1033
Budget line No. 34

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, INSTITUTION FOR MEN, CHINO, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$156,245
Legislative Auditor's recommendation	156,245
Reduction	None

ANALYSIS

This item is comprised of 19 projects of which eight are for the Tehachapi farm branch and two provide original complements of equipment for two new forestry camps. During the current fiscal year we had the opportunity to visit the institution at Chino and also the farm branch at Tehachapi in order to inspect the projects in detail. We are satisfied with respect to need and cost. We recommend approval of the item as requested.

ITEM 293 of the Budget Bill

Budget page 1034
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, STATE PRISON AT FOLSOM, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$573,400
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item consists of a schedule of five projects only one of which was included in the five-year plan. The other four projects are proposed for the first time in this budget. None of the projects will provide additional capacity but their need is based on increasing the efficiency of the existing plant and correcting some substandard situations.

A. Construct industrial warehouse—\$294,750.

It is interesting to note that this project is one of the few in the entire budget which is proposed at a lesser amount than that which was originally included in the five-year plan, \$310,000. The project is required to provide storage capacity for the output of the cannery. The gross area of the building will be 29,716 square feet at a "building cost" of \$7.39 per square foot and a "construction cost" of \$8.24 per square foot. These figures are comparatively high for a simple warehouse building but some of the excess cost is brought about by the fact that roof insulation is required to prevent condensation and resultant dripping on cartons and a heating system is required to prevent excessively low temperatures which might damage stored canned goods. *Nevertheless, we believe there are some areas in the estimate which re-*

Department of Corrections—Continued

quire refinement and, consequently, while we recommend the project in principle we can make no recommendation at this time with respect to the cost.

B. Extend telephone system—\$85,950.

This item was not previously included in the five-year plan and it was received without background information indicating the basis for expanding the present telephone system at the prison. The system now has a 100-line system with security features which was installed in 1947. It should be pointed out that the long-range plans for this institution have always been in the direction of reducing the total population. This project would add 200 new lines making a total of 300. It seems inconceivable that in the face of a reduced population the system would have to be increased by 200 percent.

Furthermore, the project is based on recommendations made by the communications division which recommended only 150 additional lines and estimated the cost at \$38,450. We do not believe that there is sufficient urgency for this project to justify going ahead with it until the problem has been thoroughly investigated and justified. *Consequently, we recommend disapproval of this project.*

C. Construct roadway ramp—\$83,300.

This is another project which was not included in the original five-year plan. It arose as an afterthought in considering the general master plan of the institution and it represents a very sound approach to the problem of getting trucks from the upper to the lower levels. It involves providing a ramp from the upper level over the old canal which would be filled in. Actually the project is no longer needed because the decision was recently reached to expand an already funded project by approximately \$35,000 which would provide the same results covered by the \$83,300 shown for this project. The difference is explained by the fact that this project as first conceived involved the importation of fill material from a considerable distance away from the area to be filled. The new approach is to cut back the hill facing the old cell block, which was going to be done eventually as part of the master plan, and use this material for the fill. The haul would be very short, only a matter of 100 to 150 yards, and consequently the cost of the fill material would be very substantially less. *In view of the foregoing we recommend that this project be deleted from the budget.* It is our understanding that the Department of Finance is in accord with this deletion.

D. Construct office building—\$63,175.

This project, which is an industries office building, was not originally included in the five-year plan. It would provide a wood frame and stucco building of 2,213 square feet at a "building cost" of \$15.84 per square foot and a "construction cost" of \$23.29 per square foot. We believe the cost is excessive, partic-

Capital Outlay

Department of Corrections—Continued

ularly the construction cost which involves excessive allowances for paving and fencing. *Consequently, while we would recommend approval of the project in principle we cannot at this time make any recommendations with respect to the cost.*

E. Construct filtration plant—\$46,225.

We believe that the title of this project is actually a misnomer since the work involved is the rehabilitation of the existing filtration plant, the use of which was abandoned when the prison started to receive water from Folsom Lake. Previously the prison's water was pumped from the old canal which was of such turbidity that a filtration plant was essential. It was assumed that the settling effect of a large lake, such as Folsom, would provide reasonably clear water that would not need the use of a filtration plant, hence it was discontinued. However, actual experience indicates that the water from the lake is still so turbid that suspended solids cause trouble in the valves throughout the plant. The cost estimate appears adequate and consequently we recommend approval of the project.

ITEM 294 of the Budget Bill

Budget page 1036
Budget line No. 40

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, STATE PRISON AT FOLSOM, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$98,925
Legislative Auditor's recommendation	98,925
Reduction	None

ANALYSIS

This item consists of 11 projects of which nine are for the alteration and improvement of existing facilities to increase their usability. The remaining two will provide additional facilities that are necessary for the conduction of a sound rehabilitation program.

We have had the opportunity to discuss these projects in detail with representatives of the Department of Corrections and the Budget Division of the Department of Finance and are satisfied that the cost estimates are in line and that the projects are necessary. Consequently, we recommend approval of the item as requested.

ITEM 295 of the Budget Bill

Budget page 1037
Budget line No. 20

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, STATE PRISON AT SAN QUENTIN, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$1,164,600
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

Department of Corrections—Continued

ANALYSIS

This item would provide for three major projects, one of which involves inmate capacity but only on an exchange basis for a building which is to be razed.

A. Construct isolation-segregation building—\$677,600.

This project is also one of the comparatively rare ones in this budget which is included at a cost less than was originally contemplated in the five-year plan, which was \$905,090. It will house 100 inmates, one to a cell, and replace the existing isolation and segregation building which was built over 75 years ago and which is substandard. The building will have a gross area of 22,371 square feet and will cost \$22.85 at "building cost" level and \$24.78 at "construction cost" level. In view of the complexity and maximum security features of a building of this type we believe that the estimate is a good one. However, we should point out that it will result in a cost of \$6,700 per inmate for sleeping space and day room-dining room space only. We recommend approval of the project.

B. Construct Catholic chapel—\$397,300.

The present Catholic chapel is on the second floor of the old sash and blind building which has been condemned for many years. The construction of the new chapel would represent a start toward gradual abandonment of the building and its ultimate removal.

The plans and estimates presented are grossly in error. Consequently we cannot at this time make any recommendation with respect to the cost.

C. Construct addition to maintenance warehouse—\$89,700.

This project was scheduled in the budget year in the five-year plan but at that time was estimated to cost only \$76,750. We would like to point out that the additional space is only 7,773 square feet but the cost is high at \$9.35 per square foot, at "building cost" level, which in this case is the same as "construction cost" since no site development or utilities are required. This compares rather unfavorably with the warehouse building described in Item 293 which included a considerable amount for heating and insulation. *Consequently, we feel that this estimate is too high and while we would recommend the project in principle we would withhold any recommendation with respect to the cost, subject to future adjustment.*

ITEM 296 of the Budget Bill

Budget page 1039
Budget line No. 50

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, STATE PRISON AT SAN QUENTIN, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$55,870
Legislative Auditor's recommendation	55,870
Reduction	None

Capital Outlay

Department of Corrections—Continued

ANALYSIS

This item consists of five minor projects for alteration and modernization of existing facilities of the physical plant, which will provide for better utilization and efficiency. We have been satisfied that the projects are needed and that the cost estimates are in line as a result of our recent visit to this institution. Consequently we recommend approval of this item as requested.

ITEM 297 of the Budget Bill

Budget page 1040
Budget line No. 19

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
STATE PRISON AT SOLEDAD, FROM THE CAPITAL OUTLAY AND
SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$939,350
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for five major improvements projects which are primarily aimed at increasing over-all plant efficiency, but also at providing the additional auxiliary service facilities necessary to permit the new satellite unit to go into full operation upon completion.

A. Install water closets and lavatories in existing cells—\$272,350.

This project was originally in the five-year plan at \$109,350 on the assumption that it would be handled by inmate labor. It is now estimated on the basis of contract entirely in line with the Governor's policy and because of protests by organized labor in the Soledad area. The project represents the third increment of four which are scheduled to convert what were open "honor" cells to closed cells with individual plumbing. The need for more cells of this type has been previously established and since the cost appears to be in line for a contract job and subject to that policy, we recommend approval.

B. Additional boiler—\$80,200.

This is one of the projects necessary to provide sufficient auxiliary capacity to handle the new satellite unit when it is occupied. It was originally in the five-year plan at \$49,250. *We do not feel at this time that the existing estimate is sufficiently adequate to recommend approval of the amount.* However, we would recommend the project in principle.

C. Additional sewage disposal capacity—\$60,600.

D. Construct sewage effluent holding basin and pipeline—\$78,100.

The two projects above should be considered as one since they represent essentially the need to bring the existing sewage disposal plant and pertinent facilities, which were designed originally for a capacity of 2,500, up to a capacity adequate to

Department of Corrections—Continued

handle 3,600 inmates brought about by the addition of the satellite unit. The costs appear to be in line and consequently we recommend approval of both projects.

E. Construct addition to dairy—\$448,100.

This project was originally in the five-year plan at a modest cost of \$33,700, since that time the plan for the expansion of the dairy has been very considerably enlarged. While the cost for the enlarged plan appears reasonable, we do not believe that the degree of expansion has been entirely justified. However, in view of the fact that the Joint Committee on Agriculture and Live-stock Problems will review this project before it is released for Public Works Board approval we would recommend approval at this time.

ITEM 298 of the Budget Bill

Budget page 1042
Budget line No. 45

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, STATE PRISON AT SOLEDAD, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$86,470
Legislative Auditor's recommendation.....	48,010
Reduction	\$18,460

ANALYSIS

This item is composed of 10 minor projects of construction, alteration and repair to the existing physical plant. While we are in accord with nine of these projects as we feel that they are needed improvements for raising the efficiency of operation at this institution, we take exception to one project which would provide for repairs to the roofs in the amount of \$18,460. This project would be the first of four increments of such repairs on a practically new institution. We would like to point out that the roof repair problem is not unique to Soledad State Prison but has occurred repeatedly on many of the buildings that have been constructed in the post-war period. From our recent field investigation it appears that the State is faced with a serious problem in this area as it will require many thousands of dollars to repair the roof conditions that exist. The problem is one of blisters forming in the cap sheet which proves to be unsightly and it is reported that in some cases the condition has caused leaks to develop. In each case where this condition is encountered an asphaltic roofing has been applied over a flat concrete roof deck. It would appear to us that the Division of Architecture would have solved this problem over the past 10 years instead of repeatedly specifying the same type of roof design. *Consequently, we recommend that this item be reduced by \$18,460 until such time as the Division of Architecture can present data to show that they have solved this problem to the extent that the Legislature will not be asked to appropriate additional funds in the future to correct such*

Capital Outlay

Department of Corrections—Continued

mistakes. Should leaks develop in the mean time repairs can be made from support maintenance funds. With the exception of the foregoing recommendation, we recommend approval for the balance of this item as requested.

ITEM 299 of the Budget Bill

Budget page 1043
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
DEUEL VOCATIONAL INSTITUTION AT TRACY, FROM THE CAPITAL
OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,527,700
Legislative Auditor's recommendation	Defer
Reduction	\$2,527,700

ANALYSIS

This item involves one project, for the construction of a reception and guidance center with a capacity of 300 inmates to provide for the reception and guidance function which is now being performed in one of the cell blocks of the main institution. We would like to point out that the project was scheduled in the five-year plan for proposal in the 1958-59 Fiscal Year and has thus been moved ahead one year. It is also interesting to note that in the five-year plan it was estimated at \$2,800,000, which is almost \$275,000 higher than the present estimate.

We would also like to point out that the population projections for the Department of Corrections as a whole indicate such a slow annual increase that we doubt the necessity to provide for the project at this time. It should also be noted that if the project is not provided then the deficit between capacity and population by the 1959-60 Fiscal Year will be less than 5 percent. *Consequently, we recommend deferment of the project.*

ITEM 300 of the Budget Bill

Budget page 1044
Budget line No. 70

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIP-
MENT, DEUEL VOCATIONAL INSTITUTION AT TRACY, FROM THE
CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$36,800
Legislative Auditor's recommendation	36,800
Reduction	None

ANALYSIS

This item consists of eight projects of which four will provide needed farm improvements and the remaining four will improve the usability of the institution's facilities. We have had the opportunity to visit this institution during the current fiscal year and to inspect each specific project in detail. We are satisfied that they are needed and that the cost estimates are in line with recent construction trends. Consequently, we recommend approval of this item as requested.

Capital Outlay

DEPARTMENT OF THE YOUTH AUTHORITY

ITEM 301 of the Budget Bill

Budget page 1050
Budget line No. 16

**FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
YOUTH TRAINING SCHOOL, CHINO, FROM THE CAPITAL OUTLAY
AND SAVINGS FUND**

RECOMMENDATIONS

Amount budgeted	\$83,800
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item provides for a single project for the construction of a chapel in connection with the Youth Training School at Chino, which is not yet under construction. While we believe that in principle the need for this project is justified, we would like to point out that we have received inadequate information on which to form an opinion and make a recommendation. *Consequently, we wish to withhold any recommendation with respect to the cost of the project at this time.*

ITEM 302 of the Budget Bill

Budget page 1051
Budget line No. 29

**FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
NORTHERN CALIFORNIA RECEPTION CENTER AND CLINIC, PER-
KINS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND**

RECOMMENDATIONS

Amount budgeted	\$92,600
Legislative Auditor's recommendation	Defer
Reduction	\$92,600

ANALYSIS

This item would provide for two projects, one for construction and one for equipment as follows:

- A. Construct major alterations and additions—\$88,200.

Actually these alterations occur in a series of completely separated buildings and do not constitute a single project as such. Each of the individual alterations and additions involved constitutes within itself a minor project and it is our belief that it could be handled in this manner by the institution at a lesser cost. *Consequently, we recommend that the project be deferred and that it be included in the budget for the subsequent year under minor construction.*

- B. Equip major alterations and additions—\$4,400.

This item is self-explanatory and is related to the project above.

Capital Outlay

Department of the Youth Authority—Continued

ITEM 303 of the Budget Bill

Budget page 1052
Budget line No. 44

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
NORTHERN CALIFORNIA RECEPTION CENTER AND CLINIC, FROM
THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$28,900
Legislative Auditor's recommendation	28,900
Reduction	None

ANALYSIS

Three projects are provided by this item; the first of which will correct deficiencies in the paint shop by eliminating fire hazards. The second provides for the construction of a swimming pool for the recreational use of the Youth Authority wards. The third project will provide surfaced recreational area as well as wider driveways and walkways to improve accessibility to the buildings. During the current fiscal year we have had the opportunity to visit the institution and to inspect these projects in detail. We are satisfied with the propriety of the cost estimates involved and believe that they are justified. Consequently, we recommend approval of the item as requested.

ITEM 304 of the Budget Bill

Budget page 1053
Budget line No. 15

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
SOUTHERN CALIFORNIA RECEPTION CENTER AND CLINIC, NOR-
WALK, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$487,100
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item consists of two projects, one for alterations and additions and one for equipment as follows:

A. Construct major alterations and additions—\$473,000.

This project would be similar to the one in Item 302 above except that it is more extensive and contains some portions which are major in size. While we believe the additions and alterations are required, the details of the project as they were presented were unsatisfactory and as of this writing have not been resolved. We believe that they can be settled sometime before final committee action. *Consequently, we wish to withhold any recommendation at this time.*

B. Equip major alterations and additions—\$14,100.

This is self-explanatory and is part of the above.

Capital Outlay

Department of the Youth Authority—Continued

ITEM 305 of the Budget Bill

Budget page 1054
Budget line No. 45

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SOUTHERN CALIFORNIA RECEPTION CENTER AND CLINIC, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$24,100
Legislative Auditor's recommendation	21,100
Reduction	\$3,000

ANALYSIS

This item is composed of a schedule of three minor construction projects, one of which would provide garbage disposal units in the main kitchen and in each residence. We question the providing of garbage disposal units at a cost of \$3,000, even though the institution claims this installation will eliminate excessive garbage collection costs. We would like to point out that garbage disposal units are able to handle only wet kitchen garbage, however, a disposal problem will still exist with regard to papers, tin cans, etc. Therefore, we recommend the project be deleted from this item, a reduction of \$3,000. Of the remaining two projects, one will improve faulty drainage conditions and the other will provide for the construction of a swimming pool for the use of the Youth Authority wards. We have satisfied ourselves as to the propriety of the cost estimates involved for these two projects as well as the need. Consequently, we recommend approval. *In line with the comments above we recommend that this item be approved in the amount of \$21,100, a reduction of \$3,000.*

ITEM 306 of the Budget Bill

Budget page 1055
Budget line No. 39

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, FORESTRY CAMPS FOR BOYS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$6,700
Legislative Auditor's recommendation	6,700
Reduction	None

ANALYSIS

This item is composed of two projects, one provides for the remodeling of the administration building at the Ben Lomond Forestry Camp to provide more efficient utilization of the existing floor area. The second is for Pine Grove Forestry Camp to increase the efficiency of the heating system in the major buildings.

We have discussed these projects in detail with the Departments of Finance and Youth Authority and are satisfied that the cost estimates are in line and that the work is necessary. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of the Youth Authority—Continued

ITEM 307 of the Budget Bill

Budget page 1056
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
FRICOT RANCH SCHOOL FOR BOYS, FROM THE CAPITAL OUTLAY
AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$52,755
Legislative Auditor's recommendation	23,355
Reduction	\$29,400

ANALYSIS

This item provides for three projects, two of which are for construction and one for equipment as follows:

A. Athletic field improvements (partial cost)—\$23,355.

This project would permit the completion of a play field adjacent to the gymnasium and new swimming pool which is now under construction. It represents, in effect, additional financing for a project which was originally intended to provide this playing field but which was inadequately financed. Approval is recommended.

B. Construct duplex residence—\$28,100.

C. Equip duplex residence—\$1,300.

These two projects would provide a simple, economical building with a gross area of 1,650 square feet, or 825 square feet gross for each of two apartments. The cost would be \$11.45 per square foot at "building cost" level and \$14.29 per square foot at "construction cost" level. In view of the comparatively remote location and the somewhat difficult building site the cost appears reasonable. The comparatively isolated location of this institution makes it somewhat difficult for personnel to live off the reservation and commute, particularly since there are very few rental opportunities in the vicinity of the school. However, we would like to point out that in the current budget there was authorized the conversion of the old administration building to living quarters, since that was the original function of the building. This has not yet been accomplished and consequently we consider it premature to provide additional housing until the effect of the conversion on recruitment has been experienced. *Consequently, we recommend disapproval of this project.*

ITEM 308 of the Budget Bill

Budget page 1057
Budget line No. 61

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, FRICOT RANCH SCHOOL FOR BOYS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$12,970
Legislative Auditor's recommendation	12,970
Reduction	None

Capital Outlay

Department of the Youth Authority—Continued

ANALYSIS

This item is composed of two projects; the first will remodel the shower rooms in three cottages to prevent additional damage being caused to the building by excessive moisture. The second project will correct a health problem in the elimination of sewage effluent. During the current fiscal year we have had the opportunity to review these projects in detail while at the institution, in addition we have discussed them with the Departments of Finance and Youth Authority and are satisfied that they are needed and that the cost estimates are accurate. Consequently, we recommend approval of the item as requested.

ITEM 309 of the Budget Bill

Budget page 1058
Budget line No. 15

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, FRED C. NELLES SCHOOL FOR BOYS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$235,630
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two improvement projects as follows:

A. Roads, fence, and site improvements—\$105,000.

This project was not previously in the five-year plan and as of this writing we have not received sufficient information about it to have a satisfactory understanding of the need and the details involved. Consequently, we must withhold any recommendation at this time.

B. Improve water supply distribution system—\$130,630.

This project was in the five-year plan at \$75,000. We believe that it has been expanded from the original scope which accounts for the much higher cost now proposed. We question the necessity to provide all of the expanded scope at this time. Furthermore, the amount proposed is in error as compared with the estimate and should be adjusted to \$129,700. Consequently, we withhold recommendation concerning this project until we have had more time to examine the background.

ITEM 310 of the Budget Bill

Budget page 1060
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, FRED C. NELLES SCHOOL FOR BOYS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$4,410
Legislative Auditor's recommendation	4,410
Reduction	None

Capital Outlay

Department of the Youth Authority—Continued

ANALYSIS

This item is composed of two projects, the first will allow the construction of three additional basketball courts to serve the same number of dormitories. The second project is the first of two increments to replace deteriorated baseball backstops. We feel the foregoing projects are necessary to conduct a well-rounded program at this school. Consequently, we recommend approval of the item as requested.

ITEM 311 of the Budget Bill

Budget page 1063
Budget line No. 53

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, PASO ROBLES SCHOOL FOR BOYS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$3,700
Legislative Auditor's recommendation	3,700
Reduction	None

ANALYSIS

This item provides for two projects, one of which will allow the installation of automatic irrigation sprinkler controls which will conserve water and staff time. The other project is for the treatment of the exterior of the brick building with a silicone waterproofing compound. We are satisfied that these projects are necessary for the efficient operation of the physical plant. Consequently, we recommend approval of the item.

ITEM 312 of the Budget Bill

Budget page 1064
Budget line No. 26

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, PRESTON SCHOOL OF INDUSTRY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$196,400
Legislative Auditors' recommendation	196,400
Reduction	None

ANALYSIS

This item would provide for two projects involved in the construction of a 50-boy dormitory as follows:

A. Construct dormitory—\$187,400.

B. Equip dormitory—\$9,000.

This project would be a reproduction of existing, recently completed dormitories at this institution. It would provide 7,815 gross square feet at a "building cost" of \$16.10 per square foot and "construction cost" of \$20.12 per square foot. The cost appears to be in line with the character of facilities required for this purpose and since the project adds capacity to this institution we recommend approval.

Capital Outlay

Department of the Youth Authority—Continued

ITEM 313 of the Budget Bill

Budget page 1067
Budget line No. 12

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, PRESTON SCHOOL OF INDUSTRY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$52,970
Legislative Auditor's recommendation	49,220
Reduction	\$3,750

ANALYSIS

This item consists of eight projects, seven of which are for alterations to the existing facilities to provide for more efficient utilization of the physical plant. The remaining project will provide for a fence patrol to reduce escapes during the construction of major projects. We question one of the construction projects, that of providing a third bedroom for an existing residence at a cost of \$3,750. The Preston School of Industry has available more employee housing than any of the other Youth Authority institutions and it does not appear to us that the State should be put in the position of enlarging a residence to fit the needs of an individual family. In addition, we feel that the cost is out of line for the space that would be provided. *Consequently, we recommend that the item be approved in the amount of \$49,220 by deleting the project for the additional bedroom.*

ITEM 314 of the Budget Bill

Budget page 1068
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, LOS GUILUCOS SCHOOL FOR GIRLS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$397,200
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for the construction of additions and alterations to the existing buildings at this institution together with the necessary equipment as follows:

- A. Construct institution alterations and additions—\$386,200.
- B. Equip alterations and additions—\$11,000.

This project was submitted with incomplete information. As of this writing this information has not yet been forthcoming. *Consequently, we can make no recommendation on this project at this time.* It is anticipated that the information will be forthcoming and any problems on the project settled before final action by the legislative committees.

Capital Outlay

Department of the Youth Authority—Continued

ITEM 315 of the Budget Bill

Budget page 1069
Budget line No. 70

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, LOS GUILUCOS SCHOOL FOR GIRLS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$6,600
Legislative Auditor's recommendation	6,600
Reduction	None

ANALYSIS

This item provides for one project which will extend existing gas mains to state-owned residential housing and allow the burners to be converted. This is an efficiency move which will allow the project to amortize itself over a relatively few years. We recommend approval.

ITEM 316 of the Budget Bill

Budget page 1070
Budget line No. 27

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, VENTURA SCHOOL FOR GIRLS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$100,000
Legislative Auditor's recommendation	100,000
Reduction	None

ANALYSIS

This item would provide for working plans for a complete new institution to take the place of the existing plant which is now functionally obsolete and physically run-down to the point where maintenance costs are excessive. Rehabilitation of the buildings would be uneconomical and would still retain the functional obsolescence.

The State has owned a site for the new school for several years and in all probability construction funds will be requested in the 1958-59 Fiscal Year, and probably actual construction can begin in that same fiscal year. We recommend approval of the item.

ITEM 317 of the Budget Bill

Budget page 1071
Budget line No. 45

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, VENTURA SCHOOL FOR GIRLS, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$20,000
Legislative Auditor's recommendation	20,000
Reduction	None

Department of the Youth Authority—Continued

ANALYSIS

This item will provide for temporary repairs that are found to be necessary during the budget year in order to permit the continued use of the existing institution until such time as new facilities are constructed. It will be noted that the previous item provided working drawing funds for the new institution for which the site has already been purchased. We have satisfied ourselves that this item is necessary to enable the Department of Youth Authority to maintain this institution in operable condition.

It will be noted that \$50,000 was appropriated under Item 322 of the Budget Act of 1956 to provide for temporary rehabilitation and repairs to the existing institution. However, it should be pointed out that it is estimated that approximately \$10,000 of this amount will be expended from this item and the balance will revert July 1, 1957, in accordance to the limitations of the language of the item. Consequently, we recommend approval of the item as requested.

DEPARTMENT OF EDUCATION

ITEM 318 of the Budget Bill

Budget page 1079
Budget line No. 16

FOR ACQUISITION OF REAL PROPERTY, CHICO STATE COLLEGE,
FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted -----	\$450,000
Legislative Auditor's recommendation -----	450,000
Reduction -----	None

ANALYSIS

This item would provide funds for the purchase of additional property for further campus development, directly across from the main entrance to the college. The property at present includes obsolete residential construction. The continued growth of the college will definitely require additional land. It would be most desirable to have this land where it will permit a reasonable central concentration of facilities. Land could be purchased in other directions but it would result in a spread-out campus which in the end would be far more costly to construct and operate. The land under construction totals approximately 1½ city blocks and includes a small, modern doctors office building which would serve as the student health building for the campus. Consequently, we recommend approval of this item.

ITEM 319 of the Budget Bill

Budget page 1079
Budget line No. 37

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
CHICO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS
FUND

RECOMMENDATIONS

Amount budgeted -----	\$1,938,000
Legislative Auditor's recommendation -----	Inadequate estimates
Reduction -----	Indeterminate

Capital Outlay

Department of Education—Continued

ANALYSIS

This item would provide for two major construction projects and one equipment project as follows:

A. Equip social science classroom building—\$90,000.

This will provide the equipment for a building that was funded by the 1956 Legislature at \$1,056,000. It will provide capacity for approximately 697 students in social science, business, and home economics, as well as related faculty office space. Approval is recommended.

B. Construct library addition—\$1,119,800.

It would be more appropriate to designate this project as a new library since it is to be a totally separate building from the existing library with the ultimate plan to convert the existing library entirely to uses other than library purposes. The project represents a first major step in a new library since it is planned that ultimately as the college grows at least one addition will be made to the building.

We believe that the project is justified in principle, particularly from the standpoint of designing a totally new and separate building since the existing building is of a type that would be extremely difficult to add to and difficult to bring up to present construction standards. However, there are details in the design for the new building which we believe require further study and which might result in a reduction in cost. *Consequently, we cannot recommend the amount of money for the project at this time.* However, we fully expect that this will be resolved before final action of the legislative committees.

C. Construct humanities classroom building—\$728,200.

This project would provide capacity for 374 students in fine arts and language arts plus related faculty office spaces. It would be constructed on the property mentioned in Item 318 above.

The building would have a gross area of 32,666 square feet and would cost \$16.75 per square foot at "building cost" level and \$18.74 per square foot at "construction cost" level. We believe the design is a good one and that the cost is in line with the character of the building and facilities involved. Consequently, we recommend approval of this project as submitted.

ITEM 320 of the Budget Bill

Budget page 1082
Budget line No. 51

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CHICO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$69,895
Legislative Auditor's recommendation	69,895
Reduction	None

Department of Education—Continued

ANALYSIS

This item is composed of 12 minor projects which will improve the efficiency of the existing physical plan and two will correct fire hazards.

We have had the opportunity to review these projects in detail with representatives of the Departments of Finance and Education and have satisfied ourselves both as to the propriety of the cost estimates involved and the need for the projects. Consequently, we recommend approval of the item as requested.

ITEM 321 of the Budget Bill

Budget page 1079
Budget line No. 21

**FOR ACQUISITION OF REAL PROPERTY, CHICO STATE COLLEGE,
FROM THE STATE COLLEGE FUND**

RECOMMENDATIONS

Amount budgeted	\$500,000
Legislative Auditor's recommendation	500,000
Reduction	None

ANALYSIS

This item represents the initiation of a new four-year program in agricultural instruction which heretofore had not been in the curriculum of this college. In the five-year plan it was contemplated that this addition would take place in the 1959-60 Fiscal Year. However, it has now been moved up to the budget year so that the program may be put under way sooner.

We are in full accord with occupational education in agriculture in the state colleges as being one of the fundamental purposes for which they were founded. However, we would like to point out that there should be a careful evaluation of the curriculum to assure clear lines of demarcation between the state college program and the programs of junior colleges and the University of California. At present Northern California has no state college facilities for agricultural instruction other than at the level of the University at Davis. Since there is a very substantial agricultural economy in the northern part of the State we believe that this project should go forward and, consequently, we recommend approval of the item.

ITEM 322 of the Budget Bill

Budget page 1082
Budget line No. 74

**FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIP-
MENT, CHICO STATE COLLEGE, FROM THE STATE COLLEGE FUND**

RECOMMENDATIONS

Amount budgeted	\$7,000
Legislative Auditor's recommendation	7,000
Reduction	None

Capital Outlay

Department of Education—Continued

ANALYSIS

This item provides for two minor projects of which the first will construct a temporary farm mechanics shed at a cost of \$4,000. The second will allow an addition to be made to existing glass house which is required to commence instruction in a newly approved agriculture curriculum. While we have not had the opportunity to inspect these projects in detail on campus, we have discussed them with the Departments of Finance and Education and they appear to be reasonable. However, it should be pointed out that the Joint Interim Committee on Agricultural and Livestock Problems will review this program sometime after the close of the 1957 Legislative Session with a view to determining the propriety of these projects in relation to the new program and will recommend approval or disapproval at that time. Consequently, we recommend approval of the item as requested.

ITEM 323 of the Budget Bill

Budget page 1083
Budget line No. 19

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
FRESNO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAV-
INGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,747,350
Legislative Auditor's recommendation.....	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide two equipment projects and three major construction projects as follows:

- A. Equip art-home economics building and home management cottage—\$140,000.

This would equip a project which was funded by the 1956 Legislature at \$981,450 to provide facilities for approximately 291 students in art and home economics as well as a separate home management cottage with resident facilities for eight students and a counselor. This is in line with the policy of providing for equipment in a subsequent year in cases of construction projects which are in excess of \$500,000. Approval of the item is recommended.

- B. Equip engineering building—\$223,000.

This would provide the equipment for a building which was funded by the 1956 Legislature at \$627,000. The value of equipment in relation to the cost of a building is always substantially higher in engineering and science buildings as compared with general classroom buildings. This accounts for the comparatively high figure involved here. The building involved will provide facilities for approximately 257 students in engineering as well as related faculty office spaces. Approval of the project is recommended.

Capital Outlay

Department of Education—Continued

C. Construct outdoor physical education facilities—\$107,700.

This project was originally in the five-year plan at \$86,000. The increase in this case is primarily the result of the general cost increases but also partly the result of inadequate original scope determination. The work will consist primarily of the construction of six tennis courts, six handball courts, and two basketball courts. *We are in accord with the need for this project but we cannot at this time recommend the adequacy of the cost estimate.* It is anticipated that this will be resolved before the legislative committees take final action.

D. Construct speech-drama building—\$2,195,400.

This building was originally in the five-year plan at only \$750,000. This great discrepancy is primarily the result of inadequate scope determinations at the time the project was included in the five-year plan.

The building is designed to provide facilities for approximately 255 students in speech, radio, television and drama as well as a little theater and faculty office spaces. As presently designed, the building would have a gross area of 68,380 square feet and would cost \$23.60 per square foot at "building cost" level and \$26.99 per square foot at "construction cost" level. The considerable difference between the two figures results primarily from a large amount of radio equipment, TV equipment, auditorium seating and utilities work necessary to make the building function. It is interesting to note that for this type of curriculum the building will require \$82,000 in audio system equipment and \$46,000 in TV equipment. *While we believe that the project is necessary to provide for the increasing population at this school we cannot at this time recommend the cost figure since there are a number of discrepancies in the design and in the estimate which have as yet not been resolved.* However, we are certain that they will be resolved before final action by the legislative committees.

E. Construct boiler addition—\$81,250.

This project would provide one additional boiler with a 20,000-pound-per-hour steam capacity to take up the expanded demand at this college due to the construction of additional buildings. *There is no question that the boiler is needed but we have not been satisfied as to the propriety of the cost estimate.* However, we feel certain that all questions will be resolved before final action by legislative committees.

ITEM 324 of the Budget Bill

Budget page 1088
Budget line No. 11

**FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
FRESNO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAV-
INGS FUND**

RECOMMENDATIONS

Amount budgeted	\$93,400
Legislative Auditor's recommendation	93,400
Reduction	None

Capital Outlay -

Department of Education—Continued

ANALYSIS

This item is comprised of nine minor construction projects that will for the most part correct design deficiencies in the physical plant. We have had the opportunity to visit this institution in the current fiscal year and to inspect each of these projects in detail and as a result we are satisfied that they are necessary and that the cost estimates are in line with current construction trends. Consequently, we recommend approval of the item as requested.

ITEM 325 of the Budget Bill

Budget page 1088
Budget line No. 28

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, FRESNO STATE COLLEGE, FROM THE STATE COLLEGE FUND

RECOMMENDATIONS

Amount budgeted	\$52,970
Legislative Auditor's recommendation	52,970
Reduction	None

ANALYSIS

This item is composed of nine projects needed to meet the needs of the expanding agricultural program at the college by providing miscellaneous additions to farm structures. While reviewing the projects referred to in the previous item we had the opportunity to inspect each of these projects in detail and subsequently to discuss them thoroughly with the Departments of Finance and Education. We would like to point out that these items will receive a thorough screening by the Joint Interim Committee on Agricultural and Livestock Problems sometime after the close of the 1957 Legislative Session. We recommend approval.

ITEM 326 of the Budget Bill

Budget page 1089
Budget line No. 19

FOR ACQUISITION OF REAL PROPERTY, HUMBOLDT STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$172,500
Legislative Auditor's recommendation	172,500
Reduction	None

ANALYSIS

This item would provide for the acquisition of approximately 33 city lots adjacent and contiguous to the existing Humboldt State College Campus in order to round it out and to provide for additional parking space as well as additional site area for the speech arts-little theater building. We recommend approval of the item.

Capital Outlay

Department of Education—Continued

ITEM 327 of the Budget Bill

Budget page 1089
Budget line No. 44

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
HUMBOLDT STATE COLLEGE, FROM THE CAPITAL OUTLAY AND
SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$3,430,015
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for three major construction projects and one equipment project as follows:

A. Construct field house and natatorium—\$559,425.

This project would provide a covered area to permit what would otherwise be outdoor activities to take place during the long periods of inclement weather that occur in the area of this campus. The natatorium is a swimming pool enclosed in a building which occurs on this campus for the same reason of inclement weather. Pools on other campuses, when constructed, generally will be the open-air type.

The present design would provide a field house of 28,800 gross square feet, the natatorium 9,512 gross square feet, covered walks and the relocation of an existing quonset hut. The cost would be \$9.10 per square foot at "building cost" level and \$10.55 per square foot at "construction cost" level. It should be pointed out that these are average costs for a group of buildings, including the covered walks and the relocated quonset hut, so that in a sense the figures do not have too much meaning. *While we are in accord with the need for these facilities we cannot at this time make any recommendation with respect to the cost since the estimate in its present form is unsatisfactory.*

B. Equip field house and natatorium—\$7,000.

This item is self-explanatory and is part of the above.

C. Construct administration and business education building—\$898,190.

This project has two functions in that it will provide offices for the conduct of the regular administrative business of the college as well as classroom facilities to handle the curriculum in business administration. It was originally in the five-year program at \$760,000. The building will provide classroom facilities for approximately 203 students and is designed to have 38,092 gross square feet at a cost of \$18.30 per square foot at "building cost" level and \$19.82 at "construction cost" level. While we are in accord with the general need for this project we have some serious reservations concerning its cost. For instance, there is included the sum of \$104,830 for heating and ventilation with the ventilation designed for future air conditioning. *We question the justifi-*

Capital Outlay

Department of Education—Continued

caution for air conditioning in the Arcata area, and consequently we cannot recommend the cost figure at this time. However, we anticipate that the problem will be resolved before final action by the legislative committees.

D. Construct speech arts-little theater building—\$1,965,400.

This project was originally in the five-year plan at \$1,079,000, which is just a little more than half of the figure now shown in the budget. The change is primarily brought about by the fact that the original scope was inadequate. For instance, the building is designed to have an auditorium with 800 seats and will serve both as an auditorium and as a little theater. Academic facilities will provide for approximately 106 students in the speech and drama curricula.

The design will provide 52,850 gross square feet at a cost of \$25.95 per square foot at "building cost" level and \$32.04 square foot at "construction cost" level. Buildings of this type are generally quite costly because of the complex mechanical and electrical services that are required. In addition, the difference between the building cost and construction cost is due to the fact that there is \$82,000 provided for an audio system, \$46,000 for a TV system, and \$40,000 for an orchestra pit elevator. In the latter case these have not been provided in any of the recently constructed speech-drama buildings on other campuses. *In view of the foregoing and because of other discrepancies in the design and the cost estimate we would recommend approval of this project in principle only and withhold any recommendation with respect to cost at this time.*

ITEM 328 of the Budget Bill

Budget page 1093
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
HUMBOLDT STATE COLLEGE, FROM THE CAPITAL OUTLAY AND
SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$97,800
Legislative Auditor's recommendation	97,800
Reduction	None

ANALYSIS

This item provides for 14 projects of which three cover initial complements of equipment for new programs. The 11 remaining provide for minor alterations and modernization of the existing facilities at this campus to improve the efficiency of the existing facilities. We have reviewed these projects thoroughly with the Departments of Education and Finance and have satisfied ourselves that the projects are needed improvements and that the cost estimates are accurate. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of Education—Continued

ITEM 329 of the Budget Bill

Budget page 1094
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
LONG BEACH STATE COLLEGE, FROM THE CAPITAL OUTLAY AND
SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$4,388,420
Legislative Auditor's recommendation	Inadequate estimates
Reduction	indeterminate

ANALYSIS

This item would provide for three equipment projects for previously funded buildings and four construction projects as follows:

A. Equip science building addition—\$574,000.

The science building addition was funded by the Legislature in 1956 at \$2,775,000 and was expected to provide facilities for 1,118 in the natural and physical sciences. This project follows the general policy of providing equipment money in the year following the appropriation of construction money for projects over \$500,000. Approval is recommended.

B. Equip library addition—\$152,500.

The library addition was funded by the 1956 Legislature at \$1,559,920. It is intended to provide additional seating capacity for 1,810 persons and stack area for an additional 80,000 volumes. Approval of this project is recommended.

C. Equip fine arts building addition—\$83,000.

The fine arts addition was funded by the 1956 Legislature at \$633,800. It was to provide facilities for approximately 144 students in fine arts studies as well as faculty office space. We recommend approval of the project.

D. Construct home economics building—\$423,920.

This project was originally included in the five-year plan at \$380,000 and was intended to house 175 students in home economics courses. As now designed the cost is obviously higher and the building will house only 106 students plus faculty office spaces.

The design would provide 13,056 gross square feet of area at a cost of \$17.42 per square foot at "building cost" level and \$27.30 per square foot at "construction cost" level. The difference between the two figures results from extensive site development, utilities, and special food preparation equipment costs that are necessary to make the building operable. *While we believe that the project in principle is justified, we cannot at this time make any recommendation with respect to the cost since the estimate requires, we believe, further refinement.* We are confident that these differences will be resolved before final action by the Legislative Committees.

Capital Outlay

Department of Education—Continued

E. Construct classroom building addition—\$2,616,200.

This project was originally in the five-year plan at \$1,130,000 and was intended to provide general classroom facilities for approximately 2,400 students. The cost is now more than doubled and will provide facilities for 2,500 students. The difference in cost is largely due to the fact that there was an inadequate scope determination prior to inclusion of the project in the five-year plan.

The project as now designed is actually three separate and distinct buildings, one of which is entirely a faculty office building, the other is a speech-arts building, and the third a general classroom building. We would strongly recommend against an approach of this type where separate and distinct buildings are lumped together as a single project because it then becomes very difficult to determine how much each building costs. Instead, these three units should have appeared in the budget as three separate and distinct buildings, each with its own cost estimate and specifications.

The three buildings together will provide approximately 114,596 gross square feet of area. At "building cost" level it will be \$17.55 per square foot and at "construction cost" level it will be \$19.19 per square foot. These figures are almost meaningless since they represent an average for widely diverse types of space when comparing simple office space in the faculty building with the somewhat complex spaces to be found in the speech-arts building. *While in general principle we believe that the building spaces involved are required we cannot at this time make any recommendation with respect to the cost because we consider the cost estimate and many of the design details to be inadequate and in need of further refinement at this time.* However, we anticipate that these problems will be resolved before final action by the Legislative Committees.

F. Construct outdoor physical education facilities—\$388,800.

This project was originally in the five-year plan at \$135,000. The present cost, which is almost three times as great, is primarily the result of the fact that the original scope was very uncertain at the time the project was put in the five-year plan.

As now designed the project will include approximately ten acres of turfed area for softball, football, and other group activities, archery range, putting green and golf driving range, and general use area. There will be ten tennis courts, a multiple use court containing facilities for shuffleboard, volleyball, badminton, paddle tennis and basketball. In addition, there will be reinforced concrete handball courts.

In general, we are in accord with the need for these facilities in order to provide adequate physical education training for the growing enrollment in this college. *However, we do not believe*

Capital Outlay

Department of Education—Continued

that the cost estimate and certain design features are acceptable, and consequently we can make no recommendation with respect to cost at this time.

G. Site development—\$150,000.

This project was originally in the five-year plan at \$110,000 to be funded in the 1958-59 Fiscal Year. It has been moved forward a year in keeping with the accelerated construction program and is primarily intended to provide for the extension of utility mains. It is our understanding that additional parking and roads are to be accomplished also. *However, we have received practically no program package on this project, and consequently we cannot at this time make any recommendation with respect to it.*

ITEM 330 of the Budget Bill

Budget page 1097
Budget line No. 57

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, LONG BEACH STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$20,625
Legislative Auditor's recommendation	20,625
Reduction	None

ANALYSIS

This item is composed of four minor projects, of which one will provide equipment for the new health service center. The remaining three are for alteration and improvement of existing facilities with a view to increased utilization. We are satisfied that the cost estimates are accurate and the projects are necessary. Consequently, we recommend approval of the item as requested.

ITEM 331 of the Budget Bill

Budget page 1098
Budget line No. 33

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, LOS ANGELES STATE COLLEGE OF APPLIED ARTS AND SCIENCES, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$9,181,000
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide 10 construction and equipment items for the San Bernardino Freeway Campus and three construction and equipment items for the San Fernando Valley Campus as follows:

Projects A through J are for the San Bernardino Campus, and K through M for the San Fernando Valley Campus.

Capital Outlay

Department of Education—Continued

A. Equip fine arts building—\$195,000.

The fine arts building was funded by the 1956 Legislature and partially augmented from the Augmentation Fund to a total of \$1,134,300. The building was planned to provide facilities for 645 students in fine arts, home economics and home nursing. This project will provide the equipment necessary to make the building function. Approval is recommended.

B. Equip industrial arts building—\$640,000.

The industrial arts building was authorized by the Legislature in 1956 and partially augmented from the Augmentation Fund to a total of \$2,774,800. This was to provide laboratories and other facilities to accommodate 388 students in industrial arts and engineering. Proportionately equipment for a building of this character runs much higher than for regular classroom buildings. This project is needed to make the building usable, consequently we recommend approval.

C. Construct administration building—\$1,013,500.

This project was originally in the five-year plan at \$783,100. The increased cost is partially the result of rising construction costs but primarily the result of an inadequate scope determination at the time the project was included in the five-year plan.

The building as now designed will provide 45,843 gross square feet of area at a "building cost" of \$16.12 per square foot and a "construction cost" of \$19.35 per square foot. The project has been adequately reviewed and we believe the construction cost estimate is within reason for the character of facilities to be provided. Consequently, we recommend approval of the project.

D. Construct physical education building—\$2,290,300.

This project was originally in the five-year plan at \$1,523,700. At that time it had not been decided just what seating capacity would be provided for spectator purposes. It has now been agreed that for campuses of the size of this one, capacity for at least 5,000 seats would be included. This is one of the main factors that has led to the increased cost. In addition, there was inadequate scope included at the time with respect to the over-all teaching facilities within the building.

In any case, the project represents the largest single gymnasium unit ever undertaken on a state college campus. It is now designed to have 104,096 gross square feet of area and the estimate at "building cost" is \$16.67 per square foot and at "construction cost" is \$19.11 per square foot. The latter includes \$72,050 for folding bleachers and \$12,500 for playground and athletic equipment. While we believe the project is justified in principle there are a number of undecided questions with respect to the cost estimate and some construction details. *Consequently, we cannot at this time make recommendations with respect to the cost.*

Department of Education—Continued

E. Equip music building—\$269,000.

The music building was authorized by the Legislature in 1956 at a cost, together with some augmentation, which now equals \$2,178,200. Together with the speech-drama building it was intended to provide facilities for approximately 1,276 students in music, speech and drama. The equipment is needed to make this building operable at the time it is completed. Approval is recommended.

F. Equip speech-drama building—\$81,000.

The speech-drama building was also approved by the Legislature in 1956 and together with some augmentation will total \$1,314,900. Note previous item with respect to student capacity. Approval is recommended.

G. Equip library—\$239,500.

The initial library unit was approved by the 1956 Legislature at a cost, together with some augmentation, which will equal \$1,595,950. This was intended to provide a building containing seating capacity for 1,000 students and stack areas for 165,000 volumes. The equipment is essential to make this building operable. Approval is recommended.

H. Construct cafeteria—\$1,106,400.

This project was originally included in the five-year plan at \$940,500. The increased cost is primarily due to the rising construction cost index. It was originally conceived to have a seating capacity for 550 students and 100 faculty members. It was expected to be able to serve 6,200 students.

The present design will provide approximately 31,392 gross square feet of area at a "building cost" or \$24.20 per square foot and a "construction cost" of \$30.91 per square foot. Cafeteria buildings are usually high in cost because of the complex electrical and mechanical installations and the expensive kitchen equipment. In this project there is \$114,500 budgeted for fixed kitchen equipment which will not include such things as pots and pans, and tables and chairs, and etc. We believe that the project is well justified in principle. *However, due to some discrepancies in the cost estimate and some differences of opinion with respect to design details, which have not yet been resolved, we cannot at this time make recommendations with respect to the cost of the project.*

I. Construct outdoor physical education facilities—\$749,800.

This project was originally in the five-year plan at a modest \$193,600 which indicates that the original scope was entirely inadequate. As presently planned the facilities will include a baseball field, oval running track, 10 tennis courts, eight multi-use courts, eight handball courts, one elementary school activities court, and a storage house with extensive roads and walks, retaining walls, etc. *We can recommend the project in principle at this time but due to an unsatisfactory estimate we must withhold recommendation with respect to the cost of the project.*

Capital Outlay

Department of Education—Continued

J. Site development—\$452,300.

There is no question that additional site development is required for the San Bernardino Freeway Campus in view of the additional buildings to be constructed, or those that are in process of construction. *However, we have not received sufficient information about the details and scope of this project to be able to make any kind of a recommendation at this time.* We feel fairly certain, however, that all the problems will be resolved before final action by the legislative committees.

K. Construct additional temporary buildings—\$183,200.

Additional temporary buildings on the San Fernando Valley Campus were scheduled in the five-year plan but the cost estimate was \$128,750 which was to provide additional classroom space for 250 students plus related faculty office spaces. The project as now proposed would provide space for 327 students plus faculty office space.

These facilities will be reproductions of recently completed so-called temporary buildings on this campus and as such we would like to point out that they are excellently designed and will provide many years of useful and economical service. In fact, it is our opinion that it is a misnomer to use the term temporary in connection with them. We recommend approval of the project.

L. Equip additional temporary buildings—\$25,000.

This is self-explanatory and goes with the previous project.

M. Site development—\$1,936,000.

This project was originally in the five-year plan at \$600,000. However, due to the build up of the campus with permanent buildings more rapidly than was originally anticipated, the site development and utility distribution lines will have to be more extensive than contemplated in the five-year plan.

The project as a whole includes the general site grading for the main campus area and for parking lots, construction of flood control facilities, roads and walks, electrical distribution system, street lighting, heating distribution system and a boiler house with the necessary equipment. There is no question that these categories are required. *However, the program as presented has been, in our estimation, too disjointed to be properly evaluated. Consequently, we do not feel that we can make a recommendation as to the amount of money necessary for this purpose at this time.*

ITEM 332 of the Budget Bill

Budget page 1103
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, SACRAMENTO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$3,701,130
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

Department of Education—Continued

ANALYSIS

This item will provide for six major construction projects and one equipment project for a building under construction as follows:

A. Equip general classroom building—\$30,000.

Classroom building No. 4 was financed by the 1956 Legislature at \$638,700. It was to provide general classroom facilities for approximately 904 students together with related faculty office spaces. This project will enable the building to be placed in operation upon completion. Approval is recommended.

B. Equip library addition—\$123,000.

The 1956 Legislature financed the library addition for \$1,000,000. Subsequently this amount was found to be inadequate and there is scheduled an augmentation from the Augmentation Fund of \$348,400 making a total of \$1,348,400. The project was intended to provide additional seating capacity for 935 students and additional stack area for 67,200 volumes. The equipment is needed to place the addition in operation as soon as it is completed. Approval is recommended.

C. Construct engineering building—\$1,711,600.

This project was originally included in the five-year plan at \$900,000 and was assumed at that time to be of such size as to house 228 students in engineering studies.

At this time the design of the project is such that it will house approximately 217 students. The increased cost results from two factors, one the increased construction cost index which has been much steeper with respect to buildings having very complex electrical and mechanical installations, and the other is the fact that the original scope was inadequately determined.

The design as now conceived would provide 68,913 gross square feet of area at a "building cost" of \$18.95 per square foot and a "construction cost" of \$20.87 per square foot. It should be pointed out that in the following year the request for equipping this building will probably exceed \$300,000 since the type of equipment used in a building of this character is complex and expensive. While we are in complete accord with the need for this building, there are a number of points in the cost estimate and in the design about which we have not yet been satisfied. *Consequently, we cannot at this time make recommendations with respect to the amount of the appropriation.*

D. Construct cafeteria addition—\$963,700.

This project was originally included in the five-year plan at a cost of \$440,000 on the assumption that it would provide 280 additional dining room seats and some second floor area to be used for student activities. This was based on an assumed population growth which has now been exceeded insofar as ultimate capacity of the college is concerned.

As now designed the addition would provide a net increase of 785 seats as well as additional serving space, kitchen space and other auxiliary spaces. The partial second story area will be used

Capital Outlay

Department of Education—Continued

initially as classroom space since it will provide four classrooms, three of which would have 40 seats, and one of 50 and a number of faculty office spaces.

Cafeterias are generally designed on the basis of providing seating equivalent to 20 percent of the F. T. E. enrollment on the assumption that 80 percent of the enrollment would actually use the cafeteria on a four-shift basis. That is to say, the lunch period would probably extend from 11.30 to 1.30 which would provide four half-hour servings. On this basis the capacity provided for Sacramento would be excessive at the time it is completed. However, it is generally impractical to add to a cafeteria more than one time and consequently it is better to add excess capacity at this time than attempt to make a second addition at some future date. Whenever the total enrollment begins to exceed substantially that which was planned for this cafeteria consideration will probably have to be given to a second building. While we are in accord with the need for this project, there are some unsatisfactory points in the estimate and the design which we believe will be resolved before final action of the legislative committees. *Consequently, we cannot at this time make a recommendation with respect to the amount of appropriation.*

E. Construct administration building addition—\$549,100.

This project was originally included in the five-year plan at a cost of \$360,000 to provide expanded facilities for the administrative functions and staff of the college. As now designed the addition would provide approximately 21,076 gross square feet of area at a "building cost" of \$18.55 per square foot and a "construction cost" of \$21.92 per square foot.

While we are in accord with the need for this additional space, we cannot at this time make recommendations with respect to the amount of the appropriation since the present cost estimate and the design contain certain features which we believe are unsatisfactory. However, it is anticipated that these will be resolved before final action by the legislative committees.

F. Construct boiler addition—\$83,630.

This project was in the five-year plan at substantially the same cost as is now proposed, which is somewhat unusual. As now designed the project would provide an additional 12,000 pounds per hour of steam for heating and other purposes which is necessary because of the expanding campus facilities. *We recommend the project in principle but at this time we must withhold recommendations with respect to the amount since there are certain discrepancies in the estimate which need to be resolved.*

G. Site development—\$240,100.

This project was originally included in the five-year plan at \$100,000. Since that time its scope has been appreciably expanded which accounts for most of the difference in cost.

It is contemplated that the project will provide fencing of the entire periphery of the campus, completion of a peripheral road

Capital Outlay

Department of Education—Continued

around the campus, additional outdoor lighting, additional walkways, and additional lighting of roads and walks. While some of this work is necessary to round out the campus installation, we have reservations with respect to some items. *Consequently, we cannot at this time make recommendations with respect to the appropriation amount.*

ITEM 333 of the Budget Bill

Budget page 1106
Budget line No. 13

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SACRAMENTO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$58,150
Legislative Auditor's recommendation	58,150
Reduction	None

ANALYSIS

This item is composed of seven minor projects of which four will provide for the conversion of existing facilities to meet the needs of the expanding enrollment at this campus. One of the projects will provide for an initial complement of equipment for an engineering laboratory and the remaining two will provide minor additional facilities necessary to the educational program. We have had the opportunity to discuss these projects in detail with the representatives of the Department of Education and the Department of Finance and have satisfied ourselves with respect to the propriety of the cost estimates involved and the necessity for the work. Consequently, we recommend approval of the item as requested.

ITEM 334 of the Budget Bill

Budget page 1107
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, SAN DIEGO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$9,572,800
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide six major construction projects and two equipment projects as follows:

A. Equip library addition—\$340,000.

The construction of an addition to the library was financed by the Legislature in 1956 for an amount which together with some augmentation will produce a cost of \$1,781,250. The project was intended to provide an additional seating capacity for 2,100 stu-

Capital Outlay

Department of Education—Continued

dents and additional stack area for 126,500 volumes, as well as area for a complete audio-visual service installation. The equipment is needed to make the plant operable upon completion. It might be pointed out that the original estimate in the five-year plan for equipment was only \$150,000. Approval of this project is recommended.

B. Construct science building addition—\$3,110,400.

This project was originally included in the five-year plan at \$2,210,900 and at that time was anticipated to have capacity to house an additional 500 students in chemistry and geology. The project as now designed would provide capacity for 520 students. The increase in cost is primarily the result of the rising construction cost index which has been particularly acute with respect to complex science buildings.

The addition will have approximately 87,295 gross square feet of area at a "building cost" of \$21.60 per square foot and a "construction cost" of \$30.81 per square foot. The large difference between these two figures is accountable primarily by the fact that the project will have at least \$600,000 worth of fixed laboratory equipment in it. It should also be pointed out that next year, or possibly the year after, there will be requested an initial complement of nonfixed equipment which will probably exceed \$500,000. We call attention to the fact that the title of the project is somewhat of a misnomer in that it appears to imply that the building would be an addition to an existing building. The fact is that it will be a totally separate building, which will provide additional facilities in the category mentioned. While we believe that the project is justified in principle, the cost estimate and certain design details have as yet been unsatisfactorily explained. *Consequently, we cannot at this time make any recommendation with respect to the amount of the appropriation.*

C. Additional boiler and mechanical work—\$276,700.

This project was included in the five-year plan at almost the same amount as proposed, which is comparatively unusual. It will provide for the installation of one new 24,000 pounds of steam per hour boiler, which will replace two small boilers which were installed in 1930 and which have reached the end of their useful life. The new boiler will increase the total plant capacity by possibly 75 percent. There is no question that additional boiler capacity is needed for the expanding campus facilities. However, we believe that there is a serious error in the cost estimate for the facilities to be provided. *Consequently, we cannot at this time make any recommendation with respect to the amount to be appropriated until these errors have been resolved.*

D. Construct men's physical education building and swimming pool—\$2,731,900.

This project was originally included in the five-year plan at a cost of \$915,000. The 300 percent increase in cost is primarily the result of a drastic change in scope based on the increasing of

Department of Education—Continued

the ultimate capacity of the institution as well as the fact that a standard was established to provide colleges of this size with spectator seating capacity of at least 5,000.

The project as now designed would provide approximately 95,834 gross square feet of building area at a "building cost" of \$17.55 per square foot and a "construction cost" of \$23.96 per square foot. The large difference between these two figures results from two major factors, one is that the site development is quite costly in this case because the building is to be located on a new area, not previously used for building purposes, which involves substantial amounts for utility lines and large amounts for special equipment such as bleachers in the gym and bleachers for the pool, fixed gymnasium equipment, metal lockers, etc. We would like to point out first of all that, we believe, it was inappropriate to make a single project out of the gymnasium and pool; they should have been submitted as two separate projects with two separate costs so that each could be evaluated on its own merits. Secondly, we believe that the design is excessively costly and we have raised a number of questions concerning it which have not yet been satisfactorily resolved. *Consequently, while we are in agreement with the need for the project we cannot at this time make recommendation with respect to the cost.*

E. Construct administration building addition—\$1,042,600.

This project was originally included in the five-year plan at \$650,000. The substantial increase is primarily the result of an expansion in scope and partly the result of the rising construction cost index. We have received totally inadequate information on this project thus far. However, the addition is designed to have a gross building area of approximately 38,080 square feet at a "building cost" of \$20.69 per square foot and a "construction cost" of \$23.01 per square foot. *We cannot at this time make any recommendations with respect to this project.*

F. Site development—\$314,600.

This project was originally scheduled in the five-year plan at a cost of \$100,000 to provide additional walks, roads, lighting, and landscaping near the home economics, social science, speech, music, library and arts buildings, and to complete a parking lot west of the stadium. The difference in cost is primarily the result of an increase in scope since the earlier approach was inadequate.

The present scope of the project is such that we feel that it could have been provided in at least two phases with no actual slowing down of the over-all schedule of expansion of the campus. *Consequently, until phase divisions are made and re-estimated on that basis we can make no recommendation with respect to the proper amount to be appropriated.*

Capital Outlay

Department of Education—Continued

G. Construct physical science building addition—\$1,651,600.

This project was originally scheduled in the five-year plan at a cost of \$750,000 to provide facilities for 428 students in the physical sciences. As now designed the project would provide for 405 additional students in approximately 46,813 gross square feet of area at a "building cost" of \$23.20 per square foot and a "construction cost" of \$29.65 per square foot. The considerable difference between the two figures is of course attributable primarily to the fact that a building of this character has a great deal of expensive equipment fixed in place, such as \$201,550 for laboratory equipment. In addition, there is a considerable sum for utility lines to supply the building.

While we are in accord with the need for this project, the cost estimate and certain details in the design are as yet not satisfactorily explained. *Consequently, we cannot at this time make any recommendation with respect to the project cost.*

H. Television equipment for the music-speech building—\$105,000.

This project was not originally in the five-year plan, probably due to an oversight or to the fact that the curriculum in occupational television is new to the campus. In any case, the building was first financed in 1950 and has been augmented several times since then so that its present cost is probably in excess of \$1,500,000. Since instruction in the television arts is an accepted part of the curriculum it would appear that the purchase of this equipment is justifiable. However, we have seen no lists indicating the components and we would point out that the amount is considerably greater than is usually provided for this purpose on other campuses. *Consequently, we do not feel that we can make a recommendation with respect to the project at this time.*

ITEM 335 of the Budget Bill

Budget page 1111
Budget line No. 41

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SAN DIEGO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$74,440
Legislative Auditor's recommendation.....	74,440
Reduction	None

ANALYSIS

The eight projects provided by this item are for alterations and additions to existing facilities to meet the needs of expanding enrollments. During the current fiscal year we had the opportunity to visit this campus and to inspect each of these projects in detail. We are satisfied that the projects are necessary and that the cost estimates are in line. Consequently, we recommend approval of this item as requested.

Capital Outlay

Department of Education—Continued

ITEM 336 of the Budget Bill

Budget page 1112
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, SAN FRANCISCO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$3,860,500
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four major construction projects and one for working drawings for future construction as follows:

A. Construct administration building addition—\$467,500.

This project was originally scheduled in the five-year plan at \$360,000 on the assumption that it would provide additional space for sufficient administrative staff to handle 8,000 students. It is now designed on the assumption that the ultimate enrollment will be 9,000 students. As now shown in the budget the estimate was based on a gross building of 18,000 square feet. However, it is our understanding that the area is to be increased to 19,525 square feet which will of course increase the total cost of the project. In any case, whatever is finally decided upon would cost approximately \$20.55 per square foot at "building cost" level and \$22.62 at "construction cost" level. *In view of the existing discrepancies in this project it is not possible at this time to make any recommendation with respect to the appropriate amount to be provided.*

B. Construct fine arts building addition—\$586,200.

This project was originally scheduled in the five-year plan at \$508,000 to provide facilities for 156 students in the industrial arts. As presently designed it will provide facilities for 147 students.

The project would have approximately 27,950 gross square feet at a "building cost" of \$16.50 per square foot and a "construction cost" of \$17.63 per square foot. While we believe the project is necessary to the expanding enrollment of this campus, the cost estimate and the design have some discrepancies which need to be resolved. *Consequently, we cannot make a recommendation as to the cost of this project at this time.*

C. Construct classroom building addition—\$835,200.

This project was originally included in the five-year plan at \$664,500 to provide facilities for 468 students in home economics and education. As now conceived it would provide facilities for 500 students. However, it is not possible at this time to discuss this project in any detail since it was originally submitted on the basis of housing over 1,000 students and at over twice the cost shown in the budget. It was subsequently arbitrarily reduced without a new plans package submitted. *Consequently, we can make no recommendations with respect to the design or cost of the project at this time.*

Capital Outlay

Department of Education—Continued

- D. Working drawings for physical education building addition—\$70,000.

While this project was originally included in the five-year plan to be funded for construction in the 1957-58 Fiscal Year, it has now been decided that no actual time would be lost if working drawings alone were funded first and construction money in the following year. It is still anticipated that the building will be ready for occupancy for the fall of 1959. Approval is recommended.

- E. Construct science building addition—\$1,901,600.

This project was originally scheduled in the five-year plan at \$750,000 as an addition to classroom building No. 3 to house an additional 950 students in the sciences. This plan was originally totally in error because it would not have been possible to house that many students for that sum of money, particularly in an expensive science building.

The plan as now conceived would provide classrooms and laboratories and related faculty offices for 200 students in the biological and physical sciences. The project would provide 61,498 gross square feet of area at a "building cost" of \$18.55 per square foot and a "construction cost" of \$25.98 per square foot. The large difference between the two figures is brought about primarily by the fact that there is a large amount of expensive laboratory equipment involved which is estimated at \$376,000.

While we are in accord with the need for this project, we find that the estimate and certain details of the design are not satisfactory. *Consequently, we cannot at this time make any recommendation with respect to the cost of the project.*

ITEM 337 of the Budget Bill

Budget page 1115
Budget line No. 67

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SAN FRANCISCO STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$95,220
Legislative Auditor's recommendation	95,220
Reduction	None

ANALYSIS

This item is composed of 12 projects which will correct deficiencies in the existing physical plant, and provide much needed parking space. We have had the opportunity to visit this campus and to inspect these projects in detail in order to satisfy ourselves that the cost estimates are in line and that the projects are based on need. Consequently we recommend approval.

Capital Outlay

Department of Education—Continued

ITEM 338 of the Budget Bill

Budget page 1116
Budget line No. 15

FOR ACQUISITION OF REAL PROPERTY, SAN JOSE STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,500,000
Legislative Auditor's recommendation	2,500,000
Reduction	None

ANALYSIS

This item was originally included in the five-year plan for the same amount and was predicated on the acquisition of approximately 2½ city blocks for instructional facilities, two city blocks for parking areas, and two city blocks for residence halls. Since the expanding enrollment of this campus requires these facilities we believe that it is appropriate to acquire the additional property at this time. Consequently, we recommend approval of the item.

ITEM 339 of the Budget Bill

Budget page 1116
Budget line No. 37

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, SAN JOSE STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$6,130,800
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four major construction projects, two equipment projects, one major remodeling project, and one working drawing project for future remodeling of the main building, as follows:

A. Equip cafeteria—\$102,100.

The cafeteria construction was funded by the Legislature in 1956, and together with some augmentation will cost approximately \$1,030,600. It will have seating capacity for 895 students and 145 faculty members. This college being directly adjacent to a heavily urbanized area which contains many restaurants will probably not need as much cafeteria area as the same size college located away from concentrated business areas. The equipment is necessary to make the cafeteria operable upon completion. Approval is recommended.

B. Construct art building—\$1,816,100.

This project was originally included in the five-year plan at \$1,283,000 and was intended to provide facilities to handle 596 students in art studies. As now designed it will provide capacity

Capital Outlay

Department of Education—Continued

for 549 students. The increase in cost is partly the result of prior inadequate scope determination and rising construction cost index.

The project will provide approximately 85,315 gross square feet of area at a "building cost" of \$17 per square foot and a "construction cost" of \$18 per square foot. The small difference between these two is the result primarily of the fact that very little site development and utility work is required since this campus is very compact and well developed otherwise. While we are in accord with the need for this building the present estimate and the design are such that we have some unsatisfied questions concerning it. *Consequently, we cannot make a recommendation with respect to the cost of the project at this time.*

C. Construct industrial arts building—\$2,595,300.

This project was originally included in the five-year plan at \$1,875,000 and was intended to provide classroom and laboratory facilities to house 336 students in the industrial arts, together with faculty office spaces. The building as now conceived would provide space for 333 students in 111,310 gross square feet at a "building cost" of \$18.45 per square foot and a "construction cost" of \$19.60 per square foot. The difference in cost between the estimate in the five-year plan and the budget estimate is primarily the result of an inadequate scope determination of the time of its original inclusion. While we are in accord with the need for this project, we find there are some serious differences of opinion concerning the cost estimate and some of the details in the design. *Consequently, we cannot at this time make any recommendation with respect to the amount to be appropriated.*

D. Construct health building—\$971,300.

This project was first included in the five-year plan at a cost of \$1,050,240 and was to provide, in addition to student health facilities, teaching facilities to house 172 students in nursing and occupational therapy. The figure of \$971,300 shown in the budget is an error which was inadvertently picked up from the wrong sheet of the Division of Architecture estimate. The estimate as it now stands is \$1,204,600. The increase in cost is primarily the result of the rising construction cost index. As now designed, the building would provide teaching facilities for 154 students. The design would provide 43,108 gross square feet in a four-story building at a "building cost" of \$22.55 per square foot and a "construction cost" of \$23.48 per square foot. While we are in accord with the need for this project, particularly since this college has a well-recognized teaching program in nursing and occupational therapy, the cost estimate and certain features of the design are questionable. *Consequently, we cannot at this time make any recommendation with respect to the cost of the project.*

Department of Education—Continued

E. Construct faculty office building—\$409,300.

This project was originally in the five-year plan at \$300,000 and was intended to provide office space for 100 faculty members and five clerical personnel. This capacity has not been changed in the proposal contained in the budget. The increase in cost is partly due to construction cost index rise and partly to lack of an adequate program at the time it was included in the five-year plan.

As now designed the project will provide 16,091 gross square feet of area at a "building cost" of \$19.85 per square foot and a "construction cost" of \$21.42 per square foot. The project is comparatively simple and meets the standards for office space that have been set for faculty offices. Consequently, we recommend approval of this project.

F. Remodel old science building—\$193,200.

This project is actually a combination of two projects, one for the replacement of lights in the science building which was scheduled for the 1957-58 Fiscal Year at \$70,000, and another one for actual building remodeling which was scheduled for the 1960-61 Fiscal Year at a cost of \$200,000. The projects are now combined into one at a cost which appears to be less than the total of the previous two.

We cannot avoid expressing pessimism with respect to the cost estimate of this project. Our attitude is based on the fact that in the past very few large alteration jobs have failed to substantially exceed amounts appropriated for them. Consequently, it is our feeling that a far better estimate could be achieved if the project were funded for working drawings only. Then in the course of preparing such drawings all of the now unforeseen problems would come to light and a sound estimate would result. We do not believe that the alteration is of such urgency that a comparatively short delay would have any appreciable effect on the orderly expansion of this campus. *Consequently, we recommend that this project be reduced to \$15,000 for complete working drawings and specifications only.*

G. Equip old science building—\$18,500.

This would obviously go along with the previous item and no further comment is necessary.

H. Working drawings for remodeling of main building—\$25,000.

This project is a good case in point with respect to the previous project. It was first thought that it would be funded for complete construction. However, in the process of doing preliminary plan work many things were brought to light that led all concerned to believe that it would be wiser to do a thorough study first before providing construction money. The main building was built in 1908 and in many respects does not meet the Field Act. In addition, the basic proposal involves converting existing administrative offices to classrooms so that an additional 331 students can be accommodated. We recommend approval of this project as submitted.

Capital Outlay

Department of Education—Continued

ITEM 340 of the Budget Bill

Budget page 1120
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SAN JOSE STATE COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$28,100
Legislative Auditor's recommendation	28,100
Reduction	None

ANALYSIS

This item provides for six minor projects of construction, alteration and improvement. We have had the opportunity to visit this institution during the current fiscal year and were impressed by the efficient administration of the maintenance and minor construction programs under way at this campus. We are satisfied that the six projects involved are necessary and that the cost estimates are adequate. Consequently, we recommend approval of the item as budgeted.

ITEM 341 of the Budget Bill

Budget page 1121
Budget line No. 23

FOR ACQUISITION OF REAL PROPERTY, CALIFORNIA POLYTECHNIC COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$57,500
Legislative Auditor's recommendation	57,500
Reduction	None

ANALYSIS

This item would provide for the purchase of two parcels of property needed to round out the campus and complete the athletic field area. Approval is recommended.

ITEM 342 of the Budget Bill

Budget page 1121
Budget line No. 33

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA STATE POLYTECHNIC COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$12,074,160
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

Projects A through G would provide six major construction projects for the San Luis Obispo Campus and one equipment project for a prior construction item. Projects H through O would provide six major construction projects on the Kellogg-Voorhis Campus and three equipment projects as follows:

Capital Outlay

Department of Education—Continued

A. Construct reservoir and water distribution system—\$1,855,000.

This project was discussed in connection with the adjoining Men's Colony under Item 289 of the Budget Bill. Approval is recommended.

B. Site development—\$60,400.

This project was not previously contemplated in the five-year plan and it is intended primarily to extend utility mains to provide for additional buildings. We have not received complete details on this project and consequently we cannot at this time make any recommendation with respect to the cost of the project.

C. Construct agriculture classroom building—\$1,599,600.

This project was originally included in the five-year plan at \$538,000 and was intended to provide classroom and laboratory facilities and related faculty office spaces to handle 626 students in agriculture. The fact that the budget cost is now three times greater is primarily the result of increasing the scope of the project to accommodate 1,091 students plus the rise in the construction cost index.

The design as now proposed will provide 54,336 gross square feet of area at a "building cost" of \$20.95 per square foot and a "construction cost" of \$24.73 per square foot. The difference between these two figures is primarily due to costly laboratory equipment which comes to over \$80,000 plus substantial cost in site development and additional utility work. Unfortunately, the plans submitted for our review were for a much larger building and the estimate represents a somewhat arbitrary reduction in size which was not actually spelled out in the plans. *There are several features that are open to question, consequently we do not feel that we can at this time make any recommendation with respect to the cost of the project.*

D. Construct men's physical education building and outdoor physical education facilities—\$2,518,300.

This project was originally included in the five-year plan at \$720,000 plus \$140,000 for outdoor facilities to serve a total of 4,900 male students anticipated by the fall of 1962. The fact that the project as now proposed has more than doubled in total cost is primarily the result of an adjusted enrollment figure for 1962, which will be higher than the prior figure, and also because of the increased spectator seating capacity that has been approved.

It would have been more appropriate if this project had been submitted as originally intended, in two separate pieces, one for the gymnasium proper and one for all the outdoor physical education facilities. As now constituted it would provide a gross gymnasium building area of approximately 64,848 square feet at a "building cost" of \$17.05 per square foot and a "construction cost" of \$38.94 per square foot. Obviously the latter figure is entirely misleading because contained in it is all of the outdoor facilities which includes several hundred thousand dollars for

Capital Outlay

Department of Education—Continued

grounds improvements, over \$100,000 for area lighting, outdoor athletic facilities for over \$150,000, all of the utility work amounting to over \$180,000 and the fixed equipment for the gymnasium, the bleachers for the gymnasium and etc., for over \$100,000. It is for this reason that we made the point previously that the two projects should have been separated.

We are of the opinion that it is not necessary to fund both of these projects at one time and consequently we would recommend that the whole approach be changed and that it be re-estimated on the basis of including in this budget the gymnasium building only with the outdoor facilities and the grounds development to follow in the next budget. Furthermore, there are features in the gymnasium building itself, as it is now designed, which we consider questionable and these too should be resolved before we can make a firm recommendation.

E. Construct student health service building—\$551,560.

This project was originally included in the five-year plan at \$360,000 to provide the ordinary, regular student health services. As now designed it is proposed to include rather extensive hospital facilities which would make this project radically different from the health facilities provided at other college campuses.

The design would provide 13,400 gross square feet of area at a "building cost" of \$24.48 per square foot and a "construction cost" of \$34.53. The wide disparity between the two figures results from almost \$50,000 in expensive hospital equipment and over \$80,000 in site development and utility work. While we are in accord with the need for a health building at this campus we do not believe that the present design is appropriate and justified. *Consequently, we recommend that the project be deferred for redesigning and that in its place an item for working drawings only be provided in the amount of \$25,000.*

F. Equip student health building—\$58,000.

This project obviously goes with the previous one and no further comment is necessary.

G. Construct home economics building—\$1,137,400.

This project was originally included in the five-year plan at \$550,000 and was to provide home economics facilities to handle 650 students. The program has now been enlarged to include the construction of a home management cottage and sufficient additional building area to provide for the mathematics department so that the total number of students that could be accommodated in both departments would be approximately 771. These changes account for most of the increased cost when compared to the five-year plan.

The design would provide a major classroom building having 43,297 gross square feet at a "building cost" of \$17.70 per square foot and a "construction cost" of \$20.57 per square foot. The home economics cottage would provide 2,677 square feet at a

Department of Education—Continued

“building cost” of \$17.42 per square foot and a “construction cost” of \$24.24 per square foot. In examining the plans for this project we found many details that we consider questionable. The points we have raised have not as yet been satisfactorily resolved. *Consequently, we cannot at this time make any recommendation with respect to the cost of the project.*

H. Equip animal husbandry production units—\$32,000.

The animal husbandry production units were funded by the Legislature in 1956 and subsequently augmented to a total of \$542,100. These facilities provided for beef, sheep, swine and poultry, together with all the necessary road work, paving, and other site development. This project is needed to provide the equipment to operate the building upon completion. Approval is recommended.

I. Equip engineering building—\$921,000.

The engineering building on the Kellogg-Voorhis Campus was funded by the Legislature in 1956 at a cost including subsequent augmentation of \$2,328,900. The facilities were to provide for handling 669 students in engineering courses as well as faculty office space. The equipment is needed to make the building operable upon completion. It is interesting to note that the movable equipment represented by this project is equal to almost 50 percent of the building cost. This is characteristic of expensive scientific and engineering equipment. Approval is recommended.

J. Construct library building—\$1,586,200.

This project was originally included in the five-year plan at \$1,170,000 and was intended to provide seating for 800 and stack capacity for 105,000 volumes as well as a complete audio-visual service area. As now designed the building still has the same capacity but the cost has increased partly because of the rising construction cost index and partly because the original scope was somewhat deficient.

The design would provide 67,626 gross square feet of area at a “building cost” of \$18.24 per square foot and a “construction cost” of \$19.71 per square foot. While we believe this project is essential to the operation of the expanding Kellogg-Voorhis Campus there are a number of important discrepancies in the design and the cost estimate which have not yet been resolved. *Consequently, we must withhold at this time any recommendation with respect to the cost of the project.*

K. Construct agriculture units—completion—\$460,800.

This project was originally included in the five-year plan at \$145,000 to provide facilities for a wool unit, an apiary and honey unit, and an ornamental horticulture unit. The present design includes the same facilities but the cost is substantially higher primarily because the original scope was very defective. Of course, some of the increase is due to the rising construction cost index.

Capital Outlay

Department of Education—Continued

The design as now constituted includes feed mill equipment which was not contemplated in the original plan. Building area will consist of 16,882 gross square feet at a "building cost" of \$16.53 per square foot and a "construction cost" of \$22.94 per square foot. The considerable disparity between these two figures plus the generally high cost revealed by both figures for what should be very simple buildings leads us to question the project details to a considerable extent. *While we believe that these additional facilities are probably justified, even though they will provide for very few students, we cannot at this time make any recommendation with respect to the project until these questions have been satisfactorily resolved.*

L. Site development—\$293,500.

This project was originally included in the five-year plan at \$200,000 and was intended to provide sufficient site development such as drainage, roads, walks, lighting, and parking areas to accommodate 3,000 students in the fall of 1960. The plan as now proposed is essentially the same although the scope is somewhat altered since site development projects are rather difficult to hold to a specific scope.

As presently planned and presented it represents one of the best site development proposals we have seen in some time. Each phase is separately set forth so that the Legislature might choose all or any part for funding at any time. The cost estimate is broken down into eight separate and distinct items such as "resurfacing of the existing entrance road," Item 2 at \$14,300, or Item 8, "hook up temporary connection to Pacific State Hospital water supply," \$33,700, etc. We believe all of the items in the project are justifiable although we would suggest that some of them should be deferred to the following year. Particularly we have in mind Item 2, resurfacing of existing entrance road; Item 4, lighting for stable area road; Item 6, storm drain underground line from future parking to existing trunk. In any case, we believe that the cost estimates for the various items in the project are satisfactory.

M. Construct business classroom building—\$693,000.

This project was originally included in the five-year plan at \$500,000 and was intended to provide facilities to accommodate 444 students in business studies. As now designed the project would accommodate 432 students.

The plan would provide 28,800 gross square feet of area at a "building cost" of \$18.45 per square foot and a "construction cost" of \$20.25 per square foot. This project appears to be fairly well designed and the cost estimate appears to be in line with the general character of the project. Consequently, we recommend approval as requested.

N. Construct corporation yard—\$287,900.

Department of Education—Continued

O. Equip corporation yard—\$19,500.

This project was originally included in the five-year plan at \$200,000 to provide shops and storage area for maintenance work and repair of buildings, grounds, and equipment. The present plan is essentially the same; however, the cost has gone up primarily because of expanded scope.

The design would provide 20,165 gross square feet of building area completely surrounded by chain link fences to form a separate security area. The "building cost" would be \$7.94 per square foot and the "construction cost" would be \$12.02 per square foot. The considerable disparity between these two figures is accounted for by extensive grounds improvements, utility work and fixed equipment such as an auto hoist, gasoline dispensing equipment, etc. We believe that the over-all cost is too high for buildings of this character. The plans contain certain details that we believe are excessive. We are under the impression that certain understandings were reached in prior conferences which should reduce these costs. However, they have not at this time been reflected in the estimate. *Consequently, while we approve the project in principle we can make no recommendation with respect to the cost.*

ITEM 343 of the Budget Bill

Budget page 1127
Budget line No. 22

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA STATE POLYTECHNIC COLLEGE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$238,970
Legislative Auditor's recommendation	238,970
Reduction	None

ANALYSIS

This item consists of 23 minor projects, 20 of which are for the San Luis Obispo Campus and three for the Kellogg-Voorhis unit. These projects will provide for alterations and additions to existing facilities to meet the needs of an expanding educational program. The greater number of the projects are agricultural in nature and are subject to review by the Joint Interim Committee on Agricultural and Livestock Problems following the 1957 Session of the Legislature prior to any expenditure being made. During the current fiscal year we have had the opportunity to visit both campuses and to review the projects in detail with members of the California Polytechnic College Staff. As a result we are satisfied that the projects are needed and that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

Capital Outlay

Department of Education—Continued

ITEM 344 of the Budget Bill

Budget page 1128
Budget line No. 14

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA MARITIME ACADEMY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$299,570
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide two construction projects and two equipment allotments for previously funded projects as follows:

A. Construct administration building—\$179,200.

This project was originally included in the five-year plan at \$150,000 and the increased cost represents primarily the increased construction cost index. The building is designed to have 5,904 gross square feet of area at a "building cost" of \$14.95 per square foot and a "construction cost" of \$25.60 per square foot.

The project is designed as a simple frame and stucco building and it is our belief that the cost estimate is excessive. We have raised certain questions concerning it which have not as yet been satisfactorily resolved. *Consequently, while we believe that the project is justifiable in principle we cannot at this time make any recommendation with respect to the cost.*

B. Repair wharf—\$85,000.

This project was never previously included in the five-year plan. However, there have been a series of increments under minor construction to make repairs to the wharf, on the pile caps mainly. In the course of this work it was discovered that the condition of the wharf was so extensively poor that it was determined that the best thing to do was to provide a major over-haul. We have seen no details of the proposal and consequently we have no way in which to evaluate it and make recommendations with respect to the cost. However, we doubt that a possible delay of one year would be of any substantial consequence. *Consequently, we recommend deferral.*

C. Equip residence hall—\$29,150.

A new residence hall was provided by the Legislature in 1956 at a cost, including some augmentation, of \$718,400. It was intended to provide accommodations for 200 students which it will do at an approximate cost of \$3,590 per student. The equipment is necessary to make the residence hall operable upon completion. It is interesting to note that the equipment will average \$145 per student primarily because of the fact that the beds and desks and

Capital Outlay

Department of Education—Continued

storage chests are built-in as part of the initial construction, so that the equipment consists primarily of movable furnishings, initial complement of linens, etc. Approval is recommended.

D. Equip administration building—\$6,220.

This item is self-explanatory and goes with project A. Approval is recommended.

ITEM 345 of the Budget Bill

Budget page 1129
Budget line No. 35

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CALIFORNIA MARITIME ACADEMY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,200
Legislative Auditor's recommendation	2,200
Reduction	None

ANALYSIS

This item provides for one project, that of installing street lighting in the campus area. We have had the opportunity of visiting the institution during the current year and feel that the project is justified both from the standpoint of cost and need. Consequently, we recommend approval of the item as requested.

ITEM 346 of the Budget Bill

Budget page 1131
Budget line No. 12

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CALIFORNIA SCHOOL FOR THE BLIND, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$23,040
Legislative Auditor's recommendation	23,040
Reduction	None

ANALYSIS

This item consists of two minor projects, the first of which is for the construction of walks and steps from the dormitories to the new dining room building. We feel that these are necessary for the safety of the blind students. The second project is for the removal of a cottage, a garage and shed that are serving no useful purpose to the institution but are taking up valuable space on the site which could be developed into recreational area. We have had the opportunity to visit this institution during the current fiscal year and have satisfied ourselves both as to need and the propriety of the cost estimates involved. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of Education—Continued

ITEM 347 of the Budget Bill

Budget page 1132
Budget line No. 15

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA SCHOOL FOR THE DEAF, BERKELEY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$342,300
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for a single construction project to build additional classroom facilities at \$342,300. The project was originally included in the five-year plan at \$220,000 and was intended to provide sufficient additional capacity to enable the total enrollment of 492 students.

The design as now constituted would provide 14,394 gross square feet of building area at a "building cost" of \$17.65 per square foot and a "construction cost" of \$20.06 per square foot. We believe this cost is excessive for a simple classroom building because of certain design features that are wholly unjustified. These questions as yet have not been resolved. *Consequently, we cannot at this time make any recommendation with respect to the cost of the project.*

ITEM 348 of the Budget Bill

Budget page 1133
Budget line No. 33

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CALIFORNIA SCHOOL FOR THE DEAF, BERKELEY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$34,415
Legislative Auditor's recommendation	34,415
Reduction	None

ANALYSIS

This item provides for a schedule of eight projects needed to increase the efficiency of the physical plant. During the current fiscal year we have had the opportunity to visit this institution and to inspect these projects in detail. Subsequently we have discussed the projects with the Departments of Finance and Education and are satisfied both as to need and to the propriety of the cost estimates involved. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of Education—Continued

ITEM 349 of the Budget Bill

Budget page 1134

Budget line No. 14

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$28,270
Legislative Auditor's recommendation	28,270
Reduction	None

ANALYSIS

This project would provide for working plans for a gymnasium to be construction funded in the following fiscal year. We believe this is an appropriate approach to the project and consequently approval is recommended.

ITEM 350 of the Budget Bill

Budget page 1136

Budget line No. 11

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CALIFORNIA SCHOOL FOR THE DEAF, RIVERSIDE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$81,285
Legislative Auditor's recommendation	81,285
Reduction	None

ANALYSIS

This item consists of 17 minor projects that will increase the utilization and efficiency of the existing physical plant. We have had the opportunity to inspect each of these projects in detail and are satisfied that they are necessary. However, with respect to one project which would air-condition the spotting and pressing shop in the amount of \$13,500, we question the necessity of providing such an expensive system for this purpose. It is our opinion that only sufficient air conditioning should be provided to maintain a temperature consistent with other un-air-conditioned building areas on the campus. We do not believe that an optimum temperature should be maintained in such a facility as this condition would not prevail commercially. We recommend approval of this item in a reduced amount, subject to a new estimate to be made by the Division of Architecture.

ITEM 351 of the Budget Bill

Budget page 1140

Budget line No. 32

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, LOS ANGELES CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$35,427
Legislative Auditor's recommendation	35,427
Reduction	None

Capital Outlay

Department of Education—Continued

ANALYSIS

This item is composed of four separate projects of alterations to the existing structure at 840 Santee Street in Los Angeles. Three of the projects will strengthen and repair the existing structure while the fourth project will provide fire exits necessary for the safety of the blind employees that work in the building. We are satisfied that the projects are necessary and that the cost estimates are in line. Consequently, we recommend approval of the item as requested.

ITEM 352 of the Budget Bill

Budget page 1141
Budget line No. 61

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, OAKLAND CENTER, CALIFORNIA INDUSTRIES FOR THE BLIND, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$10,650
Legislative Auditor's recommendation	10,650
Reduction	None

ANALYSIS

This item provides for two minor construction projects, the first of which will provide a prefabricated warehouse for the storage of raw and finished goods. It should be pointed out that the \$9,900 requested for this purpose is an augmentation of a previous amount of \$10,000 which proved to be inadequate funding to provide the necessary space. The second project will permit the installation of a dust control system for the brush department at \$750 which is recommended by the Division of Industrial Safety. We are satisfied that the projects are needed and that the cost estimates are in line with current construction cost trends. Consequently, we recommend approval of the item as requested subject to any ruling changes in the nature of the operations carried out at the blind shops.

UNIVERSITY OF CALIFORNIA

ITEM 353 of the Budget Bill

Budget page 1143
Budget line No. 66

FOR ACQUISITION OF REAL PROPERTY, UNIVERSITY OF CALIFORNIA, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,200,000
Legislative Auditor's recommendation	2,200,000
Reduction	None

ANALYSIS

This item would provide for the acquisition of land in the vicinity of the Berkeley Campus on which to construct projects contained in the 1957-58 budget proposal. This was included in the five-year plan

Capital Outlay

University of California—Continued

and scheduled for funding in the 1959-60 Fiscal Year at \$650,000 for land on which to construct residence hall unit No. 2. However, this has now been broadened to purchase land for other purposes as well, such as the cafeteria, theatre auditorium, student union and physical education replacement field. However, the present budget contains projects only for the cafeteria, physical education fields and residence hall. Consequently, we would question the necessity to provide this full amount in this budget. However, due to the savings which can be secured by purchasing land as soon as its need is clearly foreseen, it may be well to make the full appropriation at this time.

ITEM 354 of the Budget Bill

Budget page 1144
Budget line No. 37

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, UNIVERSITY OF CALIFORNIA, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$14,200,574
Legislative Auditor's recommendation.....	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for a list of 32 construction, equipment, and planning projects as follows:

A. Project planning—\$291,900.

This project will provide the necessary funds for the preparation of preliminary plans and cost estimates for projects which will be payable from the Capital Outlay and Savings Fund and included in the 1958-59 budget proposal. In addition, the university is scheduling \$92,900 for the same purpose from the continuing fair and exposition appropriation for projects which will eventually be payable from that fund. Approval is recommended since this is in line with the policy respecting all other capital outlay appropriations.

B. Prepare working drawings for education-psychology building, Berkeley—\$587,100.

This project was originally in the five-year plan for construction in the 1957-58 Fiscal Year at \$3,367,000 and was listed as the Life Sciences Unit No. 2. The approach has now been changed so that working drawing only will be prepared at this time for a combination education and psychology building. It should be pointed out that the title of the project is somewhat of a misnomer because not all of the money proposed is for working plans only. The amount of \$228,000 is estimated to be expended for working plans, but the balance plus \$159,600 payable from the continuing Fair and Exposition Fund appropriation will be used for the relocation and enlargement of greenhouses made necessary by

Capital Outlay

University of California—Continued

the location of the new building. We suggest that the project title be changed to indicate the fact that some construction will take place with the money. Approval is recommended.

C. Construct cafeteria, partial cost, Berkeley—\$600,000.

This project was not previously included in the five-year plan. The total proposed cost will be approximately \$1,600,000 of which the university has provided one million dollars from its reserves and the proposed \$600,000 would be the State's share of the project. The program for the project indicates that it will provide indoor dining facilities for 1,400, outdoor dining facilities for 800, and an indoor and outdoor capacity for 150 in a snack bar unit.

We have seen no plans for the project and no specifications, although we have received a general program outline indicating the types of spaces and their relation to each other. This program indicates that the outside gross area of the project will be approximately 53,520 square feet at a "building cost" of \$21.50 per square foot and a "project cost" of \$30 per square foot. These figures are interesting from the fact that they are appreciably less than the cost of cafeterias constructed at state colleges. For this reason, if for no other, we would be most anxious to examine the plans in detail, which we will probably be able to do at a later date. In view of the foregoing we can make no recommendation at this time with respect to the cost.

D. Develop Cory Hall, Berkeley—\$396,860.

This project was originally scheduled in the five-year plan for funding in 1958-59 at \$189,000. It represents the completion of the top floor of this building, which is for electrical engineering instruction. It contains about 20,000 square feet which was left unfinished when the building was constructed. This proposal actually represents the first step in the development of this top floor with additional funds to be requested probably in the next year's budget. We have received no plans on this project but we have received outline specifications and a composite estimate of the steps 1 and 2 together which indicate a "building cost" of \$12.90 per square foot and a "project cost" of \$15.90 per square foot for an outside gross area of 34,864 square feet. The 20,000 square feet mentioned above is for net usable space. In view of the foregoing we are in no position to make any recommendation with respect to the cost.

E. Develop basement of Hearst Gymnasium, Berkeley—\$181,800.

This project was originally included in the five-year plan for preliminary plans funding only in the 1960-61 Fiscal Year. It consists of excavating some of the existing basement of the women's gym and finishing it to be used for the housing of research collections of the anthropology department. Approximately 12,500 square feet of usable space would be generated by this with a gross outside area of approximately 14,100 square feet. The

University of California—Continued

cost for the gross area would be approximately \$6.92 per square foot at "building cost" and \$13.20 per square foot at "project cost" level. The great disparity between the two figures is due to the fact that there is about \$47,000 included for equipment. In any case, it appears that this would be a less costly method of providing storage area than by construction of a regular building. Consequently, we would recommend approval.

- F. Construct enlargement to the physical sciences building, Berkeley—\$302,140.

The physical sciences building was funded by the Budget Act of 1955 at \$1,270,000. It was subsequently discovered that the original estimate of space needs was substantially understated and that additional area would be required to house the needed facilities for astronomy, mathematics and statistics.

We have received no plans for this expansion but we have received an outline specification and an estimate of cost for the composite total building which indicates that it will have an outside gross area of 62,037 square feet at a "building cost" of \$19.70 per square foot and a "project cost" of \$26.70 per square foot. While the costs appear to be in line with the character of the building involved, we have not had the opportunity to examine the plans and consequently we can make no recommendation with respect to the cost.

- G. Prepare working drawings for earth sciences building, Berkeley—\$157,500.

This project was originally included in the five-year plan for construction in the 1957-58 Fiscal Year at \$3,130,500. It has now been decided that money for working drawings only would be adequate in this fiscal year. The building would provide facilities for paleontology, geology and geography. The present facilities occupied by these departments are overcrowded and ill-suited for the functions of these departments. We recommend approval of the working plans project.

- H. Develop playing fields and courts, Berkeley—\$633,000.

This project was originally included in the five-year plan for working plans only in the 1960-61 Fiscal Year. The project is a composite one in that it involves the development of approximately 5½ acres for playing fields in the base of Strawberry Canyon as well as the development of the roof of a covered 450-car parking structure as a playing field area. The parking structure itself would be constructed with nonstate funds. The project appears comparatively simple although it involves considerable excavation and grading. We have examined the available information including sketches and outline specifications. Approval is recommended.

- I. Prepare working drawings for residence hall unit No. 2, partial cost, Berkeley—\$76,300.

Capital Outlay

University of California—Continued

and other features which we believe are questionable. Pending additional data on this project we can make no recommendation with respect to the cost.

- P. Construct and equip areas in medical center, Los Angeles—\$206,234.

This project as such was not included in the five-year plan. The proposal is to complete those unfinished areas in the medical center buildings which remained so because the available funds at that time could not take care of them. The facilities involved would include safety services, such as radiation safety, occupational health, sanitation and veterinarian service. We have examined the plans for the work to be done which appears reasonable and consequently we recommend approval of the project.

- Q. Construct additions to service yard, Los Angeles—\$688,419.

This project was included in the five-year plan at \$639,500. It would provide 37,200 gross square feet of space in three buildings, one of which would be a two-story superintendent's office and police facilities building, a one-story storehouse and receiving building, and a one-story central garage facility at a "building cost" of approximately \$12.36 per square foot and a "project cost" of approximately \$18.41 per square foot.

The plans and specifications indicate rather elaborate buildings for this purpose using reinforced concrete and brick rather than the prefabricated type of building usually supplied by the State, for this purpose at colleges and other institutions. We believe the costs are excessive and should be reconsidered. Consequently, while the facilities and spaces are needed to carry out the maintenance program on this campus we can make no recommendation with respect to the cost.

- R. Prepare working drawings for physical rehabilitation unit, Los Angeles—\$196,000.

This project was included in the five-year plan at a cost of \$180,000 for working plans and in the 1958-59 Fiscal Year for \$4,055,000 for construction. It would be for teaching and research in physical rehabilitation procedures and for direct services to the injured, chronically ill and handicapped. This is in line with an approved curriculum at the university to help overcome the serious inadequacy in the number of properly trained medical and paramedical personnel for rehabilitation available in the State. The unit will be part of the medical center and its work will be integrated with the curriculum of the medical school. Approval is recommended.

- S. Prepare working drawings for graduate school of business administration building, Los Angeles—\$202,000.

This project was included in the five-year plan for funding of working drawings in the 1958-59 Fiscal Year at \$59,500 and for construction funding in the following year at \$1,565,000. In the program for the 1957-58 Fiscal Year, published by the university

University of California—Continued

on the date of August 27, 1956, the working drawings for this project are included at \$158,000. Consequently, we do not understand the increase shown in the budget.

The graduate school of business administration was established on the Los Angeles campus by the regents in 1955 and is presently occupying approximately 30,000 square feet in the business administration and economics building, which is inadequate for the purpose. Growing enrollments in the field indicate the need for additional space. Consequently, while we believe that the project should go ahead we think there should be some explanation of the increased cost for the working drawings.

- T. Construct classroom-office building unit 2, Los Angeles—\$2,413,754.

This project was included in the five-year plan for funding of working drawings only in the 1958-59 Fiscal Year at \$87,500 and for construction in the following year at \$2,300,000. This has now been moved forward to the 1957-58 Fiscal Year for both plans and construction. The building would provide facilities for 2,213 students in approximately 58,000 square feet of net usable space. Primarily it will house the graduate department of journalism, permanent facilities for the school of social welfare, and it will provide additional space for the social science, humanities, language and literature departments.

We have received incomplete data on the project since no plans were included in the package. However, the cost estimate indicates that the building will have an outside gross area of 100,000 square feet at a "building cost" of approximately \$15.35 per square foot and a "project cost" of \$24.16 per square foot. Since we do not have a complete package on the project we can make no recommendation with respect to the cost.

- U. Prepare working drawings for residence hall unit no. 2, partial cost, Los Angeles—\$76,300.

The proposal shown here is actually the portion that will be funded by the University Contract Overhead Fund and is part of the sum of \$1,300,000 shown at the end of this schedule in the Budget Bill as a deduction from the total and payable from university funds. The balance of the cost is contained in Item 457 for funding from the State Construction Program Fund.

- V. Equip laboratory and measuring room building, Mount Hamilton—\$14,600.

This project was funded for construction in the Budget Act of 1956 at a cost of \$227,328. The equipment requested here is needed to make the building operable upon completion. Approval is recommended.

- W. Construct residence, Mount Hamilton—\$22,750.

This project was not included in the five-year plan. However, the present director of the Lick Observatory will retire on June 30, 1958, but is to remain on as an astronomer. Consequently, he

Capital Outlay

University of California—Continued

would have to vacate the director's residence and there would be no other residence available for him.

The proposed building would be of two-story design with a gross area of approximately 2,300 square feet including the garage, which is part of the lower story. The construction would be of concrete block for the first story and wood siding for the second story. It would provide four bedrooms and two baths in addition to the living room, kitchen, laundry, large storage room, etc. We would question the propriety of providing a building of this size for an employee below the rank of director. Furthermore, in view of the comparative isolation of Mount Hamilton, it seems most unlikely, in our opinion, that the building could be constructed for the amount proposed. We cannot recommend the project in this form.

X. Equip life sciences building, Riverside—\$59,600.

The life sciences building on the Riverside campus was funded in the 1956 Budget Act at \$807,500 with an additional \$745,000 coming from the continuing appropriation in the Fair and Exposition Fund. The equipment which would be augmented by \$56,900 from the Fair and Exposition Fund is needed to make the building operable upon completion. Approval is recommended.

Y. Construct addition to heating plant, Riverside—\$389,300.

This project was not previously included in the five-year plan. The building is designed to have a gross area of 2,890 square feet at a "building cost" of \$18.60 per square foot. The project cost would be \$136.60 per square foot since the great bulk of the total estimate is in the cost of boilers, pumps, piping, controls, and like equipment. The proposal is to provide two 30,000-pound-per-hour boilers to take the place of two small boilers which would be used elsewhere on the campus in areas not readily serviceable from a central steam plant. This campus is comparatively small and its heat load would be comparatively small. Consequently, we cannot understand the basis for providing boilers of this size. The rating we quoted is based on a conversion from 880 horsepower each as they were described by the university. We have no way of knowing whether this is the rated capacity or the more usual quoted capacity, which is 200 percent of rated capacity. In any case, we feel that the total cost of the project is considerably in excess of what a campus of this size should justify. Consequently, we cannot recommend this project in its present form.

Z. Construct and equip expansion of laundry, San Francisco—\$79,600.

This project was not included in the five-year plan. The project would provide approximately 3,440 square feet of additional balcony space to handle additional activities recently added to the laundry operations. Primarily the space is for storage and sorting

University of California—Continued

purposes, as well as a sewing area. The project is comparatively simple and the cost appears to be in line with an alteration of this character. Approval is recommended.

- AA. Construct parking structure, partial cost, San Francisco—\$395,100.

The proposal shown here is actually the portion to be funded by the University Contract Overhead Fund and is part of the sum of \$1,300,000 shown at the end of this schedule in the Budget Bill as a deduction from the total and payable from university funds. The balance of the cost is contained in Item 457 for funding from the State Construction Program Fund. Approval is recommended.

- BB. Construct heating plant additional capacity, San Francisco—\$157,400.

This project was not in the five-year plan. No building construction work is involved, since the project merely covers the removal of two old 9,000 pounds of steam per hour boilers and their replacement with a single new 60,000 pounds of steam per hour boiler in order to increase standby capacity for emergency boiler shutdown periods. The main steam plant units are one boiler of 60,000 pounds of steam per hour capacity and another of 70,000 pounds of steam per hour capacity, which are usually operated on the basis of one being fully loaded and the other one "floating" on the line as a standby. As a result of this method of operation it is not possible to provide proper maintenance for the two large boilers by shutting either one down. However, we believe that the addition of another 60,000 pound per hour boiler is absolutely excessive since it would be entirely possible for a smaller boiler to be operated on an overload basis for the short periods necessary to maintain either of the two large ones. We cannot recommend this project in its present form.

- CC. Equip fine and applied arts building, Santa Barbara—\$124,600.

The fine and applied arts building at Santa Barbara was funded in the 1956 Budget Act at \$2,492,220. The equipment proposed here is necessary to make the building operable upon completion. Approval is recommended.

- DD. Equip physical education building, Santa Barbara—\$40,000.

The physical education building for men and women on the Santa Barbara Campus was funded in the 1956 Budget Act for \$1,768,400. The equipment proposed is needed to make the building operable upon completion. Approval is recommended.

- EE. Construct science unit No. 2, Santa Barbara—\$1,790,000.

This project was included in the five-year plan at \$1,150,000. As presented to us it includes work to be done on unit No. 1 so that the figures we have are composites and are not readily broken down into costs for each of the two units. In any case, unit

Capital Outlay

University of California—Continued

No. 2 is for biological sciences and will have an outside gross area of 58,844 square feet. As near as we can determine, the "building cost" will be approximately \$31.62 per square foot which would include all of the fixed laboratory equipment. In any case, as presented to us the project is too difficult to evaluate without further information and study. Consequently, we can make no recommendation at this time.

FF. Construct residence hall unit No. 2, partial cost, Santa Barbara—\$752,300.

This project was included in the five-year plan for construction funding in the 1959-60 Fiscal Year at a state and university cost of \$786,500 each. Actually the proposal as shown here is the portion that will be funded by the University Contract Overhead Fund and is part of the sum of \$1,300,000 shown at the end of this schedule in the Budget Bill as a deduction from the total and payable from university funds. The balance of the cost is contained in Item 457 for funding from the State Construction Program Fund (bonds). In effect, this means that the university's share is 47 percent and the State's share is 53 percent of the total cost of the building.

The estimate of cost would result in a per capita cost of \$4,000 per student. After examining the plans for the residence hall at Santa Barbara, for example, we cannot see how the university can build such units at \$4,000 per student. If it agrees that it can and will do so, we agree that the cost is in line with that of state college dormitories and we recommend approval.

ITEM 355 of the Budget Bill

Budget page 1157
Budget line No. 40

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, UNIVERSITY OF CALIFORNIA, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$488,500
Legislative Auditor's recommendation	488,500
Reduction	None

ANALYSIS

The 40 projects provided by this item are for minor alterations, construction and improvements on the eight campuses of the university. We have had the opportunity in the current fiscal year to visit the Los Angeles, Santa Barbara, Riverside and La Jolla Campuses in order to review the majority of these projects and have satisfied ourselves that they are necessary and that the cost estimates are in line with current construction cost trends. We recommend approval.

Capital Outlay

DEPARTMENT OF EMPLOYMENT

ITEM 356 of the Budget Bill

Budget page 1158
Budget line No. 25

FOR ACQUISITION OF REAL PROPERTY, DEPARTMENT OF EMPLOYMENT, FROM THE DEPARTMENT OF EMPLOYMENT CONTINGENT FUND

RECOMMENDATIONS

Amount budgeted	\$494,800
Legislative Auditor's recommendation	Delete
Reduction	\$494,800

ANALYSIS

This item would provide for a schedule of seven acquisition projects to provide sites for a program of either new buildings or expansion of existing buildings in the Department of Employment. The acquisitions would be in Fullerton, Huntington Park, Pasadena, Redding, Salinas, Santa Rosa and Vallejo.

We believe that the Legislature has clearly established a policy of requiring the Department of Employment to continue to rent whatever facilities it needs as long as the bulk of the rental will be paid by the Federal Government. We see no reason at this time to assume that the Legislature has changed its point of view. *Consequently, we recommend that this item be deleted.*

ITEM 357 of the Budget Bill

Budget page 1159
Budget line No. 7

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF EMPLOYMENT, FROM THE DEPARTMENT OF EMPLOYMENT CONTINGENT FUND

RECOMMENDATIONS

Amount budgeted	\$630,200
Legislative Auditor's recommendation	Delete
Reduction	\$630,200

ANALYSIS

This item would provide for working plans only for a building in Huntington Park and one in Pasadena and working plans and construction for buildings in Vallejo and Torrance.

Attention is directed to our statement with respect to Item 356 just preceding, which applies also to this item. With respect to the two construction projects, in the event the Legislature should choose to approve appropriations for this purpose, we would like to point out that we consider the estimates and the designs inadequate at this time and we can make no recommendation with respect to the propriety of the amounts shown in the Budget Bill.

Capital Outlay

Department of Employment—Continued

ITEM 358 of the Budget Bill

Budget page 1159
Budget line No. 41

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT FOR PARKING FACILITIES, SACRAMENTO, DEPARTMENT OF EMPLOYMENT, FROM THE DEPARTMENT OF EMPLOYMENT CONTINGENT FUND

RECOMMENDATIONS

Amount budgeted	\$75,000
Legislative Auditor's recommendation: From the Disability Fund.....	75,000
Reduction	None

ANALYSIS

This item would provide for the construction of an off-street parking area on property already owned by the State. The understanding is that the Department of Finance will administer the parking facilities and make charges commensurate with similar parking facilities now under the jurisdiction of the Department of Finance. The money so received would be repaid into the Department of Employment Contingent Fund. Parking facilities are sorely needed in Sacramento for state employees as well as public use.

In view of the fact that the Legislature has expressed a policy with respect to the use of the Department of Employment Contingent Fund for financing capital improvements, on the basis that this fund is available for other purposes, we recommend that the proposed improvement be financed from the Disability Fund instead of the Department of Employment Contingent Fund. This is the same source of financing as was used for the main Department of Employment Building.

DEPARTMENT OF FINANCE

ITEM 359 of the Budget Bill

Budget page 1161
Budget line No. 55

FOR ACQUISITION OF REAL PROPERTY, DEPARTMENT OF FINANCE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$500,000
Legislative Auditor's recommendation.....	500,000
Reduction	None

ANALYSIS

This item would provide for the acquisition of an office building site in San Jose at \$250,000 and one in San Bernardino at \$250,000. It should be pointed out that while the site for San Jose was in the five-year plan for the 1957-58 Fiscal Year, the one for San Bernardino was scheduled for 1959-60 and at only \$60,000. However, the needs for state office building space are growing in both cities and we believe it is appropriate to take the necessary steps to provide sites at the earliest possible time. Consequently, we recommend approval.

Department of Finance—Continued

ITEM 360 of the Budget Bill

Budget page 1162
Budget line No. 21

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF FINANCE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,556,980
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for five major construction and alteration projects in Sacramento, Los Angeles and San Bernardino as follows:

A. Construct office building in San Bernardino—\$1,189,200.

This project was included in the five-year plan to be funded in the 1960-61 Fiscal Year at \$366,300. Obviously there has been a very substantial change in scope since the five-year plan was formulated. As a matter of fact, for practical purposes, there was no established scope for the building at that time.

As now planned the building would have a gross area of 51,700 square feet at a "building cost" of \$17.15 per square foot and a "construction cost" of \$19.33 per square foot. For Type I concrete construction these square-foot costs are not unreasonable in view of the present position of the construction cost index. *While we have no doubt that the State could make justifiable use of this building in San Bernardino and we therefore would concur with the request in principle, the plan and specifications as well as the cost estimate include some unsatisfactory items and figures which we believe should be resolved before we can make any firm recommendation with respect to the cost of the building.*

B. Construct addition to textbook warehouse, printing plant, Sacramento—\$946,700.

This project was originally included in the five-year plan at \$800,000 and was intended to provide additional storage area for textbooks. It would be added to the textbook warehouse previously constructed.

As now designed the project would provide 76,190 gross square feet of building area in a two-story reinforced concrete structure at a "building cost" of \$10.25 per square foot and a "construction cost" of \$10.44 per square foot. While we believe that the additional space is required for the storage of textbooks and it would be more economical to own such space than to rent it, we believe that the cost is excessive and we have raised certain questions which have not been satisfactorily resolved as yet. *Consequently, we cannot at this time make any recommendation with respect to the cost of the project.*

C. Alterations and improvements to State Treasury, Sacramento—\$61,780.

Capital Outlay

Department of Finance—Continued

This is a project which has not heretofore been contemplated or included in the five-year plan. It was developed rather late in December of 1956 so that we have had little time to examine it in detail. However, we would like to point out that the Legislature will be considering a complete change in the Office of Treasurer which may affect drastically the nature of the function. In view of this factor we would strongly recommend against any alteration work in the existing facilities in the old State Capitol.

In any case, we would like to point out that there is a considerable amount of work in the project which is fundamentally building maintenance work, such as painting that should be taken care of out of regular operating funds. Also, the project includes the installation of so-called bulletproof glass in 11 windows in the northwest perimeter of the old State Capitol and quarter-inch "magnum" plate in one door. Bulletproof glass in order to resist submachine gun projectiles or fire from a .357 Magnum revolver would require to be not less than two inches thick according to all authorities. This would mean that this phase of the project alone would cost in excess of \$11,000. Furthermore, we would like to point out that insurance is carried against hold-up which is the only act that would be supposedly prevented by bulletproof glass. The installation of the glass, as we understand it, would not reduce the insurance premium. It should also be borne in mind that banks in general do not provide bulletproof glass in their outside windows nor in their teller's wickets. We believe that the idea is entirely ill conceived. *We recommend deletion of the entire project.*

- D. Preparation of working plans and construction of foundations, Los Angeles State Garage—\$175,000.

The five-year plan originally scheduled for the 1957-58 Fiscal Year one million dollars for the construction of a new state garage in connection with the new State Building in Los Angeles. As now proposed the project would provide initially only working plans for the entire garage and construction of foundations simultaneously with the construction of the new State Building. The reason for this is that it is presumed that it would be less costly to construct the foundations of both buildings simultaneously.

While we are in accord with this approach we would like to point out that we have not received adequate information on which to judge the project in any way. *Consequently, we cannot make any recommendation with respect to the cost.*

- E. Alterations to air conditioning, State Capitol—\$184,300.

This project, as such, was not included in the five-year plan although considerable thought has been given to it for a number of years. The air conditioning system in the old State Capitol is at present something of a hodgepodge, consisting of both ducted air from central conditioning facilities and unit window coolers. Both facilities together have provided very poor air conditioning

Capital Outlay

Department of Finance—Continued

service. In order to provide in the old Capitol Building a quality of air conditioning equal to that provided in the east wing and in other recently constructed office buildings, radical alterations and additions to the system must be made. It is extremely difficult to make an accurate estimate of a project of this type on a preliminary basis. Consequently, we would recommend approval of the amount requested on the assumption that it is a good working figure for practical purposes.

ITEM 361 of the Budget Bill

Budget page 1166
Budget line No. 48

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DEPARTMENT OF FINANCE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$4,200
Legislative Auditor's recommendation.....	4,200
Reduction	None

ANALYSIS

This item will provide for two projects, the first is for the resurfacing of a parking lot at the corner of 10th and P Streets in Sacramento. This lot is used for state employee parking and the spaces are paid for by the employees at the rate of \$6 monthly per space, hence a certain amount of revenue will accrue to the General Fund to amortize the project. The second project will provide for the construction of a walkway for the safety of pedestrians approaching the south side of the east wing of the Capitol Building. We recommend approval of the item.

FAIRS AND EXPOSITIONS DIVISION

ITEM 362 of the Budget Bill

Budget page 1169
Budget line No. 10

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CALIFORNIA STATE FAIR AND EXPOSITION, FROM THE FAIR AND EXPOSITION FUND

RECOMMENDATIONS

Amount budgeted	\$374,600
Legislative Auditor's recommendation.....	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four major construction projects and one major repair project as follows:

- A. Construct jockey's room—\$66,800.

Neither this project nor the following ones for the State Fair were at any time contemplated in the five-year plan. The existing

Capital Outlay

Fairs and Expositions Division—Continued.

jockey's room is rather a make-shift building to begin with and is in a very poor state of repair with wholly inadequate facilities for the jockeys. The project is designed to have approximately 3,600 gross square feet of area which will provide a large dressing room, shower, steam and drying rooms, toilet facilities, a snack bar area, and an outdoor lounging area. Construction will be of wood frame and concrete block at a "building cost" of approximately \$13.88 per square foot. We believe the project is necessary, the price is within reason, and consequently we recommend approval.

B. Construct race-horse barns—\$47,800.

This project would provide for two new racehorse barns to overcome the shortage of space for this purpose which now requires the fair to store horses elsewhere and truck them in as needed. The project is very simply designed and will provide approximately 12,000 gross square feet of floor area at a "construction cost" of \$3.26 per square foot. While the cost is comparatively low we believe that there are several elements involved which can be further reduced. *Consequently, while we can recommend the project in principle we wish to withhold any recommendation with respect to the cost at this time.*

C. Replace sheep and swine pens—\$31,400.

This project would provide for the removal of 110 wood-framed sheep and swine pens and replace them with steel equipment. The existing wood frames are in a very bad state of repair and do not warrant any further work. We believe the cost estimate is reasonable and adequate and consequently, we recommend approval of the project.

D. Construct incinerator—\$200,000.

This project is intended to provide a facility with capacity to burn 100 tons of waste materials a day, particularly during the actual fair. The need for this has been brought about by the refusal of city and county authorities to allow any further dumping and burning of waste from the fair in their facilities.

We would like to point out that in the new fairgrounds area there is ample excess space to permit a "cut and fill" method of waste disposal which would not require the initial investment of \$200,000 or more for an incinerator facility for the like of which has not proved really successful elsewhere. The Los Angeles County Fair Association erected a 75-ton incinerator for the same purpose which, to the best of our knowledge, has not proved entirely successful. Furthermore, it should be pointed out that there is some discussion with respect to the formation of smog districts in the central valleys of California. This might well result in the banning of this type of installation. *Consequently, we believe that this project should at least be deferred until a most thorough study has been made of it.*

Capital Outlay

Fairs and Expositions Division—Continued

E. Reroof and repair horse barns—\$28,600.

This will provide for the replacement of some broken wood structural members in the four existing show horse barns and the complete reroofing of them. We believe this work is necessary to preserve these barns and avoid further deterioration that would lead to total replacement. Consequently, we recommend approval.

ITEM 363 of the Budget Bill

Budget page 1171
Budget line No. 58

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, STATE FAIR AND EXPOSITION, FROM THE FAIR AND EXPOSITION FUND

RECOMMENDATIONS

Amount budgeted	\$247,450
Legislative Auditor's recommendation	247,450
Reduction	None

ANALYSIS

This item consists of 31 minor projects of construction, alteration and improvement of the State Fair facilities with a view to providing a better State Fair and Exposition with greater returns in revenue. Thirteen of these projects are for the construction of new concession stands to replace existing outmoded facilities. We have had the opportunity to review these projects on the site and to discuss them in detail with representatives of the Department of Finance and have satisfied ourselves that they are necessary to properly conduct this annual event and further we feel that the cost estimates are in line with current price indices and therefore recommend approval of the item as budgeted.

ITEM 364 of the Budget Bill

Budget page 1173
Budget line No. 53

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SIXTH DISTRICT AGRICULTURAL ASSOCIATION, FROM THE FAIR AND EXPOSITION FUND

RECOMMENDATIONS

Amount budgeted	\$54,096
Legislative Auditor's recommendation	54,096
Reduction	None

ANALYSIS

This item provides for seven projects of which five are for alteration and improvement of the existing exhibit facilities. One of the projects will allow the preparation of a preliminary design and plan for an aviation exhibit at a cost of \$10,000. The remaining project provides \$1,000 for the preparation of preliminary plans and cost estimates to be used in programing the capital outlay needs in future budgets. We have discussed these projects in detail with the Department of Finance and have satisfied ourselves that they are proper in light of the facilities, development and program. Consequently, we recommend approval of the item as requested.

Capital Outlay

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

ITEM 365 of the Budget Bill

Budget page 1177
Budget line No. 6

FOR ACQUISITION OF REAL PROPERTY, DEPARTMENT OF CALIFORNIA HIGHWAY PATROL, FROM THE MOTOR VEHICLE FUND

RECOMMENDATIONS

Amount budgeted -----	\$19,000
Legislative Auditor's recommendation -----	19,000
Reduction -----	None

ANALYSIS

This item would provide for the purchase of a new site for the relocation of the Sacramento area office, which is now poorly located with respect to traffic volume and which has inadequate parking facilities. The property to be purchased is surplus to the needs of the Division of Highways and is immediately adjacent to the North Sacramento Freeway in the vicinity of its intersection with Arden Way. Approval is recommended.

ITEM 366 of the Budget Bill

Budget page 1177
Budget line No. 47

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF CALIFORNIA HIGHWAY PATROL, FROM THE MOTOR VEHICLE FUND

RECOMMENDATIONS

Amount budgeted -----	\$401,700
Legislative Auditor's recommendation -----	Inadequate estimates
Reduction -----	Indeterminate

ANALYSIS

This item would provide for three construction projects and one preliminary survey project as follows:

- A. Preliminary survey for enlarging headquarters office building in Sacramento—\$6,000.

This is self-explanatory and is a proper move in order to determine appropriate changes in the existing Sacramento building. Approval is recommended.

- B. Construct office building and carport, Sacramento—\$216,100.

This project is a companion to the acquisition item 365 just preceding. It would provide three separate and distinct units, an office building of two-story wood frame and stucco construction with approximately 8,428 gross square feet, a maintenance shop of prefabricated metal construction of 2,400 gross square feet and a carport of metal construction of 2,400 gross square feet. Obviously, these three structures would each have a wide variation in cost per square foot when compared with each other. However, they are estimated together at a "building cost" of \$12.23 per square foot and a "construction cost" of \$13.75 per square foot.

Department of California Highway Patrol—Continued

This includes large parking areas both for public use and for department equipment. This project has had some intensive review and certain changes have been agreed to. However, at the time of this writing a new estimate has not yet been made. *Consequently, while we recommend the project in principle we cannot at this time make any recommendation with respect to the cost.*

C. Construct office and residence building, Palo Alto—\$60,800.

We would first like to point out that the location shown in the Budget Bill is in error, probably a typographical error, since the actual location is Paso Alto, a small locality approximately 18 miles east of Baker on U. S. Highway 466 near the Nevada border. This is a very isolated area and current practice involves the assignment of patrolmen to the area who must live in motel or hotel accommodations on a per diem basis. It is felt that the building, which will be primarily dormitory space with one small office, will pay for itself in a comparatively few years by the amounts that would be saved in per diem allowances. Generally speaking, the design is quite simple and economical, although the area is one of high construction cost because of its isolation. However, the auxiliary facilities needed will make the total cost seem somewhat excessive. The "building cost" is estimated at \$15.25 per square foot, but the "construction cost" is estimated at \$34.48 per square foot, for a gross building area of 1,485 square feet. This great disparity between the two figures is brought about by the fact that all utilities must be brought to the building and a water supply must be developed, for which \$11,100 is allowed for a well. However, a standby generator at \$8,800 is also included which we believe is highly questionable. *Consequently, while we can recommend the project in principle we cannot at this time make any recommendation with respect to the cost.*

D. Construct high speed driver conditioning course at Highway Patrol Academy—\$118,800.

This would provide a high speed test and training course, including typical highway intersections, which has always been in the long-range plan for the Highway Patrol Academy. We believe the project is justified in principle but we have some reservations with respect to the cost estimate. *Consequently, we cannot at this time make any recommendation as to the appropriate amount to be funded.*

ITEM 367 of the Budget Bill

Budget page 1179
Budget line No. 38

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CALIFORNIA HIGHWAY PATROL, FROM THE MOTOR VEHICLE FUND

RECOMMENDATIONS

Amount budgeted	\$12,555
Legislative Auditor's recommendation	12,555
Reduction	None

Capital Outlay

Department of California Highway Patrol—Continued

ANALYSIS

The nine projects provided by this item would provide improvements at the training academy and alterations and improvements at various area offices. We have discussed these projects at length with the Departments of Finance and Highway Patrol and are satisfied that they are necessary and that the cost estimates are reasonable. Consequently, we recommend approval of the item as requested.

DEPARTMENT OF MENTAL HYGIENE

ITEM 368 of the Budget Bill

Budget page 1185
Budget line No. 18

**FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
LANGLEY PORTER CLINIC, FROM THE CAPITAL OUTLAY AND SAV-
INGS FUND**

RECOMMENDATIONS

Amount budgeted	\$177,200
Legislative Auditor's recommendation	177,200
Reduction	None

ANALYSIS

This item is for a single equipment allocation for the four-story addition to the clinic which was authorized by the Legislature in 1956 at a cost of \$839,600. The equipment was included in the five-year plan at \$20,000. We have not seen a list to justify the amount proposed. However, we realize that the original amount shown in the five-year plan was based on a very poor estimate of what would be required for the new building area. Consequently, we would recommend approval of the item subject to subsequent review when a complete list of equipment is developed. It should also be pointed out that this amount will supposedly not cover all the equipment required. Funds from federal grants will provide the balance.

ITEM 369 of the Budget Bill

Budget page 1186
Budget line No. 25

**FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIP-
MENT, LANGLEY PORTER CLINIC, FROM THE CAPITAL OUTLAY
AND SAVINGS FUND**

RECOMMENDATIONS

Amount budgeted	\$1,900
Legislative Auditor's recommendation	1,900
Reduction	None

Capital Outlay

Department of Mental Hygiene—Continued

ANALYSIS

This item will provide for two minor projects, the first of which will allow the remodeling of the insulin ward for \$1,100. The second project would install a television antenna distribution system at a cost of \$800 which would serve the wards. We have discussed these projects in detail with the Departments of Mental Hygiene and Finance. As a result we are satisfied that they are necessary and that the cost estimates are accurate. Consequently, we recommend approval of the item as requested.

ITEM 370 of the Budget Bill

Budget page 1188
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, AG-NEWS STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$1,525,850
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two major construction projects, one major remodeling project, two equipment allocations, and one working plans project as follows:

A. Equip remodeled food service building—\$29,800.

The remodeling of the old food service building in the west area to provide for medical administrative housing and nurses housing was financed by the Legislature in 1956 at \$455,150. It would seem appropriate to refrain from referring to this project as the old food service building since the title would now be misleading.

The equipment allocation proposed is necessary to enable this building to function upon completion of remodeling. Approval is recommended.

B. Plans for administration building east area—\$42,000.

The construction of a new administration building for the expanding east area of the hospital was originally scheduled for the 1957-58 Fiscal Year, in the five-year plan. However, it has been decided to provide for working drawings only on the premise that the ultimate availability of the finished structure would probably be very little later, if at all, by this method. We recommend approval.

C. Install storm and sanitary sewer lines—\$141,200.

This project was originally scheduled in the five-year plan at \$68,950. The greatly increased cost is primarily the result of an inadequate understanding of the problem at the time the project

Capital Outlay

Department of Mental Hygiene—Continued

was first included in the five-year plan. As now designed it will provide extensive sewer lines for the east area together with sewage pumping stations and pumps made necessary by the very flat terrain and the relatively shallow main sewer line, belonging to the City of San Jose, which runs along side the state property. Approval of the project is recommended.

D. Construct boiler plant and utility services east area—\$910,900.

This project was originally included in the five-year plan at \$400,000 which is a fairly good indication that at that time there was a comparatively poor understanding of the actual scope required. The existing three ward buildings are now heated by individual boiler equipment in each building which is approximately 20 years old. This proposal would provide a central boiler facility which would first of all eliminate the three existing small boilers, and would secondly supply steam for the new buildings in the east area which have already been funded as well as those projected for the future. The funded ones include a new food service building, receiving and treatment building, and the future ones involve the administration building, new ward building and others. The boiler plant would initially have two 25,000 pounds of steam per hour boilers which should provide ample capacity for some years. Provision will be made for a future boiler.

The project also includes main steam service lines to the existing, funded and future buildings, a high pressure gas system for the new boiler plant, a major electrical distribution system and a street lighting system. *While it appears that all of the phases of this project are required and justified, we are not entirely satisfied with the cost estimates, consequently, we cannot at this time make any recommendation with respect to the appropriate amount to be funded.*

E. Equip food service building east area—\$96,950.

The new food service building for the east area was approved by the Legislature in 1956 at a cost, including some augmentation, of approximately \$1,179,000. The equipment proposed is necessary to make this building operable upon completion. Approval is recommended.

F. Remodel old ward buildings west area—\$300,000.

This project was not previously included in the five-year plan. However, while we believe that it is appropriate to modernize the old buildings in the west area, in line with previous experience which indicated that actual costs generally far exceeded appropriated amounts due to unforeseen problems arising, *we would recommend that this project be reduced to working drawings only, which should require a sum of no more than \$20,000.* We believe that this would not materially slow down the modernization program nor would it have any substantial effect upon the treatment program at the hospital.

Capital Outlay

Department of Mental Hygiene—Continued

ITEM 371 of the Budget Bill

Budget page 1191
Budget line No. 60

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, AGNEWS STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$90,476
Legislative Auditor's recommendation	90,476
Reduction	None

ANALYSIS

This item consists of 15 projects of modernization, alteration and repair necessary in conducting an adequate mental hygiene program. We have had the opportunity to review these projects in detail while on a recent field trip to this institution and have satisfied ourselves that they are necessary and that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

ITEM 372 of the Budget Bill

Budget page 1192
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, ATASCADERO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,113,000
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two major construction projects as follows:

A. Construct ward building—\$2,002,700.

This project was originally included in the five-year plan at \$2,280,000 for a patient capacity of 416. This is one of the unusual cases in which the cost has been reduced for inclusion in the budget.

As now designed the project would provide three two-story concrete ward buildings with a total bed capacity of 432, having altogether a gross building area of 66,064 square feet at a "building cost" of \$23.70 per square foot and a "construction cost" of \$25.47 per square foot. The cost per bed would be approximately \$4,650 which is appreciably lower than the average bed cost in the balance of the institution because these buildings are the so-called open type dormitory instead of the individual security rooms required for the many difficult inmates at this institution. *While the need for the project appears justifiable, we have some reservations with respect to some of the design features and consequently we cannot at this time make recommendations concerning the appropriate amount to be funded.*

Capital Outlay

Department of Mental Hygiene—Continued

B. Construct office addition—\$110,300.

This project was not previously included in the five-year plan, probably due to an oversight, since expanded housing facilities for inmates would obviously increase the needs for various technical personnel and consequently the space required to house such personnel. The project is designed as a one-story addition with a gross building area of 3,528 square feet at a "building cost" of \$25.15 per square foot and a "construction cost" of \$26.53 per square foot. We believe that some of the basic features in the design of this addition are questionable and as of this writing we have received no satisfactory answers to those questions. *Consequently, while the additional space is justified we cannot at this time make a recommendation with respect to the cost.*

ITEM 373 of the Budget Bill

Budget page 1193
Budget line No. 44

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, ATASCADERO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$10,700
Legislative Auditor's recommendation	10,700
Reduction	None

ANALYSIS

This item provides for two minor projects, one for repairs and alterations to the sewage disposal plant. The other will provide a small farrowing shed at the institution hog ranch in the amount of \$1,950. As a result of our recent field trip to this institution we have satisfied ourselves that the projects are necessary and that the cost estimates are in line with current construction trends. Consequently, we recommend approval of this item as requested.

ITEM 374 of the Budget Bill

Budget page 1194
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, CAMARILLO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$919,600
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four major construction projects and two equipment allocations as follows:

A. Construct treatment addition to children's unit—\$81,750.

This project was originally included in the five-year plan at \$70,000 and was intended to provide an additional capacity for

Department of Mental Hygiene—Continued

10 patients in special treatment facilities. As now designed this special treatment unit will provide increased capacity for eight patients. The unit will complete this specialized group of facilities for the treatment of psychotic children.

The plan will provide 2,935 gross square feet of building area at a "building cost" of \$21.80 and a "construction cost" of \$23.43 per square foot. The design is simple and straightforward and the cost estimate appears to be in line with the character of the facilities. Consequently, approval is recommended.

B. Equip treatment unit—\$4,555.

This item is self-explanatory and is part of the prior project.

C. Construct business and medical office building—\$697,000.

This project was included in the five-year plan at a cost of \$815,600. Again this is one of the unusual situations in which the budget proposal is at a lower cost. The design would provide a gross building area of \$26,328 square feet at a "building cost" of \$18.05 per square foot and a "construction cost" of \$22.25 per square foot. *While we believe the additional space is necessary, we also are of the opinion that the cost is excessive for office space and consequently we cannot at this time make any recommendations with respect to the amount to be funded.*

D. Equip recreation and therapy center—\$28,400.

The recreation and therapy center was approved by the Legislature in 1956 for a total cost, including some augmentation, of \$616,100. The equipment is required to make the project operable upon completion. Approval is recommended.

E. Construct steam loops—\$45,730.

This project was not previously in the five-year plan but was decided upon after experiences at the institution indicated the necessity to provide a completely looped steam system in order to increase efficiency of the plant. *We have received almost no detail or data on the project and consequently we are in no position to make any recommendation with respect to the cost.*

F. Install larger pipeline between water reservoirs—\$62,170.

This project was also not included in the five-year plan but is based upon the need to improve the existing water system so that adequate pressure is available in all areas at all times. *We have received no detail on this project and consequently we can make no recommendation with respect to the cost.*

ITEM 375 of the Budget Bill

Budget page 1197

Budget line No. 55.

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, CAMARILLO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$110,520
Legislative Auditor's recommendation	110,520
Reduction	None

Capital Outlay

Department of Mental Hygiene—Continued

ANALYSIS

This item provides for 14 minor construction projects to replace, repair and improve existing facilities of the physical plant. As a result of our recent field trip to this institution we are of the opinion that the projects are necessary to increase the efficiency of the physical plant and to implement the mental hygiene program at this institution. We have satisfied ourselves that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

ITEM 376 of the Budget Bill

Budget page 1199
Budget line No. 11

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DeWITT STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$69,400
Legislative Auditor's recommendation	69,400
Reduction	None

ANALYSIS

This item consists of six projects of minor construction, repairs and alterations for the purpose of maintaining this institution in an operable condition. DeWitt State Hospital was constructed by the Army during World War II to serve only during the national emergency. However, at the end of the war the State took over the institution with a view to meeting capacity needs of the mental hygiene program. As a result of the temporary type of construction encountered it has been costly to maintain the facility in an operable condition. The projects for the most part are repairs and re-building of poorly constructed buildings. We have had the opportunity to visit this institution during the current fiscal year and to inspect these projects in detail with hospital staff and the Departments of Finance and Mental Hygiene. As a consequence we are satisfied that the projects are justified from the standpoints of need and cost. We recommend approval of the item as requested.

ITEM 377 of the Budget Bill

Budget page 1200
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, MENDOCINO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$182,075
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two major construction projects and one equipment allotment for prior construction as follows:

A. Construct auto repair shop and motor pool—\$123,325.

Department of Mental Hygiene—Continued

B. Equip auto repair shop and motor pool—\$6,850.

This project was originally included in the five-year plan at \$101,065 and was to provide space for an auto repair shop and storage facilities for vehicles and other equipment.

As now designed there would be gross building area of 12,538 square feet of prefabricated metal buildings at a "building cost" of \$5.44 per square foot and a "construction cost" of \$8.30 per square foot. A project of this sort lends itself very readily towards construction in increments or phases. We do not believe that the need for the facilities is so urgent as to require its construction all at one time. *Consequently, we would recommend that the automobile repair shop building be constructed first and the balance of the project be funded in the following year. This would result in reducing the project to approximately \$50,000.*

C. Grounds improvements ward 12—\$51,900.

This project was not previously included in the five-year plan but it is an excellent case in point in connection with our previous statements concerning alteration and modernization projects which almost always greatly exceed initial estimates of cost. This project represents the tail end of the modernization and conversion of ward 12 which had to receive a series of augmentations in order to complete the job satisfactorily. *In this particular instance, we believe that the program for the grounds improvements is excessive and consequently until the questions we have raised have been resolved we cannot make a recommendation with respect to the amount necessary to be funded.*

ITEM 378 of the Budget Bill

Budget page 1203
Budget line No. 41

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, MENDOCINO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$109,750
Legislative Auditor's recommendation	109,750
Reduction	None

ANALYSIS

This item is composed of 13 minor projects of alteration, repair and improvement to the existing physical plant to place it in a more efficient operating condition.

While we were unable to visit this institution during the current fiscal year, we have discussed these projects in detail with the Departments of Mental Hygiene and Finance, and have satisfied ourselves as to the propriety of the cost estimates involved and the necessity for the work. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of Mental Hygiene—Continued

ITEM 379 of the Budget Bill

Budget page 1204
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, METROPOLITAN STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$492,800
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two construction projects and one remodeling and working plans project as follows:

- A. Remodel old administration building and working plans for remodeling old buildings—\$50,000.

The five-year plan had an item scheduled in the 1957-58 Fiscal Year of \$303,900 to remodel the old administration, receiving and treatment, kitchen and commissary, and laundry buildings for other uses when new units are completed. It has now been decided that the remodeling in all buildings, with the exception of the administration building, will be so complex that it would be more appropriate to provide for working drawings only, with funding subsequently after all problems with respect to the remodeling are resolved. Approval of this project is recommended.

- B. Construct maintenance shop building—\$418,800.

This project was in the five-year plan at \$388,400. As now designed it will provide three prefabricated steel buildings for auto repair shops, general maintenance shops, and storage areas as well as a fenced corporation yard area. Total building area alone will be approximately 40,106 gross square feet at a "building cost" of \$6.60 per square foot and a "construction cost" of \$8.78 per square foot. Various elements of the project are needed to provide for adequate maintenance shop space. However, we have questioned certain features in the design, and certain elements in the cost estimate. As of this writing we have received no satisfactory explanation. *Consequently, we cannot make any recommendation with respect to the appropriate cost for the project.*

- C. Construct road improvement to hospital front entrance—\$24,000.

This project was not previously included in the five-year plan but results from traffic conditions on Norwalk Boulevard (State Highway 35) fronting the institution. The new administration building, the new receiving and treatment building and other new ward buildings will involve heavy traffic to and from this boulevard, requiring adequate entrance facilities and acceleration and deceleration lanes. Approval of the project is recommended.

Capital Outlay

Department of Mental Hygiene—Continued

ITEM 380 of the Budget Bill

Budget page 1207
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, METROPOLITAN STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$36,250
Legislative Auditor's recommendation	36,250
Reduction	None

ANALYSIS

This item is comprised of four minor projects which are additions, alterations and modernization of existing facilities to provide a more functional facility. During the current fiscal year we had the opportunity to inspect each one of these projects in detail while visiting the institution and have satisfied ourselves as to the need and the propriety of the cost estimates involved. We recommend approval of the item as requested.

ITEM 381 of the Budget Bill

Budget page 1208
Budget line No. 16

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, MODESTO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$131,100
Legislative Auditor's recommendation	131,100
Reduction	None

ANALYSIS

This item will provide for a single project of alterations and improvements to the kitchen. This hospital is comprised entirely of temporary wartime buildings which were constructed by the Federal Government and transferred to the State after the war. All of the buildings are substandard in practically every respect and the kitchen particularly has been substandard from the beginning. It has now reached a state of wear and inadequacy as to urgently require the necessary improvements and alterations. Consequently, we recommend approval of the item.

ITEM 382 of the Budget Bill

Budget page 1209
Budget line No. 28

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, MODESTO STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$22,860
Legislative Auditor's recommendation	22,860
Reduction	None

Capital Outlay

Department of Mental Hygiene—Continued.

ANALYSIS

This item provides for two projects, the first of which would allow the extension of an existing shop building to provide more maintenance shop area at a cost of \$2,860. The second project is for the renovation of ward buildings in the amount of \$20,000 which is a continuation of a \$60,000 appropriation made in the current fiscal year. This institution is of a similar type to DeWitt State Hospital in that it is a converted wartime army facility of temporary construction. This type of construction has required substantial amounts in minor construction over the years to maintain it in an operable condition. However, this year's appropriation is the smallest since the plant was acquired. It will be noted from the budget detail that \$60,000 was appropriated for this purpose in the current fiscal year and \$126,450 in the 1955-56 Budget. We have had the opportunity to review these projects in detail while inspecting the physical plant during the current fiscal year and have satisfied ourselves that they are necessary and that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

ITEM 383 of the Budget Bill

Budget page 1210
Budget line No. 16

**FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT,
NAPA STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS
FUND**

RECOMMENDATIONS

Amount budgeted	\$257,100
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item will provide for two major construction projects and one equipment allotment as follows:

- A. Construct industrial and maintenance shop—\$173,700.
- B. Equip industrial and maintenance shop—\$8,700.

This project was included in the five-year plan at \$153,660 to provide for a mattress-making shop and a paint services maintenance building. As now designed the project would consist of two one-story buildings of concrete block and steel frame construction. They would provide a gross building area of 10,636 square feet at a "building cost" of \$12.13 per square foot and a "construction cost" of \$13.68 per square foot. We believe the projects are required for the proper maintenance and operation of the institution, but we find that there are features in the design that are questionable as to need and cost. As yet these questions have not been resolved. *Consequently, we can make no recommendation with respect to the cost of the project at this time.*

Capital Outlay

Department of Mental Hygiene—Continued

C. Construct water supply improvements (Rector Dam)—\$74,700.

This project was not previously included in the five-year plan but it is part of a general plan to improve the water supply from the Rector Canyon Dam near the Veterans' Home at Yountville. The improvements will benefit both the Veterans' Home and Napa State Hospital. The total cost of the project is estimated at \$152,870 of which the Veterans' Home would be charged with \$78,170 and the Napa State Hospital the amount as shown above. Primarily the project is needed to improve the water pressure situation at the Veterans' Home but it is more economical and appropriate to do the entire job in such a way as to provide for additional water at the Napa State Hospital. Consequently, we recommend approval.

ITEM 384 of the Budget Bill

Budget page 1212
Budget line No. 60

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, NAPA STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$91,665
Legislative Auditor's recommendation	91,665
Reduction	None

ANALYSIS

This item is comprised of nine projects of alteration, modernization and improvement to existing facilities in order to more efficiently utilize the existing physical plant. We have had the opportunity to inspect these projects in detail and feel that they are necessary to facilitate the operation of an adequate mental hygiene program and further we have ascertained that the project estimates are in line. Consequently, we recommend approval of this item as requested.

ITEM 385 of the Budget Bill

Budget page 1213
Budget line No. 16

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, PATTON STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$1,292,450
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four major construction projects and one working plans project as follows:

A. Construction of additional utility services—\$303,600.

The Legislature in 1956 provided \$431,950 to expand the utilities lines and services on the whole reservation in order to handle

Capital Outlay

Department of Mental Hygiene—Continued

the additional buildings that had already been built or that were scheduled for construction in line with the increased maximum population of the institution. It was later discovered that the scope was actually considerably larger than had been first supposed. In fact, the deficit was estimated to be in excess of \$750,000, and an estimate was prepared on the basis of taking care of all of the balance. However, it appears that there was some duplication of segments in the prior appropriation and the figure now proposed was arrived at. *We have had no breakdown or details on this particular figure and while we are in accord with the necessity to provide additional utilities and services, we have no way in which to evaluate the present figure and consequently we can make no recommendation with respect thereto at this time.*

B. Water development phase II—\$481,800.

A proposal was originally made to provide added water supply and generally improve the water service at Patton to cost approximately \$485,000. At the 1956 Session of the Legislature this plan was funded to the extent of \$281,800 with the presumption that an additional \$200,000 would be funded in the 1957-58 Budget. However, in the interim it was discovered that the original scope was inadequate and that the total cost would approach \$700,000. Consequently, this project as now proposed is substantially higher than shown in the five-year plan. We are of the opinion that this second phase could very easily be broken into two phases to make a second and third phase since we do not believe that it will be possible to actually accomplish the necessary work within the one fiscal year. *We would suggest some consideration be given to that idea and that the funding be reduced by approximately 50 percent or whatever exact figure would be appropriate.*

C. Working plans for addition to administration building—\$30,000.

The construction of an addition to the administration building was scheduled in the five-year plan for the 1957-58 Fiscal Year at \$100,962. It has now been decided that it would be more appropriate to provide for working drawings first because of the complexity of the problem. This will enable a more accurate estimate for the following fiscal year funding of construction. Approval is recommended.

D. Site development for ward buildings—\$448,300.

The Legislature, in 1955, provided \$4,169,000 for the construction of two ward buildings. This was subsequently found to be inadequate and rather than augment the project from the Augmentation Fund it was decided to segregate from the project the site development and fund it as a new item in the 1957-58 Budget. The scope of the original project has not changed and consequently we recommend approval as requested.

Capital Outlay

Department of Mental Hygiene—Continued

E. Construct carport and motor pool—\$28,750.

This project was originally included in the five-year plan at \$25,000. It will provide for the completion of the area which already has shop facilities but lacks adequate storage, wash rack facilities and fencing. Approval is recommended.

ITEM 386 of the Budget Bill

Budget page 1217
Budget line No. 12

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, PATTON STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$117,000
Legislative Auditor's recommendation	117,000
Reduction	None

ANALYSIS

Fourteen projects are provided by this item, two of which will correct fire hazardous conditions while the remaining 12 will provide for alterations and improvements to existing facilities to improve the rehabilitation program conducted at this institution. During the current fiscal year we had the opportunity to visit this institution and to inspect these projects in detail; as a consequence we are satisfied with the cost estimates involved and feel that the projects are necessary. We recommend approval of the item as requested.

ITEM 387 of the Budget Bill

Budget page 1218
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, STOCKTON STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$3,096,550
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for three major construction projects and three equipment allotments as follows:

A. Construct ward building—\$2,506,900.

This project was originally included in the five-year plan at \$1,147,229 and was intended to provide a capacity for 355 patients to replace the existing barracks cottage number 2 and the third and fourth floors of the main male building. As now conceived the project would provide 420-bed capacity or a net increase of 65 new beds. This accounts for part of the increased cost, but the balance of the increase is the result partly of the rise in the construction cost index and partly because of increased general scope.

Capital Outlay

Department of Mental Hygiene—Continued

The present design would involve a two-story concrete building with approximately 109,534 gross square feet of area at a "building cost" of \$17.09 per square foot and a "construction cost" of \$19.23 per square foot. During the past year considerable effort was expended towards the design of a standard "convertible" ward building that could be used for practically all categories of patients by comparatively minor adjustments. This project is based on that design. However, we have not been furnished with sufficient data on which to make an evaluation of the propriety of the design and the cost. *Consequently, we cannot at this time make any recommendation with respect to the proper amount to be funded.* We would also like to point out that since the project is primarily for replacement of existing capacity that there is no real urgency to provide construction funds at this time. We therefore suggest that it might be appropriate to provide only working drawings funds which would approximate \$125,000.

B. Construct laundry building addition—\$392,200.

C. Equip laundry building addition—\$4,700.

This project was originally included in the five-year plan at \$193,000 and was intended to provide additional receiving and storage space and processing capacity to handle the increased and increasing population at this institution. The capacity of the laundry is based on a 40-hour work week with a standard allowance of 35 pounds per week per patient for 4,611 patients and 1,425 employees.

The present design would provide 8,618 gross square feet of additional area and some alterations and moving of equipment in the existing portion which has approximately 20,000 square feet of area. Since the cost estimate is based on the two types of work being done together the cost per square foot has very little meaning. However, our examination of the estimate submitted appears to indicate that it is in line with the present construction cost index and the character of the facilities involved. Consequently, approval is recommended.

D. Purchase and install vegetable preparation equipment—\$64,250.

This project was not previously included in the five-year plan but results primarily from a re-evaluation of the existing facilities in the vegetable preparation area. *We have received no data on the project and we have no way at this time of evaluating either its propriety or the cost. Consequently, we can make no recommendation. However, it would appear that the project is not of such urgency that a one-year deferment would cause any particular hardship.*

E. Construct marking, mending and tailor shop—\$125,500.

F. Equip marking, mending and tailor shop—\$3,000.

This project was originally in the five-year plan at \$118,200. The increased cost represents merely the anticipated increase in the construction cost index.

Capital Outlay

Department of Mental Hygiene—Continued

As now designed the project would provide 9,821 gross square feet of building area at a "building cost" of \$9.56 per square foot and a "construction cost" of \$10.76 per square foot. The design appears reasonable and the cost estimate is in line with the character of the building. Consequently, we recommend approval.

ITEM 388 of the Budget Bill

Budget page 1221
Budget line No. 11

FOR MINOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, STOCKTON STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$137,820
Legislative Auditor's recommendation	137,820
Reduction	None

ANALYSIS

This item provides for 19 minor projects at the main institution and the farm annex that for the most part are aimed at improving the efficiency of the physical plant by correcting certain existing conditions. Generally these projects will eliminate fire hazards, provide insulation on steam lines, improve street lighting, install gas lines, construct lawn irrigation system and provide combustion controls for the farm annex boiler room.

We have had the opportunity to review these projects in detail during the current fiscal year and are satisfied that the cost estimates are accurate and the projects are necessary. Consequently, we recommend approval of the item as requested.

ITEM 389 of the Budget Bill

Budget page 1223
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, FAIRVIEW STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$1,047,875
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for three construction projects, five equipment allocations, and two working plans projects as follows:

A. Site development phase II—\$225,975.

This project was originally included in the five-year plan at \$283,000 and is one of the rare instances in which the budget amount is less. The work is primarily ground improvement such as

Capital Outlay

Department of Mental Hygiene—Continued

planting and seeding and the installation of irrigation systems, etc. We have questioned this project because we feel that it is excessive in view of the fact that the buildings were funded to include a certain amount of site development around each one. We have not had a satisfactory explanation as yet. *Consequently, we can make no recommendation at this time.*

B. Equip security wards—\$59,800.

The Legislature in 1956 approved the construction of two security wards with a capacity of 130 beds which now will cost, including augmentation, \$861,050. The equipment requested is necessary to make these buildings operable upon completion. Approval is recommended.

C. Construct employee housing units—\$407,000.

This project was originally included in the five-year plan at \$250,000 to provide apartments for physicians and single employees in order to improve the recruitment problem and to provide for a percentage of the employees to live on the reservation. As now conceived the project would provide two duplex units which would serve four families and four apartment units which would serve six families in each or a total of 24. The apartments would consist of two rooms and bath each. The design would provide a gross building area of 22,430 square feet at a "building cost" of \$12.40 per square foot and a "construction cost" of \$15.25 per square foot. We believe the need for these apartments is justified in order to assure a reasonable number of employees living on the reservation. *However, the costs in some cases are questionable and since we have not as yet had these questions resolved we cannot at this time make any recommendations with respect to the appropriate amount to be funded.*

D. Equip fire house and units—\$22,200.

This project is incorrectly described. It should read "Equip employees' housing units." It obviously goes with project C above.

E. Equip firehouse and quarters—\$6,700.

The construction of a firehouse and firemen's quarters was approved by the Legislature in 1956 at an estimated cost of \$36,000. This equipment is required to make the project operable upon completion. We recommend approval as requested.

F. Install additional boiler and controls—\$85,300.

This project was originally included in the five-year plan at \$93,575 and is another one of the rare instances in which the amount is reduced for the budget. The project will provide an additional boiler with a steam capacity of 25,000 pounds per hour. Space is available in the existing boiler house. The additional steam capacity is required to handle the buildings under construction as well as additional ones proposed. The cost appears to be in line with the character of the equipment involved. Approval is recommended.

Capital Outlay

Department of Mental Hygiene—Continued

G. Equip school recreation field—\$3,100.

The development of the school recreation field was approved by the Legislature in 1956 at a cost of \$87,000. This equipment is necessary to make that project operable upon completion.

H. Equip ward buildings—\$184,800.

The construction of two regular ward buildings with 560-bed capacity was authorized by the Legislature in 1956 at \$2,432,300. This equipment is needed to make those wards operable upon completion. Approval is recommended.

I. Working plans for library, occupational therapy, canteen and barbershop building—\$33,000.

The construction of the building described above was scheduled by the five-year plan for inclusion in the 1957-58 Fiscal Year at \$236,400. It has now been determined that it would be entirely feasible to fund this building for working drawings only in this budget and provide construction funds in the following year without having any adverse effect on the scheduled operation of the institution. Approval is recommended.

J. Working plans for auditorium—\$23,000.

The five-year plan scheduled the construction of an auditorium in the 1957-58 Fiscal Year at \$311,260. The project was to provide seating capacity for 600 to 800 persons. It has now been determined that the need for this building is not sufficiently critical to require more than working drawings in this budget with construction funds to be requested in the following year. Approval is recommended.

ITEM 390 of the Budget Bill

Budget page 1226
Budget line No. 19

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, PACIFIC STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$802,100
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide one project of major construction, two projects of modernization and repairs, and two equipment allotments for prior construction as follows:

A. Install additional mechanical services—\$455,900.

The Legislature in 1956 provided \$52,900 for additional mechanical services at the hospital. The five-year plan scheduled \$100,000 for the same purpose in 1957-58 and \$330,000 in 1959-60. The project as now presented appears to have combined these two years together. The majority of the work involves the replace-

Capital Outlay

Department of Mental Hygiene—Continued

ment of an existing boiler and the conversion of three other existing boilers to the use of natural gas fuel instead of oil alone. In addition there is a 12" sewer line and other electrical and mechanical service to be provided. In general, we believe that the scope of the project is reasonable. However, in our opinion the cost estimate is considerably higher than is justified. We have raised questions concerning this but as yet they have not been satisfactorily resolved. *Consequently, we cannot make any recommendation with respect to the cost of the project at this time.*

B. Modernize and repair wards—\$268,000.

This is part of a long-range plan to modernize and repair two of the old wards each year. Originally it was included in the five-year plan at \$200,450, but experience has indicated that this amount was inadequate to do the job. Since the work is largely repetitive and most of the hazards are now known, we would recommend approval.

C. Equip and modernize ward—\$6,000.

This is incorrectly stated, it should read "equip modernized wards." It obviously is part of project B above. Approval is recommended.

D. Equip new laundry—\$9,200.

A new laundry building was authorized by the Legislature in 1956 which will cost \$1,093,400. This equipment is necessary to make it operable upon completion. Approval is recommended.

E. Install mechanical ventilation system in medical ward—\$62,200.

This project was not previously included in the five-year plan. We would like to point out that in recent hospital construction air conditioning has been provided only in the surgery and surgical wards. This project would be a departure from that standard and therefore we cannot understand why it was included. We have received no data concerning it. *Consequently, we recommend that it be deleted.*

ITEM 391 of the Budget Bill

Budget page 1229
Budget line No. 65

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, PACIFIC STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$87,410
Legislative Auditor's recommendation	87,410
Reduction	None

ANALYSIS

This item provides for a schedule of 11 minor projects of construction, remodeling and improvement. Six of these projects provide for the installation of new equipment which along with the remaining projects will improve the efficiency of operation of the physical facilities.

Capital Outlay

Department of Mental Hygiene—Continued

During the current fiscal year we had the opportunity to inspect each of these projects in detail while visiting the institution, consequently we have satisfied ourselves that the projects are necessary and that the cost estimates are accurate. We recommend approval of the item as requested.

ITEM 392 of the Budget Bill

Budget page 1230
Budget line No. 17

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, PORTERVILLE STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$448,700
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two construction projects and two equipment projects for them as follows:

- A. Construct employees' housing units—\$353,600.
- B. Equip employees' housing units—\$18,900.

This project was first included in the five-year plan at \$250,000 with no specific number of dwelling units mentioned. At present it is proposed to provide two duplex units which would serve four families and three apartment units, each with six apartments or a total of 18 units of two rooms and bath each. The plans are almost identical with those of the Fairview housing units previously mentioned.

The plan would provide 18,265 gross square feet of area at a "building cost" of \$13.00 per square foot and a "construction cost" of \$16.29 per square foot. The substantial discrepancy between these two figures is due to extensive site development. While we believe that additional employee housing is necessary at this institution, we are not entirely satisfied with the cost figures developed for the project. *Until our questions have been resolved we can make no recommendation with respect to the appropriate cost.*

- C. Construct shops buildings, inflammable storage building, and corporation yard—\$73,950.
- D. Equip shops building, inflammable storage building, and corporation yard—\$2,250.

This project was originally included in the five-year plan at \$104,902 and is another one of the infrequent instances of a reduction for the budget. The project will provide two simple buildings, one of prefabricated steel and the other of wood frame with metal roof together having a gross building area of 8,360 square feet at a "building cost" of \$6.10 per square foot and a

Capital Outlay

Department of Mental Hygiene—Continued

“construction cost” of \$7.57 per square foot. The project appears to be quite simple and straightforward and the cost estimates appear in line with the character of the facilities. Consequently, we recommend approval.

ITEM 393 of the Budget Bill

Budget page 1232
Budget line No. 71

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, PORTERVILLE STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$21,050
Legislative Auditor's recommendation	21,050
Reduction	None

ANALYSIS

This item is comprised of five minor projects designed to provide improvements to the existing facilities. For example, yard shelters will be provided in a portion of the ward courts, a water filter system will be installed on a test basis in an attempt to eliminate sand from the water system, and additional parking area will be provided.

We have been able to inspect these projects in detail at the institution during the current fiscal year and to satisfy ourselves that they are a reflection of need and that the cost estimates are in line with current construction trends. Consequently, we recommend approval of the item as requested.

ITEM 394 of the Budget Bill

Budget page 1233
Budget line No. 18

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, SONOMA STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$1,089,950
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two construction projects and one equipment allocation for prior construction as follows:

A. Equip administration building—\$19,000.

A new administration building was provided by the Legislature in 1956 at a currently estimated cost of \$735,100. This equipment is required to make the building operable upon completion. Approval is recommended.

B. Install new boiler—\$109,850.

This project was included in the five-year plan at \$99,189. The cost increase is essentially the reflection of the increased construction cost index.

Capital Outlay

Department of Mental Hygiene—Continued

The project will provide for the removal of one existing boiler, which is too small and over-age, and its replacement by a new one having a steam capacity of 35,000 pounds per hour. Included are the necessary meters, gauges, electrical work, etc. The cost appears to be in line with the size of the boiler and the equipment. Approval is recommended.

C. Construct school addition—\$961,100.

This project was included in the five-year plan for \$375,876 and was to provide classrooms, shops and domestic training units for additional school-age population. The increased cost is apparently attributable primarily to the fact that the size contemplated at the time the five-year plan was formulated was considerably smaller than was actually needed. Subsequent further study indicated that the size of the plant required should include 14 classrooms to assist in accommodating approximately 900 patients, or 450 full-time equivalent pupils.

The project as presently designed is a two-story concrete building with a gross area of 37,176 square feet at a "building cost" of \$18.70 per square foot and a "construction cost" of \$21.73 per square foot. While there appears to be reasonable justification for the additional school space, we have raised some serious questions about the cost and the design. *These questions have not as yet been resolved. Consequently, we cannot at this time make any recommendation with respect to the appropriate amount to be funded.*

ITEM 395 of the Budget Bill

Budget page 1236
Budget line No. 57

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, SONOMA STATE HOSPITAL, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$113,755
Legislative Auditor's recommendation	113,755
Reduction	None

ANALYSIS

This item provides for a schedule of 19 minor projects of construction, alteration and improvement to the existing facilities needed to facilitate efficient operation of the physical plant and the conduct of a sound mental hygiene program. While we were not able to visit this institution during the current fiscal year we have inspected it carefully previously, in addition we have discussed these projects in detail with the Departments of Mental Hygiene and Finance. Consequently, we are satisfied that the projects are a reflection of need and that the cost estimates are in line. We recommend approval of the item.

Capital Outlay

MILITARY DEPARTMENT

ITEM 396 of the Budget Bill

Budget page 1237
Budget line No. 43

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, MILITARY DEPARTMENT, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$443,100
Legislative Auditor's recommendation	443,100
Reduction	None

ANALYSIS

This item would provide for two projects which have no relationship with each other and which we believe should not have been included in one appropriation item. Project A is \$100,000 of state funds for preparation of plans and supervision of construction for projects to be entirely financed from federal funds.

Project B is for the construction and equipment of food service facilities for the Air National Guard at Fresno, Hayward, and Van Nuys at a total cost of \$343,100. The basic reason why we believe that the two should have been separated is because the actual financing for the food service facilities is supposed to come as a result of the sale of National Guard property to the Lockheed Aircraft Company. The proceeds are to be placed in the General Fund and the appropriation made from it for these facilities. We would suggest that the two projects in the schedule be separated into two separate line items with the food service facilities to be made payable only when and if the sale of the property is consummated.

With respect to the need for the food service facilities, we have examined existing facilities and have no doubt that they are quite substandard and are fully deserving of being replaced. The new facilities are designed most economically to an average building cost of \$10.30 per square foot which includes some of the fixed kitchen equipment. Most of the fixed kitchen equipment and all of the chairs and tables in the dining area will be supplied by the Federal Government. With the foregoing qualifications we would recommend approval.

At this time we believe some serious thought should be given to the question as to whether any further expansion or improvement in National Guard facilities should be provided in view of the recent directive from the War Department which requires six months active service by National Guard members. This has met with strong protest from National Guard authorities all over the Country on the basis that it would cause many resignations and virtually prevent any further recruitment. If this possibility exists it would appear most inappropriate to invest any more money in facilities of this type until the question has been completely resolved.

Capital Outlay

Military Department—Continued

ITEM 397 of the Budget Bill

Budget page 1237
Budget line No. 50

FOR EXPENDITURE FOR MAJOR ARMORY CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, MILITARY DEPARTMENT AND CALIFORNIA NATIONAL GUARD, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$639,795
Legislative Auditor's recommendation	Delete
Reduction	\$639,795

ANALYSIS

In view of the serious question as to the need for additional facilities for the National Guard, which arises from the six months active service policy, we cannot recommend this item pending a more definite appraisal of the effect of the directive.

ITEM 398 of the Budget Bill

Budget page 1246
Budget line No. 64

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, MILITARY DEPARTMENT, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$78,350
Legislative Auditor's recommendation	78,350
Reduction	None

ANALYSIS

The seven projects provided by this item are for improvements to various armories throughout the State. We wish to point out that one project for roof repairs to various armories in the amount of \$38,250 is a similar situation to a minor project for Soledad State Prison mentioned previously in this report. The roofs involved are approximately seven years old and due to faulty design in the original construction, it is now found that major repairs and replacements are necessary. It should be noted that in certain instances in the past, 20-year guarantees were required of contractors on the installation of roofs. However, none of the roofs involved in this project were so insured. It should also be pointed out that \$30,000 was provided in the current budget year for the same purpose and it is estimated that a similar amount will be necessary in 1958-59 for the final phase of roof repairs. It is our understanding that the Division of Architecture has revised their specifications for the roofs called for in armory construction so that this condition is not apt to be encountered again with respect to such buildings.

We have discussed these projects with representatives of the Departments of Finance and Military and feel satisfied that the projects are necessary and that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

Capital Outlay

DEPARTMENT OF MOTOR VEHICLES

ITEM 399 of the Budget Bill

Budget page 1247
Budget line No. 6

FOR ACQUISITION OF REAL PROPERTY, DEPARTMENT OF MOTOR VEHICLES, FROM THE MOTOR VEHICLE FUND

RECOMMENDATIONS

Amount budgeted	\$823,000
Legislative Auditor's recommendation	823,000
Reduction	None

ANALYSIS

This item would provide for the acquisition of six building sites in Sacramento, Hollywood, Fresno, Red Bluff, Long Beach and El Centro, to provide for the future construction of new office buildings to meet increasing work loads in those cities. Approval is recommended.

ITEM 400 of the Budget Bill

Budget page 1248
Budget line No. 7

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF MOTOR VEHICLES, FROM THE MOTOR VEHICLE FUND

RECOMMENDATIONS

Amount budgeted	\$153,200
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for two construction projects and one project for the preparation of preliminary plans as follows:

A. Construct office building in Red Bluff—\$45,600.

This project was originally scheduled in the five-year plan at \$33,000 for construction, working plans and site acquisition. Obviously this figure has been substantially altered at this time. The facilities now planned would provide 1,994 square feet of gross building area at a "building cost" of \$15.15 per square foot and a "construction cost" of \$19.15 per square foot. *We believe that this cost is entirely excessive for a building of this size and character. We suggest the possibility that it might be redesigned to reduce this cost not to exceed \$16.00 per square foot at "construction cost" level.*

B. Construct office building in El Centro—\$57,600.

This project was not included in the five-year plan and has for various reasons evolved since that plan was formulated. *We have had no data or details on this project and consequently we can make no recommendations with respect to it.*

Department of Motor Vehicles—Continued

C. Preparation of preliminary plans for additional facilities at the Sacramento headquarters office building—\$50,000.

Since the Sacramento headquarters office building will certainly need to expand, it seems most appropriate to provide preliminary plans and study money at this time in order to assure a sound and economical solution to the problem. Approval is recommended.

DEPARTMENT OF FISH AND GAME

ITEM 401 of the Budget Bill

Budget page 1250
Budget line No. 16

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF FISH AND GAME, FROM THE FISH AND GAME PRESERVATION FUND

RECOMMENDATIONS

Amount budgeted	\$168,000
Legislative Auditor's recommendation	40,000
Reduction	\$128,000

ANALYSIS

This item would provide for two projects as follows:

A. Purchase of airplane—\$128,000.

This plane is intended to replace an existing war surplus aircraft which was purchased by the department in 1948 and which has logged approximately 5,000 flying hours. We seriously question whether the present plane is in such condition as to justify the expenditure of \$128,000 for a new plane at a time when the Fish and Game Preservation Fund is in serious financial straits. *Consequently, we recommend disapproval of this project.*

B. Motor vessel for marine wildlife protection (additional cost)—\$40,000.

The Legislature in 1956 provided \$180,000 for the construction of a suitable motor vessel for marine wildlife protection patrol, particularly on the north coast which is extremely rough and hazardous and requires a large, rugged vessel. The present vessel is a navy surplus wood-hulled vessel which is in such poor condition as to be unsafe in rough weather and would be uneconomical to repair.

The present estimates indicate that a vessel appropriate for the job would cost in the vicinity of \$220,000. We believe that it is essential that this project go forward and consequently we recommend approval of this augmentation.

Capital Outlay

Department of Fish and Game—Continued

ITEM 402 of the Budget Bill

Budget page 1252
Budget line No. 48

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DEPARTMENT OF FISH AND GAME, FROM THE FISH AND GAME PRESERVATION FUND

RECOMMENDATIONS

Amount budgeted	\$64,020
Legislative Auditor's recommendation	64,020
Reduction	None

ANALYSIS

This item is composed of eight minor projects in the various regions of the Department of Fish and Game for improvement to hatcheries, fish ladders, replacement of game pens, and water supply improvements.

We have reviewed these projects at length with the Departments of Fish and Game and Finance and feel satisfied that they represent the realistic needs of the department and that the cost estimates are in line. We recommend approval of the item as requested.

DEPARTMENT OF NATURAL RESOURCES

ITEM 403 of the Budget Bill

Budget page 1261
Budget line No. 38

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DIVISION OF BEACHES AND PARKS, FROM THE STATE PARK FUND

RECOMMENDATIONS

Amount budgeted	\$800,623
Legislative Auditor's recommendation	800,623
Reduction	None

ANALYSIS

This item would provide for six development projects in state parks, one development project in the historical monuments, and an allotment for preliminary engineering and planning for future projects as follows:

A. Standish and Hickey State Park—\$120,500.

This would provide standard design camp units, combination buildings, comfort station, and various items of site development. This is one of the more heavily used parks on the Redwood Highway and expansion is required here to accommodate increasing attendance. Approval is recommended.

B. Clear Lake State Park development—\$85,000.

This would provide for a water storage tank which would be adequate for domestic use as well as fire fighting. Also, it would provide for the realignment of the creek channel which runs through the park and which in its present form causes serious

Department of Natural Resources—Continued

erosion and loss of usable public area. The Clear Lake Park area is becoming increasingly popular and consequently development is very desirable at this point. Approval is recommended.

C. Henry Cowell Redwoods State Park development—\$145,500.

This project would provide standard design comfort stations, picnic tables, camp stoves, utility facilities, and site development. This park is a fairly new area which is becoming increasingly popular. Development here is highly desirable. Approval is recommended.

D. Morro Bay State Park development—\$40,000.

This is for a new sewer line to eliminate the existing individual septic tanks which are at tide level and are causing unhealthy conditions. This park is very popular and attendance is growing. Approval is recommended.

E. Folsom Lake State Park development—\$325,000.

This project would provide extensive parking area and trails around this new and popular reservoir recreational area. Demand for the use of this lake is growing very rapidly and at present almost no facilities are available. Development in this area is highly desirable. Approval is recommended.

F. Humboldt Redwoods State Park development—\$40,000.

This would provide for bank protection on the south fork of the Eel River and on Bull Creek. The 1955 floods caused serious damage in this area and appropriate protective measures must be taken to avoid future and more serious damage. Approval is recommended.

G. William B. Ide Adobe State Historical Monument development—\$24,623.

This property has been in State possession for some years but no development has taken place heretofore. Development must now be started in order to permit safe public use of the building and grounds. Part of the project involves restoration of the building, the balance would provide a comfort station, water system, and general site development. Approval is recommended.

H. Preliminary engineering and planning—\$20,000.

In the past we have many times had comparatively unsatisfactory project details furnished on beach and park projects. We believe that this is due to the fact that no money has been provided for preliminary planning. This is the first such appropriation and we heartily endorse. It would be appropriate at this point to express some concern about the future of the Park and Beach Funds. Prior appropriations for acquisition of new or additional park areas have committed all of the money available while at the same time laying the ground for future needs for development money.

Capital Outlay

Department of Natural Resources—Continued

The annual income of the two funds being limited by law to \$7,000,000 would indicate that the division should gear its expenditure policy accordingly.

Consequently we suggest that acquisition priorities should be re-examined and re-evaluated to insure that available funds are first expended where they will provide the most benefit to the most people.

ITEM 404 of the Budget Bill

Budget page 1260
Budget line No. 69

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DIVISION OF BEACHES AND PARKS, FROM THE STATE BEACH FUND

RECOMMENDATIONS

Amount budgeted	\$303,325
Legislative Auditor's recommendation	303,325
Reduction	None

ANALYSIS

This item would provide for three projects of beach construction and development and one allotment for preliminary engineering and planning as follows:

A. San Buenaventura Beach State Park development—\$170,000.

This beach is heavily used since it is close to Los Angeles and adjacent to Highway 101 in a heavily traveled area. Additional development is urgently needed here. The project would provide more roads and parking, picnic units, power and water lines and general site development. Approval is recommended.

B. Silver Strand Beach State development—\$93,325.

This beach is one of the most popular in the southern part of the State because of its proximity to San Diego. It provides both bay and ocean frontage. Primarily the project will provide additional roads and parking, which is made necessary because of the fact that the road serving the park is now a four-lane divided highway with no parking permitted on the shoulders. Approval is recommended.

C. Huntington Beach State Park—\$30,000.

This beach is directly adjacent to an extremely heavily traveled portion of U. S. Highway 101 between Los Angeles and San Diego. Traffic problems at the entrance to the park make certain changes necessary in order to eliminate hazards and delays. Approval is recommended.

D. Preliminary engineering and planning—\$10,000.

This serves the same purpose as item 403H. Approval is recommended.

Capital Outlay

Department of Natural Resources—Continued

ITEM 405 of the Budget Bill

Budget page 1276
Budget line No. 51

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DIVISION OF BEACHES AND PARKS, FROM THE STATE PARK FUND

RECOMMENDATIONS

Amount budgeted	\$120,160
Legislative Auditor's recommendation	120,160
Reduction	None

ANALYSIS

This item is composed of six projects which will provide improvements to park facilities at Anza Desert, Big Basin, Calaveras, Columbia, Cuyamaca, Donner, Fort Tejon, Jedediah Smith, San Juan Bautista, Standish Hickey, and Will Rogers State Parks. We have discussed these projects in detail with the Departments of Natural Resources and Finance and feel that they are a reflection of the needs of the park program and further we are satisfied that the cost estimates are accurate. Consequently, we recommend approval of this item as requested.

ITEM 406 of the Budget Bill

Budget page 1276
Budget line No. 36

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DIVISION OF BEACHES AND PARKS, FROM THE STATE BEACH FUND

RECOMMENDATIONS

Amount budgeted	\$39,600
Legislative Auditor's recommendation	39,600
Reduction	None

ANALYSIS

This item provides for three separate projects, the first will construct camp, picnic and trailer units, whereas the second will provide for roads and parking areas, walks and trails. The third will provide facilities for water distribution, sewage and electricity. We have discussed these projects in detail with the Departments of Finance and Natural Resources and feel that they are justified and that the cost estimates are accurate. Consequently, we recommend approval of the item as requested.

ITEM 407 of the Budget Bill

Budget page 1279
Budget line No. 24

FOR ACQUISITION OF REAL PROPERTY, DIVISION OF FORESTRY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$70,000
Legislative Auditor's recommendation	70,000
Reduction	None

Capital Outlay

Department of Natural Resources—Continued

ANALYSIS

This item would provide for three acquisition projects as follows:

A. Sites for two forestry honor camps—\$50,000.

This is an arbitrary amount based on a long-range program of providing two forestry honor camps each year in order to help absorb the growing population in the Department of Corrections. We recommend approval.

B. District VI headquarters—\$10,000.

This is to purchase additional land adjacent to the headquarters corporation yard in Riverside which is now too small for the volume of equipment and materials handled there. Approval is recommended.

C. Lookouts and forest fire station locations—\$10,000.

This represents the continuation of a program of outright purchase of sites now being occupied either on lease or on the basis of an easement. The need for adequate control of the property dictates owning instead of continuing under the present occupancy. Approval is recommended.

ITEM 408 of the Budget Bill

Budget page 1279
Budget line No. 76

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DIVISION OF FORESTRY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$2,083,115
Legislative Auditor's recommendation	2,083,115
Reduction	None

ANALYSIS

This item would provide for three composite construction projects and one allocation for services as follows:

A. Construction of forest protection stations (three)—\$167,105. Equipment (three)—\$4,608.

This project would provide permanent facilities at three locations, Rincon in San Diego County, Buckhorn in Shasta County, and Sunol in Contra Costa County. Facilities are based on long-established and standardized plans used by the Division of Forestry. Approval is recommended.

B. Two forestry honor camps, construction—\$1,104,400. Equipment—\$267,494.

Actual sites for these camps have not yet been procured, although tentatively one is planned for eastern Tehama County and the other for the north coast of Mendocino County. Each camp would house 80 inmates from the Department of Corrections. The facilities have been previously standardized and will

Department of Natural Resources—Continued

probably be constructed entirely on contract in accordance with the present administrative policy. We are in general accord with the policy of providing this type of facility as being less costly to house correctional inmates than standard correctional facilities would be. In addition, useful and valuable work and services are performed in the forest and brush lands of the State. Approval is recommended.

- C. Construct six county headquarters, construction—\$433,705. Equipment—\$11,070.

This project will provide either additional facilities at existing county headquarters or totally new facilities at new sites in some instances. The locations include St. Helena in Napa County, Orange County, Willits in Mendocino County, Yreka in Siskiyou County, San Luis Obispo in San Luis Obispo County and Fortuna in Humboldt County. Approval is recommended.

- D. Services, engineering, planning and inspection—\$94,733.

We seriously doubt at this time the propriety of this item at least for all but a small portion of it. In prior years much of this construction work was done entirely either by the Division of Forestry or directly under its supervision and control. All of the foregoing projects are now to be handled by the Division of Architecture and their estimates for these projects include all of the necessary charges for achitectural and engineering services and supervision and inspection. Consequently, we believe that only a small portion of this project should be provided to take care of those phases of the project which are handled by the Division of Forestry, such as the installation of water lines and grading work.

ITEM 409 of the Budget Bill

Budget page 1287
Budget line No. 31

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DIVISION OF FORESTRY, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$247,411
Legislative Auditor's recommendation	247,411
Reduction	None

ANALYSIS

The 11 projects provided by this item are for minor construction and alterations at existing forestry installations. During the current fiscal year a representative of our office had the opportunity to visit many of these installations and to review the support activities and the minor and major capital outlay requests. We are satisfied that the projects requested in this item are necessary to insure an efficient program. Consequently, we recommend approval of the item as requested.

Capital Outlay

Department of Natural Resources—Continued

ITEM 410 of the Budget Bill

Budget page 1281
Budget line No. 33

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DIVISION OF FORESTRY, FROM THE STATE PARK FUND

RECOMMENDATIONS

Amount budgeted	\$29,200
Legislative Auditor's recommendation	29,200
Reduction	None

ANALYSIS

This item would provide for augmentation of two projects previously approved by the Legislature and made payable from the State Park Fund. One is the Flynn Springs fire control station, the other the Julian fire control station, both in San Diego County. These projects cannot be augmented from the regular Augmentation Fund because they were funded from a special fund. Approval is recommended.

DEPARTMENT OF PUBLIC HEALTH

ITEM 411 of the Budget Bill

Budget page 1290
Budget line No. 7

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF PUBLIC HEALTH, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$296,430
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for one major project of remodeling, altering and repairing the new public health building in Berkeley. The work consists primarily of correcting design and structural deficiencies that have become apparent since the building was placed into operation. In addition, the project will provide air conditioning for the laboratory rooms only at a cost of \$165,000. We have received comparatively sketchy information on this project and we have had no opportunity to discuss it in detail with either the agency or the Department of Finance. Consequently, we cannot at this time make any recommendations with respect to the total amount necessary to be funded. However, there is no question that there are many structural and design deficiencies that should be corrected.

ITEM 412 of the Budget Bill

Budget page 1291
Budget line No. 9

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DEPARTMENT OF PUBLIC HEALTH, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

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

Capital Outlay

Department of Public Health—Continued

ANALYSIS

This item provides for one project at the Public Health Laboratory, 2002 Acton Street in Berkeley, of installing a new electrical service and switchboard together with panels and receptacles consistent with modern safety standards. While we have not had an opportunity to inspect the existing facility's service, we have discussed this project in detail with representatives of the Department of Finance and are satisfied that the project is needed and that the cost estimate is accurate. Consequently, we recommend approval of this item as requested.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 413 of the Budget Bill

Budget page 1344
Budget line No. 16

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, VETERANS' HOME OF CALIFORNIA, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$683,670
Legislative Auditor's recommendation	Inadequate estimates
Reduction	Indeterminate

ANALYSIS

This item would provide for four construction projects and three equipment allotments for them as follows:

A. Construct chapel—\$185,500.

B. Equip chapel—\$28,950.

This project was originally in the five-year plan at \$167,200. The increased cost in the budget represents essentially the rise in construction cost index since that time. This project has undergone considerable study since it was first broached in 1954. We believe that it has now been "boiled down" to a reasonable and economical facility. The design will provide a gross area of 9,108 square feet at a "building cost" of \$15 per square foot and a "construction cost" of \$17.26 per square foot. It will replace an existing chapel which is in disrepair primarily because of dryrot and termite action in the structural members. Approval is recommended.

C. Construct hospital additions—\$164,650.

D. Equip hospital additions—\$2,000.

This project was originally in the five-year plan at \$60,000 which is an indication that the scope at that time was inadequately determined since the cost has increased almost threefold. The alterations would provide additional space in a most effective and, generally speaking, economical manner. However, there are points in the design and in the cost estimates that have been

Capital Outlay

Department of Veterans Affairs—Continued

questioned without being satisfactorily resolved as yet. *Consequently, while we recommend the project in principle we cannot at this time make a recommendation with respect to the cost.*

E. Water supply improvements—\$78,170.

This was discussed in connection with the Napa State Hospital and involves improvements to the supply from Rector Canyon Dam. Approval is recommended.

F. Construct medical treatment center—\$218,800.

G. Equip medical treatment center—\$5,600.

This project was originally included in the five-year plan for funding in the 1958-59 Fiscal Year for a considerably larger scope since it was described as a recreation center and domiciliary medical treatment center for \$225,000. The project has now been separated into two distinct units with the cost for the medical treatment center alone at \$218,800 and the recreation center at \$235,000 which is not included in the budget at this time. Essentially this medical treatment center would provide out-patient clinical services for the domiciliary members of the home. While the project has merit and is probably justified we have received incomplete information concerning it and consequently we can make no recommendation at this time. However, we would like to point out, first, that it was scheduled for the next fiscal year, 1958-59, and secondly, that the domiciliary population at the home is not increasing, as a matter of fact, at the moment it is decreasing since there are empty domiciliary beds. *For these two reasons alone we recommend that the project be deferred.*

ITEM 414 of the Budget Bill

Budget page 1347
Budget line No. 10

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, VETERANS' HOME, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$86,485
Legislative Auditor's recommendation	86,485
Reduction	None

ANALYSIS

This item provides for nine minor construction projects which will improve the existing physical plant operation by providing greater efficiency. One item will provide additional laundry equipment to meet the needs of the present population. We have had the opportunity to inspect each of these projects in detail during the current fiscal year and subsequently to discuss them thoroughly with the Departments of Finance and Veterans Affairs and have satisfied ourselves that they are necessary and that the cost estimates are accurate. Consequently, we recommend approval of the item as requested.

Capital Outlay

DEPARTMENT OF WATER RESOURCES

ITEM 415 of the Budget Bill

Budget page 1352
Budget line No. 46

FOR MAJOR CONSTRUCTION, IMPROVEMENTS, AND EQUIPMENT, DEPARTMENT OF WATER RESOURCES, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$90,000
Legislative Auditor's recommendation	90,000
Reduction	None

ANALYSIS

This item would provide for a single project for reconstruction of part of the weir in the Cache Creek settling basin. Portions of the weir were badly eroded in the floods of 1955-56 and temporary repairs have been costly and would not stand up to serious floods again. Consequently, it is necessary to make permanent repairs and improvements. Approval is recommended.

ITEM 416 of the Budget Bill

Budget page 1353
Budget line No. 56

FOR MINOR CONSTRUCTION, IMPROVEMENTS, REPAIRS, AND EQUIPMENT, DEPARTMENT OF WATER RESOURCES, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$4,900
Legislative Auditor's recommendation	4,900
Reduction	None

ANALYSIS

This item will provide another snow survey cabin similar in construction to those provided in the current and the previous year. We have discussed this project with the Departments of Finance and Water Resources and we are satisfied that it is necessary and that the cost estimate is in line with recent construction experience. Consequently, we recommend approval of the item as requested.

ITEM 417 of the Budget Bill

Budget page 1352
Budget line No. 20

FOR STUDIES, INVESTIGATIONS, GEOLOGIC EXPLORATIONS, AND OTHER EXPENSES OF ALTERNATIVE AQUEDUCT ROUTES IN SOUTHERN CALIFORNIA FROM THE WATER DEVELOPMENT FUND

RECOMMENDATIONS

Amount budgeted	\$873,000
Legislative Auditor's recommendation	873,000
Reduction	None

Item 419.5, Budget Act of 1956, appropriated \$9,350,000 to begin work on the Feather River Project. The detailed breakdown of this appropriation and the amounts estimated to be expended during the current year, along with carry-over to Fiscal Year 1957-58 are shown on

Capital Outlay

Department of Water Resources—Continued

the table, pages 123-125 of this analysis. In the Fiscal Year 1957-58 Budget, the \$9,350,000 has been divided into two parts, \$8,252,100 for the Oroville Dam and Feather River Aqueduct from the intake at the delta to the San Luis Reservoir, and \$1,097,900 for essentially planning studies of alternative aqueduct routes to Southern California.

The Los Angeles District Office of the Department of Water Resources is conducting the alternative aqueduct route studies provided by the \$1,097,900. These studies are as follows:

1. A study of western coastal routes which begin in Kings County at Devils Den and swing west towards San Luis Obispo City, south towards Santa Barbara and back east to San Fernando. A number of alternative routes through the mountains are under consideration. (\$500,000)
2. A study of a new variation of the high-line route which will avoid the fault lines crossed by the old high-line route. (\$197,000)
3. A study to establish an aqueduct route to San Diego County and a specific plan to provide water service to the San Diego County area. (\$200,000)
4. A study to provide service to the southern and western portions of the San Joaquin Valley. (\$200,000)

These studies are presently scheduled to cover a period of approximately two years. A new staff has been recruited in the Los Angeles District Office and work is progressing on geologic explorations, mapping and negotiations with major water service agencies of the area on problems of interconnecting facilities. The San Diego aqueduct route study has received priority attention because of the water shortage in that area. Consideration is being given to building a portion of the Feather River Aqueduct to connect with the Colorado River Aqueduct and conduct that water to San Diego on an interim basis. At such time in the future as Feather River Aqueduct water is available in Southern California, this aqueduct to San Diego would be integrated with the Feather River Aqueduct. The San Diego County study includes land classification surveys, forecasts of water requirements for the next 40 years, repayment analyses, and planning of aqueduct location to permit actual service to canal-side areas with water deficiencies. A report on this work is expected to be made to the Legislature in early February or late January.

The request for next fiscal year consists of \$673,000 for further planning studies of aqueduct routes in Southern California. This amount, when added to the carry-over of \$283,900 from the Budget Act of 1956, provides a total of \$956,900. This is sufficient to conclude the study of alternative aqueduct routes in Southern California. Almost half of next year's expenditures will be for geologic explorations and mapping of aqueduct routes. In addition, land classification studies, studies to determine specific supplemental water requirements in the next 40 years and analyses of repayment ability will be extended northward from those now completed for San Diego County to encompass the Santa Ana River valley and the Antelope Valley.

We recommend approval of this request.

Department of Water Resources—Continued

FEATHER RIVER PROJECT
Fund Requirements for Fiscal Years 1956-57 and 1957-58

<i>Detail</i>	<i>Budget Act of 1956</i>	<i>Estimated expenditures 1956-57</i>	<i>Estimated carry-over 1956-57</i>	<i>Deficiency appro- priation 1956-57</i>	<i>Budget Bill of 1957</i>	<i>Total available 1957-58</i>	<i>Estimated carry-over to 1958-59</i>
Surveys, Explorations and Investigations							
Oroville Dam site-----	\$666,000	\$666,000	--	--	\$354,200	\$354,200	--
Feather River Project Aqueduct:							
Location survey, intake to south line of							
Merced County-----	79,700	30,000	\$49,700	--	122,300	172,000	--
Subsurface exploration, intake to Wheeler							
Ridge-----	37,900	37,900	--	--	--	--	--
San Luis Dam site exploration-----	--	--	--	--	235,000	235,000	--
Feather River Project aqueduct explora-							
tion-----	--	--	--	--	130,000	130,000	--
Laboratory investigations-----	157,500	157,500	--	--	223,000	223,000	--
Totals-----	\$941,100	\$891,400	\$49,700	--	\$1,064,500	\$1,114,200	--
Construction Plans and Specifications							
Oroville Dam, power plant and afterbays--	\$379,000	\$379,000	--	--	\$990,000	\$990,000	--
Necessary work on San Luis Dam irrespec-							
tive of who builds it-----	28,000	28,000	--	--	--	--	--
Pumping plant and aqueduct design-----	430,400	221,000	\$209,400	--	229,400	438,800	--
Preparation of plans and specifications by							
others-----	525,000	525,000	--	--	60,000	60,000	--
Totals-----	\$1,362,400	\$1,153,000	\$209,400	--	\$1,279,400	\$1,488,800	--
Negotiations With Western Pacific and Others							
on Relocations and on Contracts for Sale							
of Water and Purchase of Power-----	\$100,000	\$70,000	\$30,000	--	\$70,000	\$100,000	--

Department of Water Resources—Continued

FEATHER RIVER PROJECT—Continued
Fund Requirements for Fiscal Years 1956-57 and 1957-58

<i>Detail</i>	<i>Budget Act of 1956</i>	<i>Estimated expenditures 1956-57</i>	<i>Estimated carry-over 1956-57</i>	<i>Deficiency appro- priation 1956-57</i>	<i>Budget Bill of 1957</i>	<i>Total available 1957-58</i>	<i>Estimated carry-over to 1958-59</i>
Acquisition of Rights of Way							
Expenses in negotiating right of way-----	\$400,000	\$220,000	\$180,000	---	\$711,600	\$891,600	---
Western Pacific relocation-----	200,000	200,000	---	---	---	---	---
State highway relocation-----	208,300	208,300	---	---	400,000	400,000	---
Feather River railway relocation-----	84,800	84,800	---	---	---	---	---
Oroville reservoir and afterbays 1 and 2-----	406,900	406,900	---	---	5,216,000	5,216,000	---
San Luis Dam site and forebay-----	900,000	---	900,000	---	2,800,000	3,700,000	---
Totals -----	\$2,200,000	\$1,120,000	\$1,080,000	---	\$9,127,600	\$10,207,600	---
Alameda-Santa Clara-San Benito Aqueduct--	\$3,550,000	---	\$1,762,100	---	---	---	---
Surveys and explorations-----	---	\$215,550	---	---	---	\$184,400	---
Plans and specifications-----	---	192,700	---	---	---	243,300	---
Acquisition of rights of way-----	---	1,379,650	---	---	---	1,334,400	\$1,334,400
Totals -----	\$3,550,000	\$1,787,900	\$1,762,100	---	---	\$1,762,100	\$1,334,400
Administration -----	\$98,600	\$98,600	---	---	0 ¹	---	---
Construction							
Construction of State 40 from West Branch Crossing to Jarboe Gap-----	---	---	---	\$3,090,000	---	---	---
Construction of State 40 from Wicks Cor- ner to West Branch Crossing-----	---	---	---	2,153,000	---	---	---
Construction of State 40 from Wicks Cor- ner to Oroville-----	---	---	---	---	1,665,000	1,665,000	---
Grading Western Pacific relocation 777+00 to 824+50 and 852+75 to 948+00-----	---	---	---	1,686,000	---	---	---
Grading Western Pacific relocation 969+40 to 1221+00 and 824+50 to 852+75 in- cluding five tunnels-----	---	---	---	18,261,000	---	---	---

982

Construction—Continued

Grading Western Pacific relocation 29+86 to 777+00 -----	---	---	---	---	2,762,500	2,762,500	---
Constructing Western Pacific bridges, first crossing near Oroville and third crossing near North Fork -----	---	---	---	---	2,748,900	2,748,900	---
Constructing joint railroad-highway bridge at West Branch crossing -----	---	---	---	---	8,662,500	8,662,500	---
Laying track, constructing signals, sidings, buildings, etc. -----	---	---	---	---	4,351,400	4,351,400	---
Feather River railroad relocation -----	---	---	---	---	1,715,900	1,715,900	---
Constructing county bridge, South Fork Feather River -----	---	---	---	---	3,031,900	3,031,900	---
Earthwork, county road, Miners Ranch to Craig -----	---	---	---	---	866,700	866,700	---
Totals -----	---	---	---	\$25,190,000	\$25,804,800	\$25,804,800	---
983 Feather River Project Construction Totals -----	\$8,252,100	\$5,120,900	\$3,131,200	\$25,190,000	\$37,346,300 ²	\$40,477,500	\$1,334,400
Alternative Aqueduct Route Studies -----	1,097,900	814,000	283,900	---	673,000 ³	956,900	---
Grand total, all work -----	\$9,350,000	\$5,934,900	\$3,415,100	\$25,190,000 ⁴	\$38,019,300	\$41,434,400	\$1,334,400
Source of Funds							
General Fund -----	\$9,350,000	\$5,934,900	\$3,415,100	---	---	\$3,415,100	\$1,334,400
Water Development Fund -----	---	---	---	\$25,190,000	\$38,019,300	38,019,300	---

¹ Included in departmental support in Fiscal Year 1957-58.

² Budget Item 418, Budget Act of 1957.

³ Budget Item 417, Budget Act of 1957.

⁴ Total of deficiency request in Assembly Bill 100.

Capital Outlay

Department of Water Resources—Continued
ITEM 418 of the Budget Bill

Budget page 1350
Budget line No. 18

FOR SURVEYS, EXPLORATIONS, INVESTIGATIONS, CONSTRUCTION PLANS, RIGHTS OF WAY AND RELOCATIONS FOR THE FEATHER RIVER PROJECT, FROM THE WATER DEVELOPMENT FUND

RECOMMENDATIONS

Amount budgeted	\$37,346,300
Legislative Auditor's recommendation	37,346,300
Reduction	None

Of the \$9,350,000 appropriated last session in Budget Item 419.5 for the Feather River Project, \$8,252,100 was for initiation of construction on the section from Oroville Dam to the San Luis Reservoir. This work has been conducted by the Sacramento Office of the Division of Design and Construction. It may conveniently be divided into four categories:

1. Relocation of the Western Pacific Railroad, Highway 40 Alternate, the Feather River logging railroad, and certain county roads and bridges. Removal of these facilities from the dam and reservoir sites is necessary before construction of the dam itself can start. Negotiations with the Western Pacific Railroad for the relocation of their properties have been difficult and time consuming with the railroad attempting to secure the maximum benefit in the replacement of its facilities and the Department of Water Resources attempting to keep costs down. Agreement has not been reached to date. The department has hired consultants to advise it on values of properties involved and other technical matters. Service agreements have been entered into with the Division of Highways to purchase rights of way for the highway relocations, the Western Pacific properties and the design of the highway relocation. The Western Pacific Railroad is designing the railroad bridges under another service agreement.
2. Site explorations, preparation of designs and construction specifications for the Oroville Dam and powerhouse and the two after-bay plants have been under way since the initiation of work on the project last summer. Drilling and excavation on the dam axis to gather specific geologic data for design purposes, explorations for sources of materials for construction and further consideration of grouting problems have been progressing. Two problems have received special attention. One is the design type of the dam to be used at Oroville. Five eminent consultants have been hired to advise the department on this matter. These consultants and the department intend to evaluate both conventional and unconventional designs on a conservative basis. Although the conventional concrete dam has not been discarded, at present, consideration has been narrowed down to two types for further study, the new arch and buttress type and the fill type. It is planned to construct and test stress models of the arch and buttress type next

Department of Water Resources—Continued

year. The second main problem has been the selection of the location and characteristics of the two afterbay plants below the Oroville Dam. Several alternatives have been studied, but the present thinking is to construct afterbay No. 1 approximately one-half mile above the City of Oroville and to construct a canal to conduct fluctuating power releases past the City of Oroville to an off-stream reregulating area below the City of Oroville. The canal would have two power plants en route with approximately 76,000 kw of installed generating capacity. Design studies of the Oroville power plant are also under way.

3. Negotiations have been proceeding at both the technical and highest policy levels with the Bureau of Reclamation on problems of integrating the San Luis Unit of the Central Valley Project with the Feather River Project. The engineering problems have been explored and general agreement on them appears imminent, but no agreement is possible on the use of Central Valley Project power for pumping until such time as the Bureau of Reclamation and Congress resolve the partnership controversy over the Trinity River Unit of the Central Valley Project. Only then can the bureau determine how much power it may have available for pumping water into the San Luis Reservoir. Integration studies with the Bureau of Reclamation are also being conducted to consider the elevation of the aqueduct from San Luis to Buena Vista Lake.

In the meantime, design studies on aqueduct structures and conduit are progressing, as well as design on pumping plants 1, 2, and 3. The department is preparing factual reports on land classification, crop patterns, supplemental water requirements, repayment ability, cost of distribution systems and annual costs of water for the Maricopa Flats and Semitropic-Buttonwillow areas. These two areas are now organizing water storage districts to take water from the Feather River Project.

4. Early in this fiscal year, work on exploration, design and preparation of construction specifications for the Alameda-Santa Clara-San Benito Aqueduct was being pushed with the objective of letting construction contracts during the next summer. However, the water users of the south Bay area are not in agreement on the best way to secure new water supplies for the area. As a result, insufficient information is available to establish the nature and extent of water markets to be served by the branch aqueduct. Under these circumstances, it is not possible to determine final location for the aqueduct or to design the aqueduct. There is also some question whether or not the Airpoint Reservoir will be needed. However, land appraisals are completed and the department will soon be in a position to acquire the Airpoint and Evergreen Reservoir sites.

Upon instructions from the Governor the \$1,080,000 for acquisition of the San Luis Reservoir site has been reserved until an agreement is reached with the Bureau of Reclamation for the integration of the

Capital Outlay

Department of Water Resources—Continued

San Luis Unit of the Central Valley Project and the Feather River Project or July 1, 1957, whichever occurs earlier. For this reason none of these funds have been expended.

Of the \$9,350,000 appropriated last session, only \$5,934,900 is estimated to be expended during the current fiscal year which will leave a carry-over of \$3,415,100 available for expenditure during the next fiscal year. This carry-over has been deducted from the estimated total requirements for the next fiscal year to reduce the amount being requested. An inspection of the table on pages 123-125 of this analysis indicates that principal items of this carry-over are \$1,080,000 for acquisition of the San Luis Reservoir site and \$1,762,100 for the Alameda-Santa Clara-San Benito Aqueduct. Of this latter amount it is now anticipated that only \$427,700 will be expended during the next fiscal year, leaving a further carry-over of \$1,334,000 to be available in Fiscal Year 1958-59. A carry-over of \$283,900 of the money provided for alternative aqueduct route studies in Southern California is also anticipated.

The deficiency appropriation for the current fiscal year is exclusively to award construction contracts for the relocation of railroads and highways. This relocation construction work was not authorized in the Budget Act of 1956 so that none of the presently available carry-over money from that act can be used for construction without further legislative authorization. The \$25,190,000 provided by the deficiency appropriation, Assembly Bill No. 100, must be available at the time of contract award this spring and remain available for the full period of these contracts as provided by the State Contracts Act.

The deficiency appropriation is for two contracts to construct the relocated Highway 40 Alternate from West Branch Crossing to the upper end at Jarboe Gap, and two contracts for grading two portions of the Western Pacific Railroad roadbed from West Branch to the intake of the Las Plumas Power Plant. No additional funds are included in the deficiency appropriation for work on any other features of the Feather River Project.

The \$37,346,300 requested for construction on the Feather River Project next year is for further work at the Oroville Dam site and for the Feather River Project Aqueduct from the intake at the Delta to Devils Den which is the point where the alternative coastal routes now being studied would start. In general it is the plan of the department that the site exploration and preparation of plans and specifications for construction, as well as major design work will be largely completed during the next fiscal year. During the first part of Fiscal Year 1958-59, the award of contracts for turbines and generators and for site excavation and clearing at the three plants is anticipated. Exploration of the San Luis Reservoir site to solve certain problems of securing construction materials related to staged construction of the dam, whether the State or Federal Government builds it, is also provided. This work plus negotiations for sale of water and purchase of power is estimated to cost \$2,413,900. The sum of \$9,127,600 is requested to complete the purchase of reservoir lands at San Luis Dam site and

Department of Water Resources—Continued

forebay, Oroville Reservoir, and sites for afterbays No. 1 and 2. Money is not requested to purchase aqueduct right of way from the Delta intake to the San Luis Reservoir site or elsewhere in the San Joaquin Valley. The remainder of the amount requested for Fiscal Year 1957-58 is \$25,804,800 which is to complete the relocation of the Western Pacific Railroad, Highway 40 Alternate, the Feather River Railway and a portion of the Oroville-Quincy county road.

Our review of the department's work to date and the budget request for next fiscal year has disclosed the following points which are noted for the information of the Legislature :

1. The department has moved expeditiously to organize itself, recruit personnel and expend the funds provided for its work. More emphasis sometimes may have been placed on meeting deadlines than on economical operations. This should not be interpreted to imply that money has been wasted, but rather that deadlines have not permitted maximum economy of operations.
2. The department has been unable to utilize all the funds provided in the 1956 Budget Act because more money was appropriated than recruitment and organizational problems would permit being spent.
3. The Feather River Project and the state-wide studies and investigations are two of the main elements of the department's current program—in both of these cases it will be impossible to expend the funds provided. However, some other work of the department has proceeded on schedule. It appears that the department has chosen to utilize available manpower on work other than the Feather River Project.
4. The department's budget request for Fiscal Year 1957-58 presumes that the Bureau of Reclamation will build the San Luis Unit of the Central Valley Project on state-owned land.
5. The money requested for the relocation of the Feather River Railway is a ceiling determined by the costs of relocating the railroad. It is anticipated that the railroad will go to trucking and give up railroad hauling of logs. If such should occur, the money requested for relocations will be used in part to reinforce the relocated county road, but an additional amount will be claimed by the railway to capitalize the incremental cost of operation and maintenance resulting from converting to trucking.
6. The department has had considerable difficulty in firming up estimates on requirements for rights of way and lands. The reports of consultants and appraisers have varied considerably. As a result, the estimates contained in this budget are not so reliable as might be desired, although they may represent the best currently available. To the extent that it is possible to schedule work so that appraisals are made of lands to be purchased before money to purchase these lands is included in the budget, better and more reliable budget figures should result.

Capital Outlay

Department of Water Resources—Continued

7. In general it is noted that the Department of Water Resources has no record of costs based upon its own previous experience. Estimating costs of contract work is difficult and subject to error even in agencies with long experience. It should not be surprising if the estimates included in this and several future budgets should require revision.

The following recommendations are made:

1. The difficulties of the Alameda-Santa Clara-San Benito Aqueduct have been described. It is recommended that the Legislature thoroughly investigate the status of this work and its problems in order to determine whether work on this branch aqueduct should be continued or modified.
2. In light of the difficulties already apparent on the Alameda-Santa Clara-San Benito Aqueduct, it is recommended that the Legislature adopt the policy followed by the Bureau of Reclamation that even though construction money is appropriated, no construction is started until contracts are signed with water and power users which will reasonably assure the payment of reimbursable project costs. The establishment of such a policy by the Legislature at this time will prevent many difficult problems in the future.
3. It is recommended that the \$1,334,400 originally appropriated by the Budget Act of 1956 and which the department proposes to carry over into Fiscal Year 1958-59, should be reverted to the General Fund. If this money is needed in the future it may be reappropriated from funds then available for water resources development.
4. It is recommended that subparagraphs a, b, c, and d, below, which pertain to the budget format for the Feather River Project be adopted. The present budget format for the Feather River Project is the same as the one used for other capital outlay expenditures. This format may be satisfactory for smaller projects whose construction can be accomplished in several years and whose costs do not exceed several million dollars. However, in contrast, the Feather River Project may require 15 to 20 years to construct and state expenditures of as much as \$1,500,000,000. Therefore a new approach is needed.

The present budget format does not show the full fiscal condition of the Feather River Project when appropriations for construction, design or land acquisition extend over a period of more than three years. Nor does it show the total cost of long-term projects at the time funds are first requested.

In addition no progress schedules are provided to which the expenditure of funds and physical progress can be related. Without such comparisons it becomes difficult to detect deviations from program or slippages, particularly when carry-over money is provided.

- a. It is therefore recommended that the Department of Finance and the Department of Water Resources be instructed to prepare the

Department of Water Resources—Continued

next year's budget for the Feather River Project, or any similar projects, to show funds under the following columns: total expenditures in preceding years, actual expenditures in the year preceding the current year, estimated expenditures in the current year, estimated expenditures in the budget year, and estimated expenditures required to complete. Without this information in the budget, there is substantial danger that the Legislature will lose effective control over a project of such magnitude and scope. Even this year, which is the second year that the Feather River Project has appeared in the budget, it is exceedingly complex and difficult to understand.

- b. It is further recommended in order to strengthen legislative control over appropriations for the Feather River Project, that the project be presented in a series of budget items based upon the natural divisions of the project. Thus, there should be a separate budget item for the following:

Oroville Dam, powerhouse, switchyards and afterbays.

Intake at the delta, pumping plants and aqueduct to San Luis Reservoir.

Alameda-Santa Clara-San Benito Aqueduct, reservoirs, and facilities.

San Luis Reservoir, dam, and forebay or afterbay; or incremental state costs of federal San Luis Project.

Aqueduct and pumping plants from San Luis to the Tehachapi Mountains.

Aqueduct, pumping plants and power drops to Southern California.

Aqueduct and facilities from San Bernardino into San Diego County.

Even with this number of budget items, there will ultimately be several hundred million dollars in most of these budget items. *The recommendations to utilize this breakdown is considered so important that we believe the budget should be revised at this time to conform to the above breakdown or a similar breakdown before it receives legislative approval.* This revision is relatively easy to make and should not require long to complete.

- c. The appropriation for the Feather River Project contained in the Budget Act of 1956 is from the General Fund. The present appropriation and the deficiency appropriation are from the Water Development Fund. These various appropriations contain expenditures for laboratory and drilling equipment, office equipment and desks, which are capital outlay items; expenditures for negotiation of water sales contracts and contracts for the purchase of power, which are operating items; and finally expenditures for further planning money for alternative aqueduct routes to Southern California, which is a support item. In addition, clerical and administrative personnel working on the Feather River Project are in the department's support budget and charged to the

Capital Outlay

Department of Water Resources—Continued

General Fund. The State does not yet have a policy for handling these expenditures and for segregating them among funds or sources of revenue. If the Water Development Fund is established, it presently appears that its intent will be to finance the construction costs of projects. In such an event it is recommended that the Department of Finance and the Department of Water Resources study this problem in the light of legislative enactments of this general session and include in the Budget Act of 1958 suitable transfer items to charge these expenditures to their proper respective funds.

- d. It is important, if the Legislature chooses to appropriate funds for the annual construction requirements of the Feather River Project and other water projects with the intent of directly controlling such a construction program, that there be a system for reporting expenditures and work completed on each project for each year and showing the relationship of that expenditure to budget requests. It is suggested that three elements of any construction program are important to achieve this objective: (1) the amount of money required, (2) the period of time covered by the expenditure, and (3) the actual work to be done. It is relatively easy to determine these three elements initially, but it is difficult to report periodically on progress of the construction program and to relate the progress to future requirements and slippages expressed in budget estimates. It is nevertheless recommended that such a system is necessary for good legislative control of this program and that the Department of Water Resources be instructed to install such a system as soon as possible. Only the Feather River Project is under construction at this time. But the Legislature has already provided funds to acquire five other reservoir sites. Additional projects are being publicly discussed for state construction and it may not be long before the Department of Water Resources will have several projects under construction. It is not too early now to establish a good system of program control before serious problems arise.

Mention has already been made of some of the estimating and programming problems encountered in the preparation of this budget. Other deficiencies exist in this budget submission, some of which are commented upon in the support section of the department's budget. It is obvious that a new department with a major construction program is not created in a period of several months. The Department of Water Resources recognizes this and in certain instances is aware of deficiencies and is moving to correct them. For this it deserves credit and encouragement. *Recognizing these problems facing the department, it is recommended that this budget request be approved without reduction, but that the department be urged to submit a tighter, better estimated budget next year.*

Capital Outlay

Department of Water Resources—Continued

ITEM 419 of the Budget Bill

Budget page 1356
Budget line No. 74

FOR ALLOCATION TO THE RECLAMATION BOARD TO PAY THE COSTS OF LOCAL COOPERATION IN FEDERAL FLOOD CONTROL PROJECTS IN THE CENTRAL VALLEY FROM THE FLOOD CONTROL FUND OF 1946

RECOMMENDATIONS

Amount budgeted	\$5,410,000
Legislative Auditor's recommendation	5,410,000
Reduction	None

This budget item provides money to pay the costs of local cooperation with the Corps of Engineers on flood control projects in the Central Valley. The money is allocated from the Flood Control Fund of 1946 to the State Reclamation Board. The Reclamation Board is responsible for furnishing local cooperation in the Central Valley in somewhat the same manner as local flood control agencies do in other parts of the State. All costs of local cooperation, whether incurred by the Reclamation Board or local flood agencies, are paid by the State through the Flood Control Fund of 1946. For a more complete discussion of the Flood Control Fund of 1946, refer to the analysis under Budget Item 434.

Requests from the Reclamation Board for allocations from the Flood Control Fund have been substantially overestimated in past years, judged by the amounts of money eventually reverted to the fund. While it is recognized that the task of estimating the requirements from the fund is difficult and is partially dependent on anticipating congressional appropriations, the Reclamation Board is urged to give more careful attention to this problem in order to bring its estimates more closely in line with actual requirements and is further urged to revert surplus allocations as soon as the surplus is definite. In particular the Department of Finance and the Reclamation Board are urged to be more specific in describing the projects and portions of projects for which money is requested and wherever possible, to include estimates of any carry-over and expenditures required in future years to complete the work.

Allocations from the Flood Control Fund of 1946 are requested for the following projects:

1. Sacramento River Flood Control Project. \$1,700,000 is requested to meet the costs of state participation in the Corps of Engineers flood control project on the Sacramento River, which is a continuing project. The estimated breakdown of the request is \$750,000 for the Sacramento River and tributaries, \$200,000 for completion of the north bank levees of the American River, and \$750,000 for major and minor tributaries. Approval is recommended.
2. Lower San Joaquin River Flood Control Project. Budget Item 419, Budget Act of 1956 allocated \$600,000 to begin work on construction of the San Joaquin River Flood Control Project. This is

Capital Outlay

Department of Water Resources—Continued

a state-constructed project, constructed under authority of Section 8621 of the Water Code, in lieu of state acquisition of lands for cooperation in a federal flood control project. The plan of construction is set forth in the report on Control of Floods, San Joaquin River and Tributaries, July, 1954, and revisions. The project is currently estimated to cost \$6,500,000 and is scheduled for completion by July 1, 1960. The work is considered very important since it provides the link between the flood control features of Friant Dam and the levee and channel work of the Corps of Engineers on the lower San Joaquin River. \$2,650,000 is being requested for the following purposes: \$350,000 is for acquisition of lands and payment of other local costs of cooperation associated with the work of the Corps of Engineers along the lower San Joaquin River. The remaining \$2,300,000 is for the following construction work to be performed under contract by the Department of Water Resources: channel and levee work from a point two miles downstream from Turner Island Bridge to Mendota Dam; reconstruct existing levees, enlarge channel and clear vegetation along the Pick Anderson By-pass; complete downstream levees along Fresno River By-pass; construct levees on both sides of Chamberlain Slough By-pass; construct or reconstruct levees along Eastside By-pass; and remove brush along San Joaquin River from Mendota Pool to Gravelly Ford. Approval is recommended.

3. Calaveras River and Littlejohn Creek. This request is for \$10,000 to obtain the necessary borrow areas and rights of way to go along with an anticipated \$200,000 expenditure by the Corps of Engineers. This work is to revise certain features of the completed project which did not function as planned during the floods of last year. No additional money is expected to be required in the future. Approval is recommended.
4. Merced County Stream Group. \$200,000 is requested for costs of local cooperation and for state expenditure in channel clearance under terms of Section 12650 of the Water Code. This request is expected to complete work on this project. Approval is recommended.
5. Middle Creek Flood Control Project. This is a new Corps of Engineers project authorized for state cooperation by Section 12656.5 of the Water Code. The project covers levees, channel clearance and a diversion channel on a group of streams tributary to Middle Creek. The request for \$850,000 is expected to cover all project costs. Approval is recommended.

The request for a total allocation of \$5,410,000 from the Flood Control Fund to the Reclamation Board is recommended for approval.

Capital Outlay

UNALLOCATED

ITEM 420 of the Budget Bill

Budget page 1358
Budget line No. 18

FOR PROJECT PLANNING TO BE ALLOCATED BY THE DIRECTOR OF FINANCE FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$650,000
Legislative Auditor's recommendation.....	650,000
<hr/>	
Reduction	None

ANALYSIS

This item would provide for the continuation of the policy of permitting preliminary planning on all projects to be included in future budgets so that accurate information is available for presentation to the Legislature. The money will be allocated in accordance with the program needs of each agency. Approval is recommended.

ITEM 421 of the Budget Bill

Budget page 1358
Budget line No. 20

FOR MISCELLANEOUS REPAIRS, IMPROVEMENTS, AND EQUIPMENT, TO BE ALLOCATED BY THE DIRECTOR OF FINANCE, FROM THE CAPITAL OUTLAY AND SAVINGS FUND

RECOMMENDATIONS

Amount budgeted	\$200,000
Legislative Auditor's recommendation.....	200,000
<hr/>	
Reduction	None

ANALYSIS

This item represents a continuation of a policy of providing what amounts to an emergency fund for miscellaneous repair and construction items that occur during the fiscal year and which have not been foreseen. In the 1956 Budget Act \$200,000 was provided for this purpose but it is now estimated that no more than \$175,000 will be expended. We believe that an item for emergency purposes is justified. However, it should be stressed that allocations made from this item should be for true emergency purposes that cannot wait for legislative appropriation in the following year.

We have been reviewing allocations made for similar items in prior years and we find in a number of cases that the allocations were of such nature that they could readily have waited for legislative review and specific appropriation. Furthermore, since this item is intended essentially for emergency purposes we can see no justification for making the item available for longer than the one fiscal year. Consequently, we recommend approval of the item but with a language change requiring reversion of uncommitted balances at the end of the 1957-58 Fiscal Year.

In addition we recommend that the budget document hereafter include a listing of the individual projects for which allocations were made from this item in each prior year in the same manner as is the "emergency fund" item.

Capital Outlay

Unallocated—Continued

ITEM 422 of the Budget Bill

Budget page 1016
Budget line No. 12

FOR TRANSFER BY THE STATE CONTROLLER TO THE CAPITAL OUT-
LAY AND SAVINGS FUND FROM THE GENERAL FUND

RECOMMENDATIONS

Amount budgeted	\$110,491,034
Legislative Auditor's recommendation	Subject to adjustment
Reduction	Indeterminate

ANALYSIS

This item would provide the necessary funds to make the Capital Outlay and Savings Fund solvent to the extent that appropriations are made from it. As presented, the Governor's Budget includes a total of new appropriations from the Capital Outlay and Savings Fund of \$110,595,728. However, actual expenditures scheduled are \$117,970,301. The difference between the two figures is made up by an unexpended carryover of \$6,707,017 and \$812,250 from interest on investments which would make, together with this item, a total availability of \$118,010,301. This would provide an excess of \$40,000 to cover the unexpended appropriation for the acquisition of a site for the Crystal Creek Honor Camp in Shasta County.

The exact amount of this item will depend on whatever adjustments are made in the individual appropriation items by the Legislature.

AUGMENTATION

The Budget Bill for 1957 does not include an item for augmentation of projects to be payable from the Capital Outlay and Savings Fund. However, Section 6.4 of the bill provides for the continuation of Item 399 of the Budget Act of 1955, which is an augmentation item. Into this will continue to be placed the savings generated by various projects upon completion. It is anticipated that the total available through this method, through the 1957-58 Fiscal Year, will be approximately \$5,911,339 as shown on page 1006, line 48 of the printed budget document. The need for this sum of money is based on the assumption that about 80 million dollars' worth of the projects contained in the new appropriations will be subject to a possible 5 percent cost increase, or 4 million dollars. In addition, projects which were previously funded, but which have not yet gone to bid, will require a sum approaching 2 million dollars. We believe that these estimates are reasonable. The amount that can be accumulated in Item 399 is partially dependent on the amount authorized for transfer from the General Fund to the Capital Outlay and Savings Fund by Item 422 of the 1957 Budget Bill. We recommend that the Department of Finance be permitted to accumulate this sum if, as and when possible.