

# Long-Term Capital Improvement Funding Plan

*April 21, 2015*

# Overview

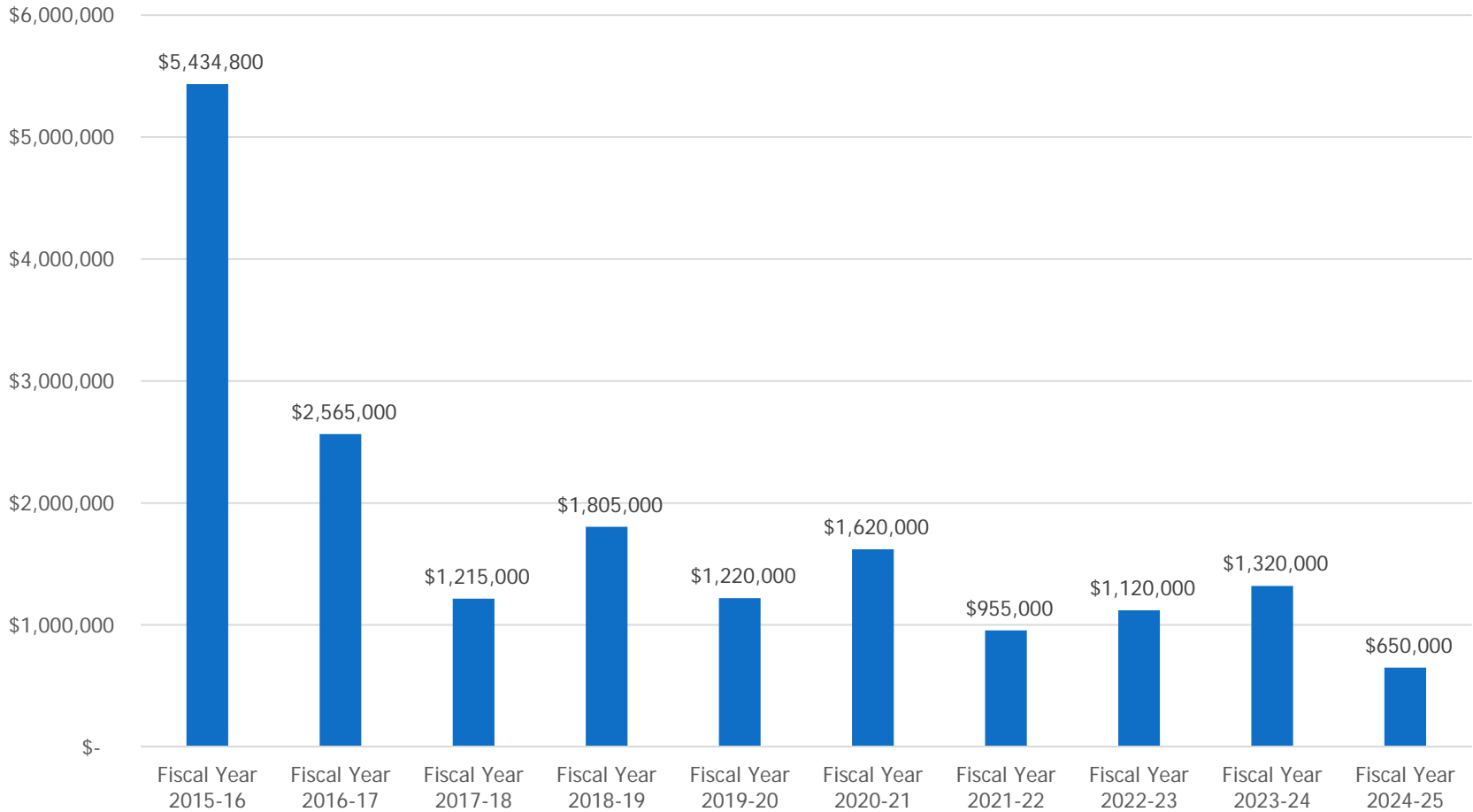
- Long-term 10 year view to know what's planned
- Project Overview
  - Focus on FY 2015-16 and FY 2016-17
- Funding Plan



# FY 14-15 CIP Update

- Bulk of Items Completed
  - 7 Year Pavement Rehabilitation Plan
  - Central Park Playground consideration tonight
- Carryover Items
  - Water Projects
  - City Yard Improvements
  - Arterial Street Projects
  - Civic Center

# Annual Estimated CIP Project Costs 10 Year Plan



# 10 Year CIP Summary by Project Type

Project Summary	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
Arterial Street Rehabilitation	2,215,000	750,000	265,000	450,000	415,000
Residential Street Rehabilitation	155,000	125,000	125,000	375,000	325,000
Intersection Improvements	246,000	-	-	-	-
Water and Sewer Projects	1,697,300	645,000	750,000	535,000	380,000
Facilities Upgrades and Repairs	339,700	1,045,000	75,000	445,000	100,000
Street Light Project	781,800	-	-	-	-
	<b>\$ 5,434,800</b>	<b>\$ 2,565,000</b>	<b>\$ 1,215,000</b>	<b>\$ 1,805,000</b>	<b>\$ 1,220,000</b>

Project Summary	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Arterial Street Rehabilitation	800,000	15,000	250,000	290,000	-
Residential Street Rehabilitation	355,000	425,000	425,000	475,000	125,000
Intersection Improvements	-	-	-	-	-
Water and Sewer Projects	330,000	410,000	350,000	480,000	410,000
Facilities Upgrades and Repairs	135,000	105,000	95,000	75,000	115,000
Street Light Project	-	-	-	-	-
	<b>\$ 1,620,000</b>	<b>\$ 955,000</b>	<b>\$ 1,120,000</b>	<b>\$ 1,320,000</b>	<b>\$ 650,000</b>

# 10 Year CIP Summary by Project Funding Source

Funding Source	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
Capital Outlay Reserve (COR)	2,512,738	1,609,282	139,240	929,755	486,592
Water	1,256,000	195,000	465,000	250,000	95,000
Sewer	441,300	450,000	285,000	285,000	285,000
Measure M	252,562	267,505	281,510	294,933	307,009
Gas Tax	42,200	43,213	44,250	45,312	46,399
CDBG	180,000	-	-	-	-
OCTA	750,000	-	-	-	-
	<b>\$ 5,434,800</b>	<b>\$ 2,565,000</b>	<b>\$ 1,215,000</b>	<b>\$ 1,805,000</b>	<b>\$ 1,220,000</b>

Funding Source	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Capital Outlay Reserve (COR)	923,608	122,725	333,107	387,977	-
Water	45,000	125,000	65,000	95,000	125,000
Sewer	285,000	285,000	285,000	385,000	285,000
Measure M	318,879	373,621	387,072	401,006	415,442
Gas Tax	47,513	48,653	49,821	51,017	52,241
CDBG	-	-	-	-	-
OCTA	-	-	-	-	-
	<b>\$ 1,620,000</b>	<b>\$ 955,000</b>	<b>\$ 1,120,000</b>	<b>\$ 1,320,000</b>	<b>\$ 877,683</b>

# COR Fund Balance

	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
Available COR	5,751,844	3,489,106	2,129,824	2,240,584	1,660,829
Current Year Transfer	250,000	250,000	250,000	350,000	395,000
Other Funds (w/o water and sewer)	1,224,762	310,718	325,760	340,245	353,408
subtotal	7,226,606	4,049,824	2,705,584	2,930,829	2,409,237
Expenses	(3,737,500)	(1,920,000)	(465,000)	(1,270,000)	(840,000)
Balance Forward	3,489,106	2,129,824	2,240,584	1,660,829	1,569,237

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Available COR	1,569,237	1,040,629	1,312,904	1,374,796	1,381,819
Current Year Transfer	395,000	395,000	395,000	395,000	395,000
Other Funds (w/o water and sewer)	366,392	422,275	436,893	452,023	467,683
subtotal	2,330,629	1,857,904	2,144,796	2,221,819	2,244,502
Expenses	(1,290,000)	(545,000)	(770,000)	(840,000)	(240,000)
Balance Forward	1,040,629	1,312,904	1,374,796	1,381,819	2,004,502

## SFP dictates \$2M COR Fund Balance

- Re-Builds to \$2M over 10 Years, while allowing for GF Transfer Savings in the next 4 Years

# Water Fund Balance

	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
Available Water	5,004,600	3,596,100	3,248,600	2,631,100	2,228,600
Less Reserve	(3,331,809)	(3,331,809)	(3,331,809)	(3,331,809)	(3,331,809)
Current Year Transfer	(152,500)	(152,500)	(152,500)	(152,500)	(152,500)
subtotal	1,520,291	111,791	(235,709)	(853,209)	(1,255,709)
Expenses	(1,256,000)	(195,000)	(465,000)	(250,000)	(95,000)
balance Forward	264,291	(83,209)	(700,709)	(1,103,209)	(1,350,709)

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Available Water	1,981,100	1,783,600	1,506,100	1,288,600	1,041,100
Less Reserve	(3,331,809)	(3,331,809)	(3,331,809)	(3,331,809)	(3,331,809)
Current Year Transfer	(152,500)	(152,500)	(152,500)	(152,500)	(152,500)
subtotal	(1,503,209)	(1,700,709)	(1,978,209)	(2,195,709)	(2,443,209)
Expenses	(45,000)	(125,000)	(65,000)	(95,000)	(125,000)
balance Forward	(1,548,209)	(1,825,709)	(2,043,209)	(2,290,709)	(2,568,209)

Water Capital Reserve Policy, per Muni Code, is 10% of the replacement value of the fixed assets.

- Utility Rate Study underway will need to address the sizeable Capital Project deficits beginning in FY 16-17



# Sewer Fund Balance

	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
Available Sewer	3,564,246	3,122,946	2,672,946	2,387,946	2,102,946
Less Reserve	(2,238,687)	(2,238,687)	(2,238,687)	(2,238,687)	(2,238,687)
current year transfer	(175,500)	(175,500)	(175,500)	(175,500)	(175,500)
subtotal	1,325,559	884,259	434,259	149,259	(135,741)
Expenses	(441,300)	(450,000)	(285,000)	(285,000)	(285,000)
Balance Forward	884,259	434,259	149,259	(135,741)	(420,741)

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Available Sewer	1,817,946	1,532,946	1,247,946	962,946	577,946
Less Reserve	(2,238,687)	(2,238,687)	(2,238,687)	(2,238,687)	(2,238,687)
current year transfer	(175,500)	(175,500)	(175,500)	(175,500)	(175,500)
subtotal	(420,741)	(705,741)	(990,741)	(1,275,741)	(1,660,741)
Expenses	(285,000)	(285,000)	(285,000)	(385,000)	(285,000)
Balance Forward	(705,741)	(990,741)	(1,275,741)	(1,660,741)	(1,945,741)

Sewer Capital Reserve Policy, per Muni Code, is 10% of the replacement value of the fixed assets.

- Utility Rate Study underway will need to address the sizeable Capital Project deficits beginning in FY 18-19

# Arterial Street Rehabilitation



# Arterial Street Rehabilitation

Street	Project	FY 15-16	FY 16-17
Valley View St.	Orangethorpe Ave. to 183 <sup>rd</sup> St.	600,000	
Valley View St.	South City Limits to Thelma Ave		200,000
La Palma Ave.	Moody St. to Valley View St.	1,150,000	
Orangethorpe Ave.	Moody St. to Walker St.		550,000
Fresca/Marlin	Walker St. to Valley View St.	450,000	
	Arterial Pavement Management Plan	15,000	
	Arterial ADA Ramp Improvements (Grant Funded)	246,000	
<b>Total</b>		<b>\$2,461,000</b>	<b>\$750,000</b>
	Street Light Purchase w/LED Light Improvements	\$781,000	

# Residential Pavement Management Program



# Local Street Projects

**Project**

**FY 15-16**

**FY 16-17**

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## **Residential Pavement Management**

Residential Pavement Management Plan

30,000

Curbs, Gutters and Sidewalks and ADA Ped  
Ramps

125,000

125,000

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**Total**

**\$475,000**

**\$15,000**

# Water and Sewer System Improvements



# Water System Improvements



Project	FY 15-16	FY 16-17
SCADA Upgrades (Walker Well)	110,000	
City Yard Engineered Pump Suction	150,000	
Water Treatment Preliminary Design		75,000
Walker Well Pump Replacement		75,000
Pipeline Condition Assessment	40,000	
City Yard Pavement (50%)	53,500	
Climatec Energy Project (Solar)	625,000	
City Yard Reservoir Assessment		25,000

# Water System Improvements (cont.)

Project	FY 15-16	FY 16-17
Water Valves & Sewer Manholes	20,000	20,000
City Yard Fence (50%)	15,500	
City Yard Storm Drains (50%)	46,000	
City Yard Storage Bin Roof	12,500	
Urban Water Master Plan	55,000	
City Yard Interior Improvements – ADA, restrooms, flooring, offices, etc	103,500	
Walker Well Fence	25,000	
<b>Total</b>	<b>\$1,256,000</b>	<b>\$195,000</b>



# Sewer System Improvements



Project	FY 15-16	FY 16-17
Annual Sewer Deficiency Repairs	250,000	250,000
Annual Grease and Encrustation Removal	75,000	75,000
Sewer System Evaluation & CCTV Review	60,000	60,000
Water Valves & Sewer Manholes	30,000	30,000
SEDARU Utility Management Software		35,000
City Yard Fence (10%)	3,100	
City Yard Storage Bin Roof (10%)	2,500	
City Yard Interior Improvements –	20,700	
<b>Total</b>	<b>\$441,300</b>	<b>\$450,000</b>

# Facilities Projects

Project	FY 15-16	FY 16-17
City Council Chambers Rehabilitation	60,000	
City Yard Paving (50%)	53,500	
City Yard Storage Bin Roof (40%)	10,000	
City Yard Fence (40%)	12,400	
City Yard Storm Drains (40%)	46,000	
City Yard Interior Improvements	82,800	
ADA Prioritized Improvements	75,000	75,000
Civic Center Improvements		970,000
<b>Total</b>	<b>\$339,700</b>	<b>\$1,045,000</b>

# Additional Unfunded Projects

- Recycled (non-potable) Water
- Water Treatment Plant
- La Palma/Del Amo Bridge
- Medians
- Civic Center

Pursuing grants or financing to fund these projects.

# Conclusions & Next Steps

- COR Fund retains \$2M Fund Balance at conclusion of 10 Year cycle.
- Water and Sewer Funds are underfunded and need to be addressed by the Utility Rate Study and/or deferring or eliminating CIP Projects.
- Staff will return with proposed CIP in the Draft FY 2015-16 Budget
- City Council input prior to adoption

# Questions?

