



# Agenda Report

**MEETING DATE:** Tuesday, May 4, 2021

**TO:** Planning Commission

**FROM:** ADMINISTRATIVE SERVICES DIRECTOR CZERWIN  
COMMUNITY DEVELOPMENT DIRECTOR MERRIAM  
PRINCIPAL PLANNER MEEK, AICP

**SUBJECT:** RECOMMENDATION TO CITY COUNCIL TO ADOPT THE CITY'S  
2021-2022 and 2022-2023 CAPITAL IMPROVEMENT PROGRAM

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## **STATEMENT OF ISSUES:**

The City Charter charges the Planning Commission with reviewing the proposed Capital Improvement Program (CIP), determining the appropriateness of the prioritized list of public improvements, recommending capital improvements to the City Council and informing the City Manager's annual budget message. The Capital Improvement Program (CIP) is a comprehensive planning instrument used by the City to identify needed capital projects and to coordinate the timing and financing of these projects in a way that ensures their implementation. The CIP is adopted in conjunction with the annual City budget.

## **RECOMMENDED ACTION:**

Staff recommends that the Planning Commission recommend adoption of the City's 2021-2022 and 2022-2023 Capital Improvement Program (CIP), to the Council and City Manager for the proposed public improvements.

## **DISCUSSION:**

The City Charter charges the Planning Commission with reviewing the proposed Capital Improvement Program, determining the appropriateness of the prioritized list of public improvements, recommending capital improvements to the City Council and informing the City Manager's annual budget message.

Section 907(b) of the City Charter says "The Planning Commission shall have the power and duty to: (b) List and classify annually all proposed public improvements recommended by officers, departments, boards or commissions of the City and recommend to the Council and the City Manager a coordinated program of proposed public improvements for the ensuing five (5) year period, according to a logical order of priority."

Section 1109 provides in pertinent part "the City Manager shall include a statement of pending capital projects and proposed new capital projects, relating the respective amounts proposed

to be raised therefor by appropriations in the budget, and the respective amounts, if any, proposed to be raised therefor from other sources during the budget year.

Section 1110 provides “The City Manager shall also include in the (Budget) message, or attach thereto, a program of proposed public improvements for the ensuing five (5) year period prepared by the Planning Commission in accordance with Section 907 (b), together with his (sic) comments thereon.

Process: Last year all departments were asked to submit and participate in a process to develop a comprehensive capital plan, this year, they were asked to update that plan. All departments were asked to submit their capital needs to the Capital Planning Committee. Departments were encouraged to submit all their known capital needs knowing that the City may not be able to fund all projects but to inform the scope of need within the City. Several departments have recently been through Master Planning processes which informed their requests. Furthermore, the Public Works and Utility departments have recently completed a rate study and incorporated their capital plans into that study.

#### **PLANNING ANALYSIS:**

The prioritization and decision process differed depending on funding source. For the General Fund, this year’s guiding principles were:

- 1) To group like projects together as much as possible in order to create efficiencies by collaborating across the City;
- 2) To match or sync up with grant or other funding activities occurring at the same time; and
- 3) Projects required by changes in law or operational necessity.
- 4) Maximize the use of fund balance from other available funds to preserve General Fund for projects with no other funding options

Based on the above criteria, the General Fund has a high priority on Parks projects this year. Many to coincide with large grants and projects already begun at Ramsay Park. The Program has been reviewed and agreed to by all departments involved. This is a preliminary recommendation as funding availability may change before budget adoption and appropriation by the City Council.

Most projects will not be funded through the General Fund and will be managed by the Public Works and Utilities Department. Both the Wastewater and Water enterprises completed comprehensive master plans in recent years which informed their proposals.

#### **Wastewater Master Plan**

In December 2018, staff began working on the Master Plan to identify aging infrastructure needs and develop a capital improvement program. The Master Plan scope included the following:

- Treatment Facility Condition Assessment and Hazard Vulnerability: An assessment of the condition and natural hazard vulnerability of prioritized wastewater treatment plant infrastructure including a majority of the liquid and solids treatment facilities.

- Collection System Pump Stations Condition Assessment and Flooding Vulnerability: An assessment of needs, priorities, and timing of projects at 13 sanitary sewer collection system pump stations that were visually assessed by City staff.
- Capital Improvement Recommendations: Development and prioritization of future project recommendations with planning-level cost estimates for consideration with the City's Capital Improvement Plan (CIP).

### **Water System Master Plan**

In May 2019, staff began working on a Water System Master Plan to develop operational and maintenance recommendations and a capital improvement program that addresses aging infrastructure and future development needs. The Water System Master Plan scope included the following tasks:

- Condition Assessment and Hazard Vulnerability: An assessment of the condition and preliminary natural hazard vulnerability of most water infrastructure including 11 wells, 4 steel tanks, 2 distribution pump-station buildings and 2 earthen reservoirs.
- Future Water Demand Projections and Existing System Capacity: An evaluation of future water demand and related impact on existing system infrastructure capacity using a hydraulic model developed by City staff.
- Capital and Maintenance Improvement Recommendations: Development and prioritization of future project recommendations with planning-level cost estimates for consideration with the City's Capital Improvement Plan (CIP).

### **Transportation**

Transportation projects were selected for the Capital Improvement Program due to need and available funding. Need is often based on safety. Facilities become unsafe when they wear out, grow old or become outdated. Major arterial roads have more traffic and wear out quicker than lesser-travelled roads. Sidewalks and pedestrian or bike trails grow old and break up. Streetlights, traffic lights, striping and signage must be updated to use new and more effective technology following industry best management practices. Changing conditions, such as increased population, may require that facilities be upgraded or expanded.

Funding comes from many sources and each has its own requirements. Three of the sources, Gas Tax, Measure D, and SB1 have similar requirements and can be used on design and construction of transportation projects that include road repair and rehabilitation, traffic signals, safety improvements and bicycle and pedestrian improvements. The City also secures grant funding through the State and Federal government that is awarded on a competitive basis. These grants often focus on an area, such as safety, pedestrian facilities, bicycle facilities or reducing pollution. Another source of funding is developer fees, which are collected for specific improvements in an area and use restricted to that purpose.

### **General Plan Consistency**

The 2005 General Plan calls for the identification of public infrastructure needs using the Capital Improvement Program to schedule improvements necessary to achieve long-term land use and community development objectives (Policy 11b in Chapter 11 Public Facilities and Services).

Projects include maintenance and repair of City facilities and Citywide street maintenance, among others. Staff believes that the prioritized list of projects meets the goals of the General Plan in funding the repair and maintenance of public infrastructure, including City facilities, roads, and parks.

**Major Recommendations:**

**The CIP plan considers a four-year horizon. The Council will approve and appropriate FY 2021-2022.** A summary of recommended projects for all years is included in Table 1. A detailed list of each project is included in Exhibit A. For the last 4 years of this Program, fiscal years 2022-23 through 2024-25, potential projects have been identified and should be considered for planning purposes only. These projects have been identified as priorities by departments for the remaining years of the five-year Capital Improvement Program.

**Table 1**

	<b>FY 21/22</b>	<b>FY 22/23</b>	<b>FY 23/24</b>	<b>FY 24/25</b>
<b>Air</b>	195,000	390,000	135,000	360,000
<b>General Fund</b>	3,553,957	5,052,483	1,003,000	1,045,000
<b>Sewer</b>	4,864,468	2,501,448	18,905,861	1,530,881
<b>Solid Waste &amp; Landfill</b>	1,243,300	3,594,582	4,218,302	81,182
<b>Transportation</b>	6,157,799	16,155,000	3,750,000	1,525,000
<b>Water</b>	5,588,540	13,278,868	4,082,667	25,449,241
<b>Other Funds</b>	2,415,000	1,458,853	1,261,000	1,935,000
<b>Total</b>	<b>24,018,064</b>	<b>42,431,234</b>	<b>33,355,830</b>	<b>31,926,304</b>

**STRATEGIC PLAN:**

03-Infrastructure & Environment

**FINANCIAL IMPACT:**

The projects proposed have all been evaluated to ensure that the amounts proposed are sustainable for the funds and they are all subject to appropriation from the City Council.

**ALTERNATIVE ACTION:**

The planning commission may choose not to recommend the Capital Improvement Program on to the City Council.

**ATTACHMENTS AND/OR REFERENCES (If any):**

Exhibit A: Proposed Projects for Fiscal Year 2021-2022 to 2024-2025 Capital Improvement Program