



## Staff Report

**TO:** Mayor and City Council Members  
**FROM:** Kristine Day, Assistant City Manager  
**DATE** May 4, 2021  
**SUBJECT: Review Draft Capital Improvement Plan (CIP) for Fiscal Years 2022-2026 and Prior Year Project List**

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### **Background and Analysis:**

Each year as part of the budgetary process, the City Council reviews and adopts a five-year capital improvement plan (CIP) pursuant to the California Government Code. Adoption of the CIP requires the City Council to hold a public hearing and adopt a resolution. City staff intends to bring back the CIP for formal action on June 1, 2021.

As part of this staff report, both a draft prior year project list and a draft CIP have been provided for the City Council's review and direction for any modifications. During the presentation, a full overview of projects by funding source will be provided. Some of the projects identified and listed in the plan are projects which will be constructed with restricted funds such as development impact fees.

### **Prior Year CIP Project List**

This project list is a culmination of prior year CIP projects dating back to 2016, which are active and underway. This list indicates the status and funding source for each. Many of these projects are under design or construction. Many of the projects listed in the Prior Year CIP have moved from 5-year CIP FY2021. Projects T-02 through T-06 have been added to the City's CIP to coincide with the Transit Capital Plan.

### **Five Year Capital Improvement Plan FY2022-2026**

Attached is the proposed CIP for City Council's review and direction on projects proposed for FY2022-2026. The proposed project list continues to provide a balance of projects City-wide including street improvements, public safety, quality of life, facility maintenance and wastewater system improvements based on the priorities of the City Council. Projects are categorized by funding source, some of which are restricted funds that must be used to increase capacity of infrastructure and for purposes consistent with the specified impact fee. City staff will provide an overview and more information on

each project during the presentation. Below is an overview of several key project categories.

### Street Improvement Projects

Several street improvement projects are included with a variety of funding sources such as Measure A, SB1, CDBG, and Traffic Signal DIF. City Council approved a list of street rehabilitation and slurry seal projects at the April 20, 2021, meeting which will be funded through Measure A, SB1, General Fund and CDBG funds. Funds have been allocated this fiscal year to perform necessary traffic studies as well as associated improvements to address traffic congestion, circulation capacity and public safety. CDBG funds have been programmed to enhance the street rehabilitation program in the City core and other eligible segments of town. This will increase street maintenance roughly \$130,000 annually.

### Public Safety Projects

The aging facilities of the Police Department will require new facilities in the future. A feasibility study is in progress to provide facility space planning, conceptual drawings, and construction cost estimates to allow the City Council to plan for this facility in the future. Included in the CIP is placeholder of \$40 million for a new facility in the future funding category.

### Quality of Life Projects

\$250,000 from CFD funds have been added for Phase 2 of the Playground Shade Covers Project as an estimated cost for 2 additional permanent shade structures in the park system.

### Wastewater System

The wastewater master plan is currently underway and will provide a list of system improvements which will be incorporated into future CIPs. A workshop presenting the Wastewater Master Plan to the City Council is anticipated in July 2021, with an integrated CIP between the lift stations, collection system and the wastewater treatment plant. The mitigation of inflow and infiltration of storm water into the wastewater system continues to be an identified need. Funds have been programmed over several fiscal years to address this issue.

Also included is the design and construction of the 16" force main from the Mesa Lift Station to the wastewater treatment plant as well as the pump replacement for the lift station build out. The design portion of this project is anticipated to be approximately \$450,000 and probable construction costs to be around \$4.75 million. These projects have been added to FY2022 and FY2023.

Once the new plant is fully operational and the wastewater master plan is complete, a new rate study will be needed, and those funds have been programmed for FY2022. Additionally, in FY2024 and FY2026, large replacement maintenance items for the RO system and the UV system at the treatment plant have been included.

#### Internal Service Fund - Buildings

In December 2020, City Council approved the creation of the Internal Service Fund for building maintenance and placed \$3.5 million of seed funding to start needed maintenance projects. Projects slated for FY2022 include maintenance to City Hall including the roof, HVAC replacements, fire system update associated with office space remodels, bathroom updates and window replacements for Building B. Fire Station 66 will undergo HVAC replacements along with duct cleaning/repair/replacements. The Police Station will replace HVAC units and replacement of lifted concrete around the building. Lastly, irrigation replacement with smart technology for better management of the irrigation system citywide has been included for FY2022.

#### **Fiscal Impact:**

The Finance Department has reviewed both the draft prior year CIP project list and the draft five-year CIP. All projects on the prior year project list are funded or awaiting grant dollars for construction. Funding for projects listed in the FY2022 column can be fully funded with the identified funding source. City staff estimates that it cost approximately \$9,750 to prepare this report.

#### **Recommended Action:**

Review the Draft Capital Improvement Plan for FY 2022-2026 and the Prior Year Project List and provide direction to City staff.

#### **Attachments:**

- A. Draft Prior Year CIP Project List
- B. Draft Five Year Capital Improvement Plan FY 2022-2026