

CITY OF PLACERVILLE



PROPOSED CAPITAL IMPROVEMENT PROGRAM BUDGET

2016/2017

CAPITAL IMPROVEMENT PROGRAM POLICY

Each year the City faces the challenge of meeting infrastructure and equipment needs with limited financial resources. The Capital Improvement Program Budget is designed to address the large financial investment that is required to maintain and expand public facilities and infrastructure. Ongoing service delivery can be assured only if adequate consideration is given to capital needs including capital asset replacement. If the City were to fail to maintain its capital assets, facilities and infrastructure will deteriorate until costly, constant maintenance is required, service levels are threatened, and community growth stagnates or even declines.

- In contrast to the Operating Budget, the Capital Improvement Program is a multi-year planning document. With respect to capital projects, it sets our goals for the next few years within what we believe to be realistic revenue projections.
- Capital assets are defined as a new or rehabilitated physical asset that is nonrecurring, has a useful life of five years or more, and is expensive to purchase. Capital projects are undertaken to acquire a capital asset. Examples of capital projects include construction of public facilities, major street improvements, and the acquisition of large pieces of equipment.
- Each project, shown within this document, indicates the potential funding sources based upon a number of restrictions that are common to local government revenue sources. As an example, we can build roads with gas tax funds and development impact funds, but not with park development funds.
- The funding strategy for the capital improvement program is to use all available restricted funds before general capital improvement funds. This maintains the City's flexibility to fund priority projects without regard to the source of revenues.
- Because of limited resources, the City's strategy during the last several years has been to contribute any carry-over from the prior year's operating budget to the General Capital Improvements Fund. This is the only true source of unrestricted capital improvement funds within the City. With the backlog of street and building maintenance projects, the City's goal is to someday allocate a percentage of sales tax revenues to be used only for capital improvements. This will assure long-term financial health of the City.

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2016/2017 CAPITAL IMPROVEMENT PROGRAM PROJECTS

TIM Fee Update (CIP #41701)

DESCRIPTION:

This project involves the update of the City's Traffic Impact Mitigation Fee Program in accordance with Section 66000 et seq. of the Government Code ensuring that projects identified meet the nexus for mitigating future traffic impacts and that the appropriate fees based on these impacts are collected. State statutes require that the TIM fee is reevaluated and adjusted if necessary to validate that the determination of impacts are valid, the list of projects to mitigate those impacts are still valid, and that the amount and distribution of TIM fees collected is equitable. The Interim TIM Fee was adopted on October 14, 2008 (Resolution No. 7648) and has been adjusted for inflation (Engineering News Record (ENR) *Construction Cost Index*).

COST SUMMARY:

TIM Fee Study	\$101,142
Engineering Services	13,855
Project Management	17,319
Contingency	<u>3,662</u>
Total Estimate	<u>\$135,978</u>

POTENTIAL FUNDING SOURCES:

Development Impact Fund	\$135,978
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

An adequate traffic impact fee is required to ensure that the impacts due to increase in vehicular trips from new development provides its fair share of funding of future improvements to the City's road network necessary to accommodate future growth and to maintain a Council established Level of Service (LOS) D.

ALTERNATIVES:

1. Defer the project.

Water Reclamation Facility Asphalt Sealcoat (CIP #41702)

DESCRIPTION:

Sealcoat approximately 88,700 square feet of asphalt areas within the Wastewater Reclamation Facility with a single application of “Over-Kote Drive Walk Sealer.” All cracks 1/8 inches or larger will be cleaned and sealed with a #1 cold pour filler. All parking areas will be restriped. No curb striping is included.

COST SUMMARY:

Construction	\$15,212
Architecture/Engineering	
Environmental Document	
Right-of-Way Acquisition	
Inspection/Testing	
Subtotal	<u>15,212</u>
Contingency	<u>1,521</u>
Total Estimate	<u>\$16,733</u>

POTENTIAL FUNDING SOURCES:

Sewer Enterprise Fund	\$16,733
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

Seal coating of asphalt surfaces will extend the life expectancy of the pavement.

ALTERNATIVES:

Do nothing. The life of the asphalt areas will deteriorate over time leading to a more expensive replacement of the pavement area.

Redwood Tree Care and Trimming (CIP #41703)

DESCRIPTION:

The City's Redwood Tree at the corner of Bedford and Main Street is the centerpiece of the "Festival of Lights" special event held each November in Downtown Placerville. The tree lighting is made possible through the efforts of Western Sign Company who provides the necessary resources free of charge.

There is a growing concern that the tree looks stressed and no longer resembles a Christmas tree. It is for this reason staff is recommending that the tree be pruned to take out some of the "flags" on the outer third of the tree, shaped and treated with soil enhancer.

COST SUMMARY:

Contract Services	\$3,500
Contingency	<u>700</u>
Total Estimate	<u>\$4,200</u>

POTENTIAL FUNDING SOURCES:

General Fund	\$4,200
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

Project will improve overall condition and appearance of the tree.

ALTERNATIVES:

Defer the project.

Recreation and Parks Facilities Master Plan Revision and Development Fee Study (CIP #41704)

DESCRIPTION:

This project will set the framework for decision makers in the planning and rehabilitation of the City's recreation and parks facilities. The revised Master Plan is intended as a planning tool that addresses future needs, sets parks and facilities standards and will provide a systematic and prioritized approach to implementation of needed parks and facilities projects. The Master Plan will be inherently linked to the City's Capital Improvement Plan and Development Fee Nexus Study with updates to parks and facilities inventory, demographics, land use, growth projections, capital improvement projects and levels of service.

The Master Plan and Fee Study will be used as the basis for establishing facilities replacement fees and expenditures of Quimby fees for rehabilitation of new and existing parks. It is important that the Master Plan and Nexus Study clearly articulate the standards and guidelines that support the recommendations for both new facilities and rehabilitation of existing facilities. The scope of work will focus on updated inventory, demographics, land use, capital improvements, service levels and funding of parks development.

COST SUMMARY:

Contract Services (Master Plan Update)	\$32,000
Contract Services (Development Fee Nexus Study)	<u>16,000</u>
Subtotal	48,000
Contingency	
Total Estimate	<u><u>\$48,000</u></u>

POTENTIAL FUNDING SOURCES:

Park Development Fund	\$48,000
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

The successful consultant will be expected to work closely with City Staff and the Recreation and Parks Commission. It will be incumbent upon staff and the Recreation and Parks Commission to be an active participant in process. All parties must be available to participate in meetings with staff and public forums. Staff will also be responsible for the necessary support required by the terms and conditions of the consulting agreement. This agreement may include periodic requests for project related information, technical assistance with a statistically valid survey, and public workshop facilitation.

ALTERNATIVES:

Defer the project.

Parking Pay Station Replacement (CIP #41705)

DESCRIPTION:

The City's 9 parking pay stations were installed in 2007 and are now over 9 years old. The pay stations have a life cycle of 7 to 10 years. The necessary repairs to the pay stations are becoming more frequent and costly. In addition, due to updated technology, T-2 Systems who provides maintenance and support for the pay stations, has informed us that they can no longer support this model after December 31, 2016. At that point we may not be able to keep the pay stations working as parts may not be available. As we get closer to purchasing the new meters an RFP will be prepared. These are preliminary numbers at this time.

COST SUMMARY:

Construction	\$98,501
Architecture/Engineering Environmental Document Right-of-Way Acquisition Inspection/Testing	
Subtotal	<u>98,501</u>
Contingency	<u>9,850</u>
Total Estimate	<u>\$108,351</u>

POTENTIAL FUNDING SOURCES:

Downtown Parking Fund	\$108,351
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

Maintenance cost should be at or below current costs.

ALTERNATIVES:

None. Some parking pay stations could become unusable.

Sewer System Condition Assessment Program (CIP #41706)

DESCRIPTION:

This program is an essential component of the City's maintenance and repair of the sanitary sewer collection system. Once implemented, the program will enable City staff to perform sewer system condition assessments to accurately identify compromises throughout the City's sewer system. The process will report closed circuit television inspections for structural defects and assign a rating developed by the National Association of Sewer Services. The information gleaned from this program will be used to prioritize routine maintenance, future capital improvement projects, and provide required data to State and Federal regulatory agencies.

COST SUMMARY:

Pipeline Inspection Camera System	\$46,222
Pipeline Inspection Management System Software	25,000
Video Inspection Conversion Services	8,200
Software Annual Licensing	2,400
Ambulance to Camera Vehicle Conversion	5,000
Contingency	<u>1,736</u>
Total Estimate	<u>\$88,558</u>

POTENTIAL FUNDING SOURCES:

Sewer Enterprise Fund	\$88,558
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IMPACT ON ANNUAL MAINTENANCE AND OPERATION COSTS:

Increased personnel costs associated with training and implementation of program.

ALTERNATIVES:

Defer the project.

City of Placerville
Proposed Capital Improvement Program Budget Summary
Fiscal Year 2016/2017

Project	General Fund	Development Impact Fund	Park Development Fund	Downtown Parking Fund	Sewer Enterprise Fund	Total Projected Cost
TIM Fee Update	\$ -	\$ 135,978	\$ -	\$ -	\$ -	\$ 135,978
Water Reclamation Facility Asphalt Sealcoat	-	-	-	-	16,733	16,733
Redwood Tree Care and Trimming	4,200	-	-	-	-	4,200
Recreation and Parks Facilities Master Plan Revision & Development Fee Study	-	-	48,000	-	-	48,000
Parking Pay Station Replacement	-	-	-	108,351	-	108,351
Sewer System Condition Assessment Program	-	-	-	-	88,558	88,558
Total	\$ 4,200	\$ 135,978	\$ 48,000	\$ 108,351	\$ 105,291	\$ 401,820