



Agenda Report

May 16, 2016

TO: Honorable Mayor and City Council

FROM: City Manager

SUBJECT: ADOPTION OF FISCAL YEAR 2017 – 2021 CAPITAL IMPROVEMENT PROGRAM BUDGET AND APPROVE JOURNAL VOUCHER AMENDING PROJECTS IN FISCAL YEAR 2016 CAPITAL IMPROVEMENT PROGRAM BUDGET

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt by resolution the City's FY 2017 – 2021 Capital Improvement Program Budget as summarized in Exhibit B contained in the resolution and any changes passed by a motion of the City Council at the May 16, 2016 meeting; and
2. Approve a journal voucher resulting in a \$194,116 net increase amending six projects in the Fiscal Year 2016 Capital Improvement Program Budget as detailed in the body of this report.

ADVISORY COMMISSION RECOMMENDATIONS:

On March 1, 2016, the Recreation and Parks Commission voted to support the *Parks and Landscaping* and the *Arroyo Projects* sections of the Recommended FY 2017 – 2021 CIP and requested two changes: 1) Keep the *Rebuild Roving Archers Clubhouse with Storage Area* project in the CIP budget; and 2) Express the Commission's deep concern that the *Installation of Restroom Building at Desiderio Park* project is bifurcated from the *Desiderio Park – Development of New Park* project. In response, the *Lower Arroyo – Implement Master Plan – Rebuild Roving Archers Clubhouse with Storage Area Concept Study* project was returned to the Future Projects section of the FY 2017 – 2021 CIP Budget.

On March 8, 2016, the Northwest Commission voted to support the projects located completely or partially in Northwest Pasadena in the Recommended FY 2017 – 2021 CIP Budget.

On March 24, 2016, the Transportation Advisory Commission voted to support the *Streets and Streetscapes* and *Transportation* sections of the Recommended FY 2017 – 2021 CIP.

On April 13, 2016, the Planning Commission found all recommended new projects consistent with the General Plan.

BACKGROUND:

The FY 2017 - 2021 CIP Budget contains 229 active projects with a total estimated cost of \$1,050,590,693 and recommended appropriations of \$64,357,929 to 88 projects as detailed in Exhibit B, Attachment A, and is further highlighted in Attachment D, the Interim City Manager's CIP transmittal letter. In addition, a total of 18 new projects have been added. The table below summarizes this and shows total appropriations made through and including FY 2016.

Total Estimated Cost	Appropriated Through FY 2016	Recommended FY 2017
\$1,050,590,693	\$564,305,398	\$64,357,929

In addition, the FY 2017 CIP Budget contains a *Future Projects* section which identifies an additional 71 projects, with a total estimated cost of nearly \$302 million. While the City has funded millions of dollars of infrastructure improvements each year, in order to properly maintain, repair and replace aging infrastructure and address growing needs, additional investments are needed beyond the current level of funding. Some of the more significant unfunded needs include expanding and upgrading fire stations, street and sewer improvements, and implementing park master plans at Memorial and Washington Parks and in the Arroyo Seco. New and additional funding will need to be identified if the City is to address its large backlog of unfunded capital needs.

On April 25, 2016, a public hearing on the Recommended FY 2017 – 2021 CIP Budget was opened. Copies of the Recommended FY 2017 - 2021 CIP document were placed in all the public libraries and in the City Clerk's Office on April 11, 2016. The budget was also made available on the City's website at [http://cityofpasadena.net/PublicWorks/Capital Improvement Program/](http://cityofpasadena.net/PublicWorks/Capital%20Improvement%20Program/).

On May 2, May 9, and May 16, 2016, joint Finance Committee/City Council meetings were held to review and discuss the Recommended FY 2017 – 2021 CIP Budget. Councilmembers supported forwarding the budget recommendations to the City Council for adoption.

Changes to Printed Recommended FY 2017 – 2021 CIP

Attachment B represents the following adjustments to the printed Recommended FY 2017 - 2021 CIP which have been reviewed by the joint Finance Committee/City Council and are incorporated into the budget.

- 1. Robinson Park – Recreation Center Renovation (78043)** – Increase the FY 2017 appropriation from \$500,000 to \$2,638,757 in Residential Impact Fees. This will fully fund this project and allow construction to begin in FY 2017.

2. **Desiderio Park – Development of New Park (78054)** – Increase the FY 2017 appropriation to this project from \$500,000 to \$600,000 by appropriating \$100,000 in Residential Impact Fee. These funds will be used to start park construction in FY 2017.
3. **Pasadena Police Department Indoor Firing Range** – Combine the *Pasadena Police Department Indoor Firing Range – Phase I* and the *Pasadena Police Department Indoor Firing Range Improvements – Phase II Design* projects into one project. This combined project will provide for both immediate improvements to allow Police Department staff to resume training exercises and necessary structural modifications to the facility. The total estimated project cost is \$500,000 and will be funded with savings from the Police Department's FY 2016 Operating Budget. The funds will be appropriated as part of the June 20, 2016 Operating Budget clean-up agenda report.
4. **Police Mobile Data Computer Replacement** – This project will be fully funded with \$180,000 of savings from the Police Department's FY 2016 Operating Budget. The funds will be appropriated as part of the June 20, 2016 Operating Budget clean-up agenda report.
5. **Restoration, Upgrades, and Repairs of the Civic Auditorium, Convention Center and Ice Rink – FY 2013 – FY 2017** – Decrease the FY 2017 appropriation from \$270,000 to \$200,000 in Pasadena Center Operating Company – Facility Restoration Fund. The April 25, 2016 CIP clean-up report appropriated \$70,000 in Pasadena Center Operating Company – Facility Restoration Fund to this project. The money was needed in FY 2016 to begin asbestos and plumbing removal, and electrical work found during a building inspection.
6. **Purchase of Dial-A-Ride Vehicles** – The printed Recommended FY 2017 – 2021 CIP budget erroneously shows an FY 2016 appropriation to this project of \$518,377 in FTA 5310 Enhanced Mobility of People with Disabilities funds and \$68,708 in Proposition C Local Transit Fund to this project. No action was taken in FY 2016 to appropriate these funds and this will be corrected in the FY 2017 adopted CIP budget. In FY 2017 staff recommends appropriating \$524,700 in Federal Transit Administration Section 5310 Grant and \$117,680 in Proposition C Local Transit Fund to this project. This action will fund the purchase of two expansion minivans and seven replacement transit buses. The vehicles will be purchased in FY 2017.
7. **Enterprise Resource Plan (ERP) – Electric Systems (3207)** – Decrease the FY 2017 appropriation from \$2,211,449 to \$660,000 in Power Fund. The appropriation was overstated in the printed Recommended FY 2017 – 2021 CIP budget document. This appropriation funds the Power Fund's share of the *Citywide Enterprise Resource Planning System (Financial and Human Resources)* project and *Electronic Timekeeping & Scheduling System* project, as well as internal department expenses for the implementation and integration of existing systems and processes to these two technology projects.
8. **Enterprise Resource Plan (ERP) – Water System (1072)** – Decrease the FY 2017 appropriation from \$595,090 to \$180,000 in Water Fund. The appropriation was

overstated in the printed Recommended FY 2017 – 2021 CIP budget document. This appropriation funds the Water Fund's share of the Citywide *Enterprise Resource Planning System (Financial and Human Resources)* project and *Electronic Timekeeping & Scheduling System* project, as well as internal department expenses for the implementation and integration of existing systems and processes to these two technology projects.

- 9. Sunset Disinfection System – FY 2017 - 2021 (1062)** – Change the project name from *Sunset Perchlorate Treatment Plant FY 2017 – 2021* to *Sunset Disinfection System FY 2017 – 2021* and modify the project scope to include the design and construction of a water quality treatment system for the Sunset Reservoir wells.

Amendments to FY 2016 – 2021 Adopted CIP Budget

Attachment C represents changes made to prior years' appropriations. The budgetary changes listed below must be recognized through the journal voucher process so they can be incorporated and reflected in the FY 2016 CIP Budget.

- 1. Restoration and Renovation of the Civic Auditorium Exhibition Hall – The Pasadena Center Operating Company** recommends appropriating \$111,000 in Pasadena Center Operating Company – Facility Restoration Fund to this project. Funds will be used for HVAC design, permitting and construction management in FY 2016. Construction of HVAC system will begin in FY 2017.
- 2. Replacement or Installation of Security Lights – Various Locations (78901)** – The Department of Public Works recommends appropriating \$48,000 in Community Development Block Grant (CDBG) to this project and unappropriating \$48,000 in CDBG from the *Citywide Park Accessibility Improvements (78068)* project. The CDBG funds were used to install six park security lights at Villa Parke.
- 3. Preventive Maintenance – Curb and Gutters FY 2016 /2017 (73908)** – The Department of Public Works recommends appropriating \$174,978 in Private Capital from property owners, and increasing the budget by a like amount. This money was collected as either a condition of development, sale of the property, or the owner's fair share portion of sidewalk repairs, and will be used for sidewalk reconstruction and adjacent repairs to drive aprons, curbs and gutters and other miscellaneous concrete repairs.
- 4. Preventive Maintenance – Curb and Gutters FY 2011 – 2016 (76903)** – The Department of Public Works recommends appropriating \$293,123 in private capital from property owners and increasing the budget by a like amount. These funds were received in FY 2015 and FY 2016 and deposited on this project but never appropriated. This action will correct the project budget and allow this completed project to be closed once all invoices have been paid. This money was collected as either a condition of development, sale of the property, or the owner's fair share portion of sidewalk repairs, and was used for sidewalk reconstruction and adjacent repairs to drive aprons, curbs and gutters and other miscellaneous concrete repairs.

5. **Pilot Sidewalk Program (73604)** – The Department of Public Works recommends appropriating \$15,015 in private capital from property owners so this project can be closed. These funds were received in FY 2015 and deposited on this project but never appropriated. This project has been completed and these funds have been spent. This action will correct the project budget and allow this project to be closed.
6. **Tree Replacement/Planting - Citywide (78957)** – The Department of Public Works recommends unappropriating \$400,000 in State Environmental Enhancement Mitigation 2014-2015 grant from this project so it can be closed. This grant is to fund the planting of 1,640 trees in the public right-of-way before spring of 2019 and will be appropriated to the *Tree Replacement/Planting – Citywide FY 2017 – 2021* project as part of the FY 2017 CIP budget adoption.
7. **Fire Protection System Improvements (1019)** - The Department of Water and Power recommends unappropriating \$250,000 in Water Fund from the *Miscellaneous Water System Improvement FY 2017 - 2020 (1006)* and appropriating it to this project. Additional appropriations are needed to fund several unanticipated design requests for fire protection water main replacements. The Fire Department provided notice that the mains in Del Mar Boulevard, Bellevue Street, and Westminster Drive were not sufficient for fire suppression. Also, expenditures for concrete repaving on Madison Avenue were higher than anticipated.
8. **Distribution System Life Cycle Management (3034)** - The Department of Water and Power recommends unappropriating \$500,000 in Power Fund from the *Work Management System (3140)* and appropriating it to this ongoing project for expediting GIS data upgrades needed to ensure the Outage Management System (OMS) maintains current and accurate data to support utilities operations and mitigate emergencies. This project provides GIS field verification, data upgrades, data cleanup, and OMS expansion to integrate with interfacing technology projects such as Conduit Manager and Feeder Management systems. The additional appropriations will provide sufficient funding to complete data clean up and integration work scheduled for FY 2016.

COUNCIL POLICY CONSIDERATION:

All projects in the Recommended CIP address the City Council's strategic goals to maintain fiscal responsibility; improve, maintain, and enhance public facilities and infrastructure; increase conservation and sustainability; improve mobility and accessibility throughout the City; support and promote the quality of life and local economy; and ensure public safety. Further, all the projects are consistent with the General Plan.

ENVIRONMENTAL ANALYSIS:

As work for each project moves through the City's approval process, the appropriate environmental analysis will be conducted and brought to the City Council.

FISCAL IMPACT:

Approval of the City Manager's Recommended CIP Budget and the proposed budget revisions detailed in this report will establish the FY 2017 – 2021 Capital Improvement Program with a total appropriation of \$64,357,929. Details regarding the sources of funding are summarized below and in Exhibit B, which is part of the resolution.

Funding Source	Appropriation
Power Funds - Various	\$16,070,000
Underground Utility Fund	\$10,700,000
Grants - State/Federal	\$8,237,754
Water Fund - Various	\$6,615,000
Residential Impact Fees	\$4,633,757
Rose Bowl Fund	\$2,574,000
Sewer Maintenance and Construction Fund	\$2,462,829
General Fund	\$1,641,138
Building Services Fund	\$1,640,277
Pasadena Center Operating Company	\$1,600,000
Gas Tax Fund	\$1,407,500
Computing and Communication Fund	\$1,376,524
Miscellaneous	\$1,277,232

Parking Revenue - Various	\$1,142,186
Building Preventive Maintenance Fund	\$1,000,000
Sewer Facility Charge Fund	\$600,000
Golf Course Fund	\$500,000
Transportation Fund - Measure R	\$339,000
Traffic Reduction Fee	\$170,000
Transit Fund - Proposition C	\$117,680
Bikeway Fund	\$80,000
Telecommunication Fund	\$76,353
Refuse Fund	\$63,462
Fleet Maintenance Fund	\$33,237
Total Recommended Appropriations	\$64,357,929

Respectfully submitted,



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Prepared by:



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Approved by:



STEVE MERMELL
Interim City Manager

Attachment A – FY 2017 – 2021 Recommended CIP – Totals by Category

Attachment B – Changes to FY 2017 Recommended CIP

Attachment C - Amendments to FY 2016 CIP Budget

Attachment D – Interim City Manager’s FY 2017 – 2021 CIP Budget Transmittal Letter