RESOLUTIONS AND COMMITTEE ACTIONS

RESOLUTIONS

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RESOLUTION NO. 08-06

A RESOLUTION OF THE PLANNING COMMISSION, CITY OF PLEASANT HILL, RECOMMENDING CERTIFICATION AND APPROVAL OF A NEGATIVE DECLARATION AND THE CAPITAL IMPROVEMENT PLAN (CIP) FOR THE YEARS 2007-2012

WHEREAS, the City's Public Works and Community Development Department has prepared a Capital Improvement Plan (CIP) for the years 2007-2012; and

WHEREAS, the General Plan identifies major capital improvement projects and establishes programs and policies for the selection of capital improvement projects; and

WHEREAS, the Planning Commission evaluated the proposed coordinated list of public projects covering Fiscal Years FY 2007-2012, and discussed only projects for FY 2007 and FY2008, to determine consistency with the City's General Plan in accordance with section 65401 of the Government Code; and

WHEREAS, a Draft Initial Study/Negative Declaration was prepared for the project to determine whether the project would have a significant effect on the environment; and

WHEREAS, a Notice of Intent to Issue a Negative Declaration was published on May 3, 2006 in the Contra Costa Times, a newspaper of general circulation in Contra Costa County, and was circulated for public review between May 3, 2006, and May 23, 2006; and

WHEREAS, the Planning Commission reviewed the Initial Study/Negative Declaration and the 2007-2012 CIP at its regularly scheduled meeting of May 23, 2006, where all persons interested therein had an opportunity to appear and be heard.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Pleasant Hill recommends approval and certification of the Initial Study/Negative Declaration, based on the following findings:

1. The Negative Declaration and its conclusions reflect the independent judgment of the Planning Commission.

2. The Negative Declaration is in compliance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the City's local CEQA Guidelines, and adequately addresses the expected environmental impacts of this project.

3. The Planning Commission finds that there is no substantial evidence supporting a fair argument that the project will have a significant adverse effect on the environment.

4. Pursuant to Title XIV, California Code of Regulations (CCR) § 753.5(c)(1), the Planning Commission has determined that, after considering the record as a whole, there is no evidence that the proposed project will have the potential for any adverse effect on wildlife resources or the habitat upon which the wildlife depends as defined in Fish and Game Code § 711.2. Therefore, the payment of Fish and Game Department filing fees is not required in conjunction with this project. (Fish & Game Code, § 711.4; Title XIV, CCR § 735.5(a)(3).)

BE IT FURTHER RESOLVED that the Planning Commission of the City of Pleasant Hill finds that the projects identified in the 2007-20012 CIP are consistent with the City's General Plan.

ADOPTED by the Planning Commission, City of Pleasant Hill, on the 23rd day of May, 2006, by the following vote:

AYES: Giblin, Lombardi, Mascaro, Wallace, Abbott

NOES: None

ABSTAIN: None

ABSENT: Fellinger, McKindra

Casey J. McCann, Secretary
Planning Commission

APPROVED AS TO FORM:

DEBRA S. MARGOLIS, City Attorney

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RESOLUTION NO. 36-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANT HILL APPROVING THE INITIAL STUDY/NEGATIVE DECLARATION FOR THE 2007-2012 CAPITAL IMPROVEMENT PLAN; APPROVING THE 2007-2012 CAPITAL IMPROVEMENT PLAN; AND AUTHORIZING EXPENDITURES FOR THE FISCAL YEARS 2006/07 AND 2007/08

WHEREAS, the Public Works and Community Development Department has submitted the 2007-2012 Capital Improvement Plan (CIP) describing the infrastructure needs and priorities within the City of Pleasant Hill; and

WHEREAS, an Initial Study/Mitigated Negative Declaration was prepared for the project to determine if the proposed project would have a significant effect on the environment; and

WHEREAS, a notice of Intent to issue a Mitigated Negative Declaration was posted at the County Clerk's Office of Contra Costa County on May 30, 2006, and circulated for public review between May 20 and May 23, 2006; and

WHEREAS, the Planning Commission reviewed the CIP and found it to be consistent with the General Plan and adopted Resolution No. 08-06 on May 23, 2006, recommending issuance of a negative declaration for the CIP with the understanding that individual projects may undergo further review according to the California Environmental Quality Act (CEQA); and

WHEREAS, the City of Pleasant Hill held a duly noticed public hearing on June 5, 2006, to consider the Initial Study/Negative Declaration 2007-2012 CIP and the proposed two year budget, at which time any and all members of the public were afforded an opportunity to comment on the CIP.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby certifies and adopts the Initial Study/Negative Declaration for the 2007-2012 CIP based on the following findings:

1. The Negative Declaration and its conclusions reflect the independent judgment of the City Council.

2. The Negative Declaration complies with the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and the City's local CEQA Guidelines, and adequately addresses the expected environmental impacts of this project.

3. The City Council finds that there is no substantial evidence supporting a fair argument that the project, with the proposed project specific mitigation and design concepts undertaken, will have a significant adverse effect on the environment.

4. Pursuant to Title XIV, California Code of Regulations ("CCR") Section 753.5(c)(1), the City Council has determined that, after considering the record as a whole, there is no evidence that the proposed project will have the potential for any adverse effect on wildlife resources or the habitat upon which the wildlife depends as defined in Fish and Game Code Section 711.2. Therefore, the payment of Fish and Game Department filing fees is not required in conjunction with this project. (Fish and Game Code Section, 711.4; Title XIV, CCR Section 735.5(a)(3).)

5. The Director of Public Works and Community Development is directed to file a Notice of Determination with the County Clerk of Contra Costa County in the manner required by law.

BE IT FURTHER RESOLVED, by the City Council of the City of Pleasant as follows:

1. The 2007-2012 CIP, which is on file in the office of the Director of Pubic Works and Community Development is incorporated herein by reference, and hereby adopted.

2. The City Manager is authorized to act on behalf of the City and to make expenditures and incur liabilities against all funds as identified in the 2007-2012 CIP for the 2006/07 and 2007/08 fiscal years.

ADOPTED by the City Council of the City of Pleasant Hill at a regular meeting of the Council held on the 19th day of June, 2006, by the following vote:

AYES: Angeli, Durant, Hanecak, Harris, Williamson
NOES: None
ABSENT: None

Terri L. Williamson
TERRI L. WILLIAMSON, Mayor

ATTEST:

Marty C. McIntirf
MARTY C. MCINTURF, City Clerk

APPROVED AS TO FORM:

Debra Margolis
DEBRA S. MARGOLIS, City Attorney

CERTIFIED A TRUE COPY
Lynn A. Boardman
DEPUTY CITY CLERK, CITY OF PLEASANT HILL

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RESOLUTIONS AND COMMITTEE ACTIONS

CITY COUNCIL STAFF REPORTS

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CITY COUNCIL STAFF REPORT

Meeting Date: May 15, 2006

City of Pleasant Hill

TO THE HONORABLE MAYOR AND CITY COUNCILMEMBERS

SUBJECT: DISCUSSION REGARDING 2007-2012 CAPITAL IMPROVEMENT PLAN AND BUDGET FOR THE FISCAL YEARS 2006/07 AND 2007/08

SYNOPSIS

The Budget Committee and staff believe that the attached 2007-2012 CIP represents the best use of available funds to meet the City's most pressing infrastructure and community needs. The Committee has identified three new projects for funding and identified a recommended Unfunded Project list for consideration. The Street Resurfacing Program has been reviewed and various options are presented for consideration. The allocation of project funding for two implementation years (FY 2006/07 and FY 2007/08) in the six-year CIP will be reviewed by City Council for input and direction.

DISCUSSION

Background

The CIP is a management and finance guide for the prioritization and implementation of capital projects, acquisition of equipment and installation of technology systems in the City. The proposed FY 06/07 – 11/12 CIP includes an expenditure budget for the first two year and a forecast of expenditures for the remaining years. An updated CIP is a requirement of the Contra Costa Transportation Authority that allows the City to receive on average $500,000 per year of needed Measure "C" - return to source funds.

City Council Meeting on March 20, 2006

Staff made a presentation to the City Council and reviewed:

- The proposed two-year budget (FY 06/07 – 07/08) and four-year forecast (FY 08/09 – 11/12) including project funding and project expenditures in order to balance the CIP budget
- A list of completed projects in the adopted 2005-2010 CIP and the status of projects currently underway
- A list of six proposed new projects (not prioritized) for funding consideration
- The Budget Committee and staff's recommended deletions (3 proposed projects): Finance and Human Resources software ($240,000); Library Phase II Study ($80,000) and the Drainage Basin Phase II Study ($538,000)
- The preliminary priority unfunded project list and the proposed unfunded list of projects to be permanently removed from the CIP
- The Street Resurfacing Program including street pavement condition indexes, deferred maintenance projections and budget needs

Budget Committee Workshops

The Committee met twice since the March 20th City Council meeting, at two public workshops held on April 26 and May 3, 2006. The meetings were conducted to implement the direction provided by City Council, specifically:

1) Review the potential of funding new projects
2) Reduce the number of projects currently identified in the Unfunded Project list
3) Review the Street Resurfacing Program and potential funding options
4) Make funding recommendations to the City Council

The Committee consists of Vice Mayor David Durant and Councilmember John Hanecak. Supporting staff includes City Manager Michael Ramsey, Director of Finance Rich Ricci, Director of Public Works and Community Development Steve Wallace, City Engineer Mario Moreno and Associate Engineer Shawn Knapp.

ANALYSIS

The Committee and staff focused the workshops on 4 main topics; the 2nd Draft Capital Improvement Plan (CIP), the New Projects List, the Unfunded Projects List and the Street Resurfacing Program. Following is a summary of the outcome for each of these topics:

2007-2012 CIP – 2nd draft

Staff prepared the CIP budget where revenues met or exceeded expenditures on an annual basis and limited additional General Fund contribution to the Capital Improvement Program. The only modification to the 2nd Draft CIP is the increase of $1,200,000 per year for the Street Resurfacing Program and the addition of one new grant funded project: Contra Costa Boulevard Pavement Rehabilitation project (this project was recently awarded to the City). Attached is reference information including: project descriptions (Exhibit "A"), revenue funding sources (Exhibit "B"), and fund distribution with expenditure breakdown (Exhibit "C") for your review.

New Projects

Six new projects were initially proposed for inclusion in the draft CIP. These projects have been evaluated and prioritized by the Executive Team. During its May 3rd meeting the Committee recommended approval of the top three priority projects for allocation of General Funds:

1) WiFi 2nd Phase	$ 400,000
2) City Facilities Surveillance System (City Hall and City Garage)	$ 70,000
3) Landslide Repairs	$ 150,000
	$ 620,000

Individual project descriptions are attached (Exhibit "D"). Please note that the City landslide repair project cost is $640,000 of which $490,000 has been applied for under a Federal Highway Administration (FHWA) grant for reimbursement.

Unfunded Projects

Goal No. 4 set by City Council at the Goal Setting Workshop (January 30, 2006) identified the need to reevaluate project priorities and review the number of projects that have remained on the Unfunded list for a significant period of time. At the March Goal Setting Retreat, the Executive Team (ET) reevaluated each project and identified the top priority projects based on:

1) Projects that provide for the safety and welfare of the community
2) Projects that preserve and enhance our infrastructure or capital assets
3) Projects that provide infrastructure improvements that encourage new development, economic investment and contribute to the City's image and identity
4) Projects that have a likely probability of being constructed

Each of the original 51 unfunded projects were evaluated and the ET identified 14 projects to remain on the Unfunded list. The BC during the workshop sessions reviewed the proposed list and agreed with the Executive Team's recommendations. The BC also recommended that 4 additional projects be added and remain on the Unfunded project list, these include:

1)	Monument Blvd. Landscape Project – Ramona Drive to City Limits	$ 281,000
2)	Oak Park Blvd Patterson Improvements	$ 600,000
3)	City Hall Fountain Re-tile	$ 100,000
4)	City Hall Platform at Lake	$ 82,000

Attached is the list of all unfunded projects proposed to remain (Exhibit "E"). A second table (Exhibit "F") identifies the 33 projects proposed to be permanently removed from the unfunded list in the CIP.

General Fund

General Fund monies are necessary to offset revenue shortfalls and fund specific projects. The proposed General Fund contribution for this draft CIP budget is $410,000 in FY 06/07 and $455,000 in FY 07/08. If new projects are approved as proposed, then an increase to the General Fund contribution is $1,520,000 in FY 06/07 and $455,000 in FY 07/08 (Exhibit "G1"). At the Committee's recommendation, three alternative funding scenarios were considered by the finance and engineering staff for the Street Resurfacing Program and City Council consideration, these include:

		FY 06/07	FY 07/08
2)	$1.2 million plus 5 % inflation factor	$1,520,000	$ 515,000
3)	Scenario 2 above plus $2 million in FY 2007/08	$1,520,000	$2,515,000
4)	Scenario 2 above plus $3 million in FY 2007/08	$1,520,000	$3,515,000

The above General Fund Contribution is for the proposed two year budget. Long term

funding scenarios for each of the 3 scenarios is attached (Exhibit "G2", "G3", "G4"). The impact on the additional funding to the Street Resurfacing Program is analyzed below.

Street Resurfacing Program

With approximately 110 miles of roadway, our street system is one of the City's largest and most visible and valuable asset. In order to maintain the system at the current rating of "good" our Pavement Condition Index (PCI) must remain above 60.

The BC and staff spent many hours reviewing a number of options during the two workshop sessions. Three funding approaches were studied in detail:

1) Street Saver approach: current methodology for the expenditure of funds.
2) Bond Measure approach: which required over a $13 million initial investment and an annual $2.9 million to maintain our arterials/collectors in a fair or better condition and our residential in a poor or better condition (PCI above 25). This approach was determined to be unfeasible at this time.
3) "Worst First" approach: which directed most funds to maintain our arterial "backbone" system as the number one priority, and repaired those streets that fall into the very bad range (PCI under 25). The analysis showed that $2.3 million annually would be required just to maintain roadways, over the next 10 years, that would fall into the very poor category. This approach was also determined under funded and unfeasible.

In summary it was concluded that the current methodology, based on the limited available funds is the best use of our funds with the stipulation that any program funding increases should place an emphasis on repairing the arterial system and a specific emphasis on arterial streets that:

1) provide for the economic vitality of the City (adjacent major commercial areas);
2) have high volumes of traffic (benefit the most users);
3) provide major connectivity routes for emergency services;
4) do not have alternative routes.

The BC at its May 3rd meeting requested staff to prepare four Street Resurfacing Program budget scenarios for City Council review. The scenarios are described in detail in Exhibit H. The BC and staff is recommending at a minimum funding the proposed $1,200,000 annual budget (Scenario #1). At this funding level over the next ten years the Network PCI drops from 65 to 55 and the deferred maintenance climbs from $15.8 million to $38.1 million by 2015. If the City Council desires to increase the Street Resurfacing Program budget, each of the Scenarios #2 - #4 will improve our City pavement system over Scenario #1. Scenarios #3 and #4 focus additional funding on arterial streets. Attached is Exhibit I. Arterial and Collector Current Pavement Condition Map showing the location of the City arterial and collector streets. A summary of differences for Scenarios #2 - #4 over Scenario #1 are as follows:

Scenario #2: Increases the Scenario #1 budget by 5% each year.

- Increases budget to benefit all functional (arterials, collectors and residential) categories.

- Improves Network PCI by 2 points by 2015.
- Increases budget by $960,000 over ten year period.
- Investment will reduce Deferred Maintenance by $3,000,000 by 2015.

Scenario #3: Same yearly budget as Scenario #2 plus one-time investment of $2 million for arterials.

- Improves Arterial PCI from 64 to 71 by 2015
- Improves Network PCI by 4 points by 2015.
- Prevents 2.8 miles of arterials from going into Very Poor category.
- Increases budget by $2,960,000 over ten year period.
- Investment will reduce Deferred Maintenance by $8,000,000 by 2015.

Scenario #4: Same yearly budget as Scenario #2 plus one-time investment of $3 million for arterials.

- Improves Arterial PCI from 64 to 75 by 2015
- Improves Network PCI by 5 points by 2015.
- Prevents 3.5 miles of arterials from going into Very Poor category.
- Increases budget by $3,960,000 over ten year period.
- Investment will reduce Deferred Maintenance by $8,200,000.

CONCLUSION

The Committee and staff believe that the attached 2007-2012 CIP- 2nd Draft represents the best use of available funds to meet the City's most pressing infrastructure and community needs. The Committee has identified funding of three new projects and has completed the review and identified a recommended Unfunded Project list for consideration. The City Council will deliberate as to the amount of General Funds that should be allocated to new projects and to the Street Resurfacing Program, and provide direction to staff on the proposed six year CIP budget.

FISCAL IMPACT

The City Council has programmed the city budget so that the General Fund reserve level will not dip below $8,323,000. The Street Resurfacing Program budget scenarios #1 - #2 will not impact this reserve limit. The Street Resurfacing Program budget scenarios #3 - #4 will impact this reserve limit. The following table details the fiscal impacts for the four Street Resurfacing Program budget scenarios.

	Additional General Funds in FY 07	**Additional General Funds in FY 08**	**Impact on Designated Fund Reserve Level**
Scenario #1	$0	$0	0
Scenario #2	$0	$60,000	0
Scenario #3	$0	$2,060,000	-$ 410,915
Scenario #4	$0	$3,060,000	-$ 1,401,915

PUBLIC CONTACT

Public contact was made through posting of the agenda on the City's official notice bulletin board, posting of the agenda on the City's web page, and availability of the agenda and staff report in the City Clerk's office, at the Central Library, and at the Pleasant Hill Police Department.

ALTERNATIVES TO RECOMMENDED ACTION

Not approve some of staff's proposals.

RECOMMENDED CITY COUNCIL ACTION

Provide staff direction.

Prepared by: Mario Moreno and Shawn Knapp
Engineering Division

Reviewed by: Steve Wallace
Director of Public Works and Community Development

Attachment:
~~Exhibit "A" — 2007-2012 CIP – 2nd Draft~~
~~Exhibit "B" — Revenue Sources~~
~~Exhibit "C" — Fund Distribution with Expenditure Breakdown~~
~~Exhibit "D" — New Projects Proposed~~
~~Exhibit "E" — Unfunded Project List to Remain~~
~~Exhibit "F" — Unfunded Project List to be Removed~~
~~Exhibit "G" — General Fund Contributions (G1,G2,G3,G4)~~
~~Exhibit "H" — Street Resurfacing Program Budget Analysis~~
~~Exhibit "I" — Arterial and Collector Current Pavement Condition Map~~

Not Included

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CITY COUNCIL STAFF REPORT

Meeting Date: June 5, 2006

City of Pleasant Hill

TO THE HONORABLE MAYOR AND CITY COUNCILMEMBERS

SUBJECT: DISCUSSION REGARDING 2007-2012 CAPITAL IMPROVEMENT PLAN AND BUDGET FOR THE FISCAL YEARS 2006/07 AND 2007/08

SYNOPSIS

The Budget Committee and staff believe that the attached 2007-2012 CIP Final Draft represents the best use of available funds to meet the City's most pressing infrastructure and community needs. The City Council directed staff to make minor modification to the 2nd Draft CIP during the May 15th City Council Budget review presentation. The 2007-2012 CIP Final Draft represents the City Council's two year budget (FY 2006/07 and FY 2007/08) expenditure for capital projects.

DISCUSSION

Background

The CIP is a management and finance guide for the prioritization and implementation of capital projects, acquisition of equipment and installation of technology systems in the City. The proposed FY 06/07 – 11/12 CIP includes an expenditure budget for the first two year and a forecast of expenditures for the remaining four years. An updated CIP is a requirement of the Contra Costa Transportation Authority that allows the City to receive on average $500,000 per year of needed Measure "C" - return to source funds.

City Council Meeting on May 15, 2006 : Staff made a formal presentation to the City Council based on the recommendations of the City Council's Budget Committee, and reviewed:

- The proposed two-year budget (FY 06/07 – 07/08) and four-year forecast (FY 08/09 – 11/12) including project funding and project expenditures in order to balance the CIP budget
- A list of three new projects proposed for funding consideration.
- A preliminary priority Unfunded Project List and the proposed unfunded list of projects to be permanently removed from the CIP
- The Street Resurfacing Program including street pavement condition indexes, deferred maintenance projections and four budget scenarios.

Planning Commission (PC): The proposed 2007-2012 CIP was reviewed by the PC on May 23, 2006. The PC approved a resolution finding that the projects identified in the 2007-2012 CIP are consistent with the City's General Plan. The PC also recommended that the City Council approve the Initial Study/Negative Declaration prepared for the CIP.

Analysis

Staff presented the Budget Committees recommendations to the City Council at the May 15th meeting. The results of 4 main discussion topics including: the 2nd Draft Capital Improvement Plan (CIP); New Projects; Unfunded Project List and the Street Resurfacing Program funding is summarized below.

2007-2012 CIP – 2nd Draft

Staff presented a balanced CIP budget where revenues met or exceeded expenditures on an annual basis and limited additional General Fund contribution to the Capital Improvement Program.

No changes or additional funding was recommended by the City Council at the May 20th meeting to the 2nd Draft CIP.

New Projects

The City Council recommended the approved of funds for three new projects for inclusion in the 2007-2012 CIP. The top three priority projects for allocation of General Funds:

1) WiFi 2nd Phase	$ 400,000
2) City Facilities Surveillance System (City Hall and City Garage)	$ 70,000
3) Landslide Repairs	$ 640,000
	$1,110,000

The Landslide Repairs project (#3 above) cost is $640,000 of which $150,000 is the General Fund contribution and $490,000 is grant monies the City applied for under a Federal Highway Administration (FHWA) grant for reimbursement.

Unfunded Project List

Goal No. 4 set by City Council at the Goal Setting Workshop (January 30, 2006) identified the need to reevaluate project priorities and review the number of projects that have remained on the Unfunded Project List for a significant period of time. Staff and the City Council reviewed the Unfunded Project List, recommended by the BC, at the May 15th City Council meeting and the following two projects were put back onto the Unfunded Project List:

1) Monument Blvd. Soundwall	$ 224,000
2) Ellinwood Creek Improvements	$ 550,000

Based on the City Council's direction a total of 20 projects will remain on the Unfunded Project List as identified in Exhibit "A". A second table (Exhibit "B") identifies 31 unfunded projects that will be permanently removed from CIP.

Street Resurfacing Program

With approximately 110 miles of roadway, our street system is one of the City's largest, most visible and valuable asset. The BC and staff spent many hours reviewing a number of options during the two workshop sessions. Staff presented four additional funding scenarios at the May 15th City Council meeting. The City Council concluded that:

- Funding of $1,200,000 be budgeted in FY 2006/07
- Funding of $1,260,000 be budgeted in FY2007/08 (increased by 5% inflation factor)
- Funding of $1,200,000 be programmed annually in FY 2009-20012

Consideration for additional funding to the Street Resurfacing Program will be considered during the next budget cycle in two years.

2007-2012 CIP – Final Draft

The Final Draft CIP Exhibit "C" identifies the changes made to the CIP as directed by the City Council on May 15th, these include the addition of 3 new projects to be funded and the increase in funding to the Street Resurfacing Program.

CONCLUSION

The Final Draft CIP identifies a total of $6,920,000 of proposed project expenditures during the two year budget period. Staff recommends allocating General Fund monies of $1,520,000 in FY 2006/07 and $515,000 in FY 2007/08 for a total of $2,035,000 for the two-year budget. Further, there is a total of $ 534,000 in federally funded reimbursements, which results in a net General Fund allocation of $1,501,000 after grant reimbursements.

Exhibit "D" attached identifies the annual General Fund contribution per project per year during the 2 year budget and 4 year forecast.

FISCAL IMPACT

None at this time.

PUBLIC CONTACT

Public contact was made through posting of the agenda on the City's official notice bulletin board, posting of the agenda on the City's web page, and availability of the agenda and staff report in the City Clerk's office, at the Central Library, and at the Pleasant Hill Police Department. A public notice appeared in May 12, 2006, Pleasant Hill Record, and 4 x 5 "A" frame public notice signs were placed at set locations around the City.

ALTERNATIVES TO RECOMMENDED ACTION

Do not approve the proposed Final Draft CIP as presented.

RECOMMENDED CITY COUNCIL ACTION

Direct staff to prepare the final 2007-2012 CIP with any modifications desired

Prepared by: Mario Moreno
Engineering Division

Reviewed by: Steve Wallace
Director of Public Works and Community Development

Attachment: Exhibit "A" ~~Unfunded Project List to Remain~~
Exhibit "B" ~~Unfunded Projects to be Removed~~
Exhibit "C" ~~2007-2012 CIP – Final Draft~~
Exhibit "D" ~~General Fund Contributions~~

Not Included

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CITY COUNCIL STAFF REPORT

Meeting Date: June 19, 2006

City of Pleasant Hill

TO THE HONORABLE MAYOR AND CITY COUNCILMEMBERS

SUBJECT: APPROVE THE INITIAL STUDY/NEGATIVE DECLARATION FOR 2007 – 2012 CAPITAL IMPROVEMENT PLAN; APPROVE THE 2007 – 2012 CAPITAL IMPROVEMENT PLAN; AND AUTHORIZE EXPENDITURES FOR FISCAL YEARS 2006/07 AND FISCAL YEARS 2007/08

SYNOPSIS

The Budget Committee (BC) and staff developed the proposed 2007– 2012 Capital Improvement Plan (CIP). The CIP is a management and finance guide for the design and construction of capital projects, acquisition of equipment and installation of technology systems in the City.

The CIP under consideration covers the fiscal budget years from July 1, 2006 through June 30, 2012. The CIP includes an expenditure budget for fiscal year 2006/07 and fiscal year 2007/08, a forecast for fiscal year 2009 through fiscal year 2012, and an unfunded project list. The new CIP updates the current 2005–2010 CIP.

The purpose of this item is to review the Initial Study/Negative Declaration prepared for the CIP and approve the 2007-2012 CIP as presented to the City Council on June 5, 2006.

DISCUSSION

Background

The Public Works and Community Development Department updates the CIP every two years in order to identify the infrastructure needs, enhance public facilities and systems and establish project priorities in the City.

The City Council's Budget Committee (BC), consisting of Vice Mayor David Durant and Councilmember John Hanecak worked with staff on finance issues related to the preparation of the City's Budget and the CIP during three public workshops. The BC's main responsibility is to identify and select projects which best serve the interests of the City, and make funding recommendations to the Council. Supporting staff to the BC includes City Manager Michael Ramsey, Director of Finance Rich Ricci, Director of Public Works and Community Development Steve Wallace, City Engineer Mario Moreno and Associate Engineer Shawn Knapp.

The proposed CIP budget was presented to City Council on March 20, May 15 and the final Draft on June 5, 2006 for consideration. The City Council during the June 5th meeting, reviewed and approved the Final Draft CIP with no additional recommendations.

An Initial Study (Attachment A) was prepared for the 2007–2012 CIP, in accordance with the provisions of the California Environmental Quality Act and City policy, to determine whether the CIP would have a significant effect on the environment. The Study determined that the proposed CIP does not have a significant impact on the environment, and a Negative Declaration was prepared. On May 23, 2006, the Planning Commission approved a resolution (Attachment B) finding that the projects identified in the 2007-2012 CIP are consistent with the City's General Plan, and recommends that the City Council approve the Initial Study/Negative Declaration prepared for the CIP.

Analysis

Our revised two-year budget apportions $6.95 million for projects during the next two years. The budget allocates monies into four main project categories:

1) **Maintenance Program**: $ 3,295,000 or 48% of funds: These are reoccurring public safety maintenance projects. They are funded as high priority in order to continue to preserve our infrastructure in a safe manner.
   a. Programs include: Pothole, Re-striping, Creek Maintenance, Storm Drain Maintenance, Sidewalk Repair and the Street Resurfacing Program.

2) **Citywide Improvement Programs** $ 375,000 or 5% of funds**:** These are reoccurring programs that provide new or improve City infrastructure. Programs are funded as identified in our 2005-2010 CIP forecast and no other funding has been allocated.
   a. Programs include: New Sidewalk Installation, Traffic Calming, Storm Drain Installation (no funding allocated) and ADA Improvement Program.

3) **City Projects** $ 765,000 or 11% of budget funds: These are individual projects that have been identified and address the City's highest priority and community needs, and are scheduled based on available limited funding. Those forecasted in the current CIP to be funded are budgeted as funding constraints allowed.
   a. Projects include: W. Hookston Road, City Hall Lobby Modifications, City Hall Lake Discharge, Rule 20 Study, and two newly funded projects: WiFi Phase II and City Surveillance System.

4) **Grant Projects** $ 2,485,000 or 36% of budget funds: These are projects the City has been awarded grant funds. These projects provide supplemental funding for desired infrastructure improvement projects. These projects have high priority when funding, since the City's funding match of 11 to 20 cents for grant dollar is too good to pass up. The matching funds come from a number of available funding sources before considering a general fund match /contribution.
   a. Projects include: Golf Club Bridge-Water Line Relocation, Taylor Boulevard Street Rehabilitation, Bridge Barrier Replacement Project, Sidewalk Installation at

Grayson Road and Brandon Road, Contra Costa Pavement Rehabilitation and the newly funded City Landslide Repairs.

Project descriptions and detail fund allocations are included in Attachment C.

Unfunded Project List

Goal No. 4 set by City Council at the Goal Setting Workshop (January 30, 2006) identified the need to reevaluate project priorities and review the number of projects that have remained on the Unfunded Project List for a significant period of time. Staff and the City Council reviewed the Unfunded Project List and recommended a total of 20 projects to remain on the Unfunded Project List as identified in Attachment D. A total of 31 projects (currently unfunded) are recommended to be permanently removed from CIP (Attachment E).

CONCLUSION

The 2007–2012 CIP programs approximate $18 million to construct and maintain public works facilities and install new technology information systems. The BC and staff believe that the attached 2007-2012 CIP identifies our most pressing infrastructure project needs and represents the best use of available funds to meet the community needs. This revenue estimate is generated from known fund balances, revenue forecasts, grant allocations and General Fund contributions. Some projects may require further environmental review to evaluate impacts of the specific project upon the neighborhoods. Each project is subject to further Council review to authorize the execution of contracts, and to design and build the projects.

FISCAL IMPACT

2-Year Budget: FY 2006/07 – FY 2007/08

A total of $6,920,000 of proposed project expenditures during the two year budget period. Staff recommends allocating General Fund monies of $1,520,000 in FY 2006/07 and $515,000 in FY 2007/08 for a total of $2,035,000 for the two-year budget. Further, there is a total of $ 534,000 in federally funded reimbursements, which results in a net General Fund allocation of $1,501,000 after grant reimbursements.

4-Year Forecast: Fiscal Year 2009 – Fiscal Year 2012

A total of $11,071,000 are forecasted expenditures during this period, and will require further approval from Council when the CIP is updated in 2008.

PUBLIC CONTACT

Public contact was made through posting of the agenda on the City's official notice bulletin board, posting of the agenda on the City's web page, and availability of the agenda and staff report in the City Clerk's office, at the Central Library, and at the Pleasant Hill Police

Department. "A" frame (4 x 5), public notice signs were placed at set locations around the City.

ALTERNATIVES TO RECOMMENDED ACTION

None recommended.

RECOMMENDED CITY COUNCIL ACTION

Approve the Initial Study/Negative Declaration for the 2007–2012 CIP, approve the 2007–2012 Capital Improvement Plan as proposed, authorize the expenditure of funds for fiscal years 2006/07 and fiscal years 2007/08.

Prepared by: Mario Moreno
City Engineer

Reviewed by: Steve Wallace
Director of Public Works

Attachment: Attachment ~~A – Initial Study/Negative Declaration~~
Attachment ~~B – Planning Commission Resolution 08-06~~
Attachment ~~C – Project Budget Allocations~~
Attachment ~~D – Proposed Unfunded Projects~~
Attachment ~~E – Proposed Projects to be Removed~~

Not Included

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