

CITY COUNCIL

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APPROVED

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DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 12

Date: June 16, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Gilbert Rojas, Director of Finance, and Edward Domingue, Director of Engineering Services

SUBJECT: FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM; THE FISCAL YEAR 2010/11 CIP BUDGET; AND, REPORT BY THE TRAFFIC AND TRANSPORTATION TASK FORCE

RECOMMENDATION:

It is requested that City Council:

- 1) Approve Resolution No. 2010-95 and CDC Resolution No. 2010-06 adopting Fiscal Years 2010/11 - 2014/15 Five-year Capital Improvement Program (CIP) and the Fiscal Year 2010/11 Project CIP Budgets;
- 2) Receive the report from the 2010 Traffic and Transportation Task Force; and,
- 3) Adopt Resolution No. 2010-77 approving the Transnet Five-Year Local Street Improvement Program of Projects for Fiscal Years 2010/11 - 2014/15.

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM AND FY 2010/11 CIP BUDGET

Background -

The CIP is a five-year planning tool which is developed and updated annually. However, due to the current financial climate, management's main focus is identifying dependable funding resources for fiscal year 2010/11 and the corresponding uses of those funds. A summary of capital project requests was prepared and submitted to the Council's Budget Subcommittee for review and discussion on April 28th. The Subcommittee approved the preliminary budget requests for fiscal year 2010/11.

FISCAL ANALYSIS:

The Five-Year Capital Improvement Program (CIP or Program) summarizes anticipated resources and their estimated uses for major infrastructure and other capital construction, improvement, and maintenance projects being programmed in order to maintain the City's high quality-of-life standards and to affirm Escondido as the "City of Choice".

Not including carryover fund balances, the proposed budget estimates source revenues of \$16.2 million, which when combined with \$10.7 million in existing available funds, will provide total resources of \$26.9 million available to fund capital improvements and other maintenance capital outlay expenditures. The current year budget requests anticipate uses of approximately \$20.0 million in appropriated expenditures, transfers and designations.

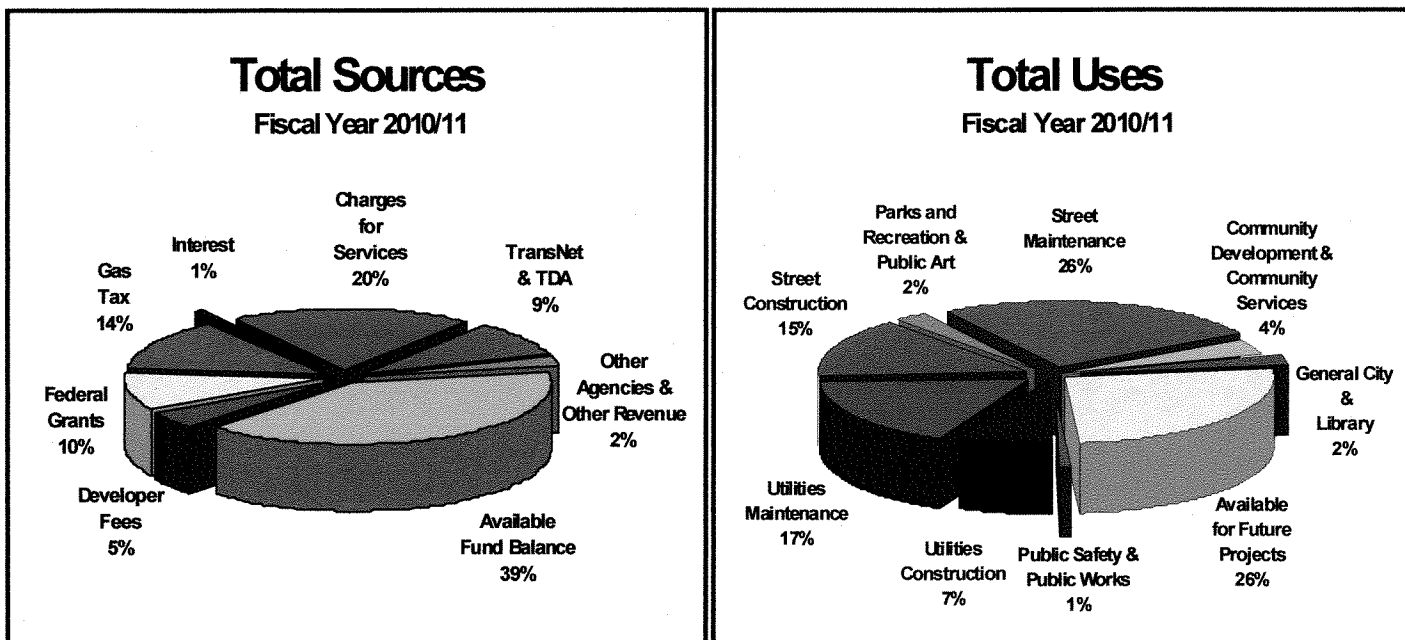
Upon completion of a project, any remaining balance is returned to the appropriate fund's reserves and become available to fund future projects. This program includes approximately \$6.9 million in reserves available for future projects. The majority of the reserves are restricted funding only to be used for specific purposes such as \$5.0 million for public facilities and \$1.2 million restricted for street related expenditures.

The following information highlights by category, the funding "Sources" and expenditure "Uses" contained in the Five-Year Capital Improvement Program for fiscal year 2010/11.

SOURCES

USES

Available Fund Balances	\$ 10,743,520	Community Development	\$ 350,000
Developer Fees	1,230,780	Community Services	673,015
Federal Grants	2,581,550	General City	138,000
Gas Tax	3,715,920	Library	530,000
Interest	178,575	Parks and Recreation	558,380
Other Revenue	36,300	Public Art	73,060
Other Agencies	585,000	Public Safety	202,510
TransNet & TDA	2,497,000	Public Works	50,000
Utilities-Charges for Services	<u>5,338,700</u>	Street Construction	3,923,960
		Street Maintenance & Capital Outlay	6,908,257
		Utilities Construction	1,950,000
		Utilities Maintenance & Capital Outlay	<u>4,600,000</u>
			19,957,182
		Reserves Available for Future Projects	<u>6,950,163</u>
TOTAL FY 2010/11	<u>\$ 26,907,345</u>	TOTAL FY 2010/11	<u>\$ 26,907,345</u>



2010 TRAFFIC AND TRANSPORTATION TASK FORCE

Background -

Each year, the City updates the Five-Year Street Capital Improvement Program. This process is conducted annually by the Traffic and Transportation Task Force. This year, the Task Force was made up of a Transportation Commissioner; a Planning Commissioner; a representative from the Chamber of Commerce; a representative of the Elementary School District; a representative of the Building Industry Association; and a member representing neighborhood groups. Several senior City staff members also assist the Task Force with the planning of the Five-Year Street CIP program.

Once Council adopts the Five-Year Street CIP program, only those projects shown in the first year are actually funded. The second through fifth year of the program will be reconsidered when the program is updated again at this time next year. The Five-Year Street CIP program is built upon the projects and programs developed from the Task Force's planning efforts from the previous year. The adjustments made to the program from last year reflect revised revenue forecasts; and, to some extent, changing City Council and community priorities. The complete Five-Year Street Capital Improvement Program for FY 2011-2015, as recommended by the Task Force, is shown on the attached spreadsheet.

Several, recent Council actions have modified the program recommended by the Task Force, most notably with regard to the Maple Street project and the Grand/Mercado project. On May 5, 2010, City Council considered and approved the Downtown Pedestrian Corridor Master Plan and the Maple Street Pedestrian Plaza Concept Plan. During the May 5th hearing, several Council members expressed concerns regarding increased costs of the project significantly beyond the amount of the SGIP grant. Staff is now proceeding with the project using deductive alternates to allow Council the option of reducing the cost of the project by deleting some features after bids have been opened. Consequently, the \$1.0 million of Transnet funds intended by the Task Force for this project are being left unprogrammed until a final decision is made on the project scope by City Council at a future date.

Further, the Grand/Mercado project was recently advertised for construction bids. Due to technical issues with the bid documents from all of the bidders, City Council rejected all bids on June 9, 2010. The project will be re-advertised and additional funding needs for this project, if any, will be addressed through a budget adjustment when the bid is awarded.

The most notable of the pending, near-term projects in the proposed Five-Year Street CIP program include:

- Centre City Parkway, SR 78 to Mission
- Citracado Parkway, Andreasen to West Valley
- East Valley Parkway/Valley Center Road
- El Norte Bridge at Escondido Creek
- Escondido Creek Undercrossing at Ash Street
- Grand Avenue/Mercado Improvements
- Maple Street Pedestrian Plaza and Downtown Pedestrian Corridor
- SR 78 Bridge at Nordahl Road

A new, cooperative project with the County of San Diego has been added to the program. The County will be improving Bear Valley Parkway between San Pasqual Road (SR 78) and Boyle Avenue. The north end of the County project enters the City of Escondido. Improvements in this area, including participation in a traffic signal at Bear Valley Parkway and Boyle Avenue, will be a City responsibility.

There are a number of ongoing annual operating and maintenance programs funded through the Five-Year Street CIP budget. These programs, which continue from year to year, are:

- Neighborhood Projects
- School Safety Committee
- Storm Drain Infrastructure
- Street Maintenance
- Traffic Signals and Intersections
- Traffic Signal Infrastructure

Of these, the Street Maintenance project continues to be increased significantly as compared to the past programs of several years ago. Carryover funds, plus next year's allocation, total \$7.7 million. In addition, the street maintenance program is funded at \$3.0 million to \$3.2 million in each subsequent year of the four years. This increased level of maintenance funding in these future years is made possible by both the reauthorized Transnet measure; local ARRA funds exchanged for Transnet funds through Sandag; and, increased gas tax funds from a recent Proposition 42/gas tax fund swap enacted by the California State Legislature. The remaining annual programs are funded at levels that are fairly consistent with prior years.

The Task Force is used to consider and provide direction to City staff regarding future neighborhood projects. Staff is recommending that the remaining carryover funds in the Neighborhood Project be used for safety street lighting in the South Elm/Hickory Neighborhood and the CALM Grove Neighborhood. Allocations of neighborhood project funds in the future years of the five-year program are being recommended for similar safety lighting improvements in the Old Escondido Neighborhood area. The Task Force endorses these recommendations for future neighborhood projects.

At the Traffic and Transportation Task Force meeting, the Task Force members recommended support for the Five-Year Street CIP program as developed by staff. There was considerable discussion with regard to street maintenance efforts. City staff gave a detailed explanation of the pavement management program, which will guide the planning of future street rehabilitation and reconstruction efforts. The Task Force further requested that the City continue to follow through with future phases to major corridor improvements like Bear Valley Parkway and Citracado Parkway. These critical links need to be fully developed as envisioned in the circulation element to relieve congestion and to support the existing and planned land uses in the community. The final link of Citracado Parkway, from I-15 to Centre City Parkway, was recommended for future consideration as soon as the current projects on Citracado Parkway are completed. There was some discussion of the effort to update the City's Comprehensive General Plan. The Task Force

recommended that future street projects focus on those portions of the circulation system needed to support the recognized smart growth areas in our community. Lastly, the Task Force recommended that all transportation projects be planned using green technologies and energy efficiencies. Occasionally, energy saving programs for public projects are promoted through SDG&E and the City should consider taking advantage of these as they become available.

Transnet Program of Projects -

As of July 1, 2008, new Transnet funds that accrue to the City are being collected through the Transnet Extension Ordinance approved by San Diego area voters in November of 2004. The extended ordinance is considerably more complex than the original Transnet measure. Among the new procedures is a requirement to be clear with regard to programming of the new Transnet funds and to be transparent to the public so any interested party can comment on the use of these funds. To be clear as to the planned use of the new Transnet funds, the specific projects and Transnet funding amounts are repeated in detail below-

<u>PROJECT</u>	<u>TITLE</u>	<u>RTIP</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
ESC02	Bear Valley/East Valley/Valley Center	2010	-	-	-	-	-
ESC02A	East Valley/Valley Center	2010	-	-	-	-	-
ESC04	Citracado Parkway II	2010	\$527,000	\$1,712,000	\$1,409,000	-	-
ESC11	Street Rehabilitation & Resurface	2010	\$182,000	-	-	-	-
ESC13	Nordahl Road Bridge @ SR-78	2010	\$313,000	-	-	-	-
ESC20	Esc Creek Bikeway Ash Street Undercrossing	2010	\$250,000	-	-	-	-
ESC24	Centre City Parkway	2010	\$300,000	-	-	-	-
ESC27	Maple Street Pedestrian Plaza	2010	\$200,000	-	-	-	-
ESC28	Grand Ave/EI Mercado	2010	\$425,000	-	-	-	-
ESC30	El Norte Parkway Medians and Landscaping	2010	\$200,000	-	-	-	-
ESC35	Bear Valley Parkway North Contribution	2010	\$100,000	-	-	-	-

This table shows new Transnet dollars in the exact amounts as input into ProjecTrak, SANDAG's automated system for programming of regional highway and street funds. SANDAG's project numbers and project descriptions are used in the table to correlate directly with SANDAG's automated project programming system. This table summarizes the City of Escondido's Transnet Local Street Improvement Program of Projects for fiscal years 2010/11 – 2014/15 as presented for Council approval in the attached implementing Resolution No. 2010-77. With the exception of Citracado Parkway II, no future programming of Transnet funds is shown for fiscal years 2011/12 – 2014/15 due to uncertainty of future project budgets. Planning for these funds is shown on the City's Five-Year Street CIP program but not repeated in Sandag's ProjecTrak system. Revisions are made each year during the CIP budget cycle which simply requires multiple revisions each year in the companion ProjecTrak system.

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Five-Year Capital Improvement Program
Traffic and Transportation Task Force
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The SANDAG deadlines for ProjectTrak inputs by City staff closed April, 2010. The proposed Transnet funds for both the Maple Street and Grand/Mercado projects, as shown on the table and discussed in detail earlier in this staff report, will be corrected in the ProjectTrak system by City staff through the amendment process at the next opportunity. Amendments are permitted by SANDAG quarterly.

Respectfully submitted,



Gilbert Rojas
Director of Finance



Robert Zaino
Deputy Director of Engineering Services

FY 2010/2015 FIVE YEAR STREET CIP PROGRAM

Fund	Account No.	Project Description	Fund	Account Balance as of 1-31-2010	Fund	FY2010/2011	Fund	FY2011/2012	Fund	FY2012/2013	Fund	FY2013/2014	Fund	FY2014/2015		5 YR Budget Total
Capital Street & Annual Projects -																
230	NEW	Bear Vly Pkwy/San Pasq-Boyle (County Proj)			TN	\$100,000	TN	\$100,000	TN	\$500,000					TN	\$700,000
230	690029	Centre City/Hwy 78-Mission (ESC24)	TN	\$1,418,595	TN	\$300,000									TN	\$300,000
230	691704	Citracado Pkwy/I15-W Vly Pkwy (ESC29)	TN	\$598,343												
206	NEW	Citracado Pkwy/I15-W Vly Pkwy (ESC29)			FGR	\$245,000									FGR	\$245,000
206	601704	Citracado/Harmony Grv-WVP (ESC04)	SF	\$12,833,792												
206	618301	Citracado/Harmony Grv-WVP (ESC04)	SF	\$0												
120	661001	Citracado/Harmony Grv-WVP (ESC04)	TI	\$625,000	TI	\$213,502	TI	\$180,000	TI	\$180,000					TI	\$573,502
230	NEW	Citracado/Harmony Grv-WVP (ESC04)			TN	\$526,836	TN	\$1,712,000	TN	\$1,409,000					TN	\$3,647,836
206	601002	East Valley/Valley Center (ESC02A)	SF	\$1,600,000												
230	691705	East Valley/Valley Center (ESC02A)	TN	\$400,000							TN	\$2,062,000	TN	\$2,200,000	TN	\$4,262,000
120	NEW	East Valley/Valley Center (ESC02A)									TI	\$180,000	TI	\$180,000	TI	\$360,000
230	691706	El Norte Pkwy Bridge @ Esc Crk (ESC06)	TN	\$1,714,985												
230	697903	El Norte Pkwy-Street Rehab (ESC30)	TN	\$892,083	TN	\$200,000									TN	\$200,000
230	690339	Esc Crk Undercrossing @ Ash (ESC20)	TN	\$320,092	TN	\$250,000									TN	\$250,000
231	651502	Esc Crk Undercrossing @ Ash (ESC20)	TDA	\$166,400												
227	679908	La Honda Dr-Tract 920 Partic-DA	SD	\$52,586	SD	\$13,627	SD	\$80,000	SD	\$53,787					SD	\$147,414
108	644504	Maple St Pedestrian Plaza (ESC27)	GT	\$19,769												
206	604910	Maple St Pedestrian Plaza (ESC27)	SF	\$988,000												
227	672001	Maple St Pedestrian Plaza (ESC27)	SD	\$98,000												
230	NEW	Maple St Pedestrian Plaza (ESC27)			TN	\$1,000,000									TN	\$1,000,000
206	608906	Master Plan-Dntn Pdst Corridor	SF	\$113,547												
108	642703	TS-Vlly Pk/Maple & 2nd/Maple (ESC23)	GT	\$73,902												
230	691703	TS-Vlly Pk/Maple & 2nd/Maple (ESC23)	TN	\$415,179												
108	644503	Mercado Area Improvements (ESC28)	GT	\$311,838												
206	NEW	Mercado Area Improvements (ESC28)			SGIP	\$1,320,000									SGIP	\$1,320,000
230	NEW	Mercado Area Improvements (ESC28)			TN	\$425,000									TN	\$425,000
108	647808	Neighborhood Projects (ESC17)	GT	\$72,869	GT	\$200,000	GT	\$200,000	GT	\$200,000	GT	\$200,000	GT	\$200,000	GT	\$1,000,000
230	697401	Neighborhood Projects (ESC17)	TN	\$16,877												
108	647504	School Safety Committee	GT	\$170,637	GT	\$50,000	GT	\$50,000	GT	\$50,000	GT	\$50,000	GT	\$50,000	GT	\$250,000
230	690329	SR78 Bridge @ Nordahl (ESC13)	TN	\$1,103,039	TN	\$312,500									TN	\$312,500
206	NEW	SR78 Bridge @ Nordahl (ESC13)			FGR	\$250,000									FGR	\$250,000
206	NEW	SR78 Bridge @ Nordahl (ESC13)			FGR	\$826,560									FGR	\$826,560
206	607001	Storm Drain Infrastructure	SF	\$88,000												
108	NEW	Storm Drain Infrastructure			GT	\$100,000	GT	\$100,000	GT	\$100,000	GT	\$100,000	GT	\$100,000	GT	\$500,000
108	647402	Street Maintenance (ESC11)	GT	\$196,393	GT	\$1,100,000	GT	\$2,250,000	GT	\$2,250,000	GT	\$2,250,000	GT	\$2,250,000	GT	\$10,100,000
207	627601	Street Maintenance (ESC11)	P42	\$2,473,920	P42	\$0	P42	\$0	P42	\$0	P42	\$0	P42	\$0	P42	\$0
230	697402	Street Maintenance (ESC11)	TN	\$1,379,189	TN	\$182,000	TN	\$776,000	TN	\$818,000	TN	\$883,000	TN	\$942,000	TN	\$3,601,000
230	697001	Street Maintenance - ARRA (ESC11)	TN-RA	\$2,220,000												
103	NEW	Street Maintenance (ESC11)			P1B	\$2,922,217									P1B	\$2,922,217
206	NEW	Traffic Signals & Intersections			SF	\$200,000									SF	\$200,000
108	NEW	Traffic Signals & Intersections					GT	\$200,000	GT	\$200,000	GT	\$200,000	GT	\$200,000	GT	\$800,000
108	647403	Trffc Signal Infrastructure	GT	\$52,568	GT	\$150,000	GT	\$150,000	GT	\$150,000	GT	\$150,000	GT	\$150,000	GT	\$750,000
206	607805	Trffc Signal Infrastructure	SF	\$127,938												
207	627002	Trffc Signal Infrastructure	P42	\$27,200												
108	NEW	Valley Blvd Relocation			GT	\$100,000									GT	\$100,000
		Unprogrammed			SF	\$49,781	SF	\$50,000	SF	\$50,000	SF	\$50,000	SF	\$50,000	SF	\$249,781
		Unprogrammed			GT	\$720,671	GT	\$250,000	GT	\$250,000	GT	\$250,000	GT	\$250,000	GT	\$1,720,671
		Unprogrammed							SD	\$26,213	SD	\$80,000	SD	\$80,000	SD	\$186,213
TOTAL CAPITAL STREETS & ANNUAL PROJECTS						\$11,757,694		\$6,098,000		\$6,237,000		\$6,455,000		\$6,652,000		\$37,199,694

RESOLUTION NO. 2010-95

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ADOPTING THE FIVE-YEAR CAPITAL
IMPROVEMENT PROGRAM FOR FISCAL
YEARS 2010/11 – 2014/15 AND THE
PROJECT BUDGETS FOR FISCAL YEAR
2010/11

BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

SECTION 1. That the budgets for all capital projects for the period July 1, 2010, through June 30, 2011, inclusive, contained in the Fiscal Years 2010/11-2014/15 Five-Year Capital Improvement Program and Budget Document (a copy of which is on file in the Office of the City Clerk) as amended by Council, are adopted as the final project budgets for Fiscal Year 2010/11. Amendments to this budget may be made from time to time following review and approval by minute action of the City Council.

SECTION 2. That the Fiscal Year 2010/11 amount designated for each project and each fund in the Five-Year Capital Project Improvement Program and Budget, on file with the City Clerk, are hereby appropriated to the fund for which it is designated. Such appropriations as adjusted shall be neither increased nor decreased without approval of the City Council, except for transfers within funds allowed under the City of Escondido's adopted budget adjustment policy. All amounts designated in each project budget on file with the City Clerk are hereby appropriated for such uses to the

fund under which they are listed, and shall be neither increased nor decreased without approval of the City Manager.

SECTION 3. Any Council action changing the above mentioned assumptions will cause the Five-Year Capital Improvement Program and FY 2010/11 Project Budgets to be revised and brought back to the City Council for modification.

RESOLUTION NO. 2010-77

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
ADOPTING THE TRANSNET LOCAL STREET
IMPROVEMENT PROGRAM OF PROJECTS
FOR FISCAL YEARS 2011 THROUGH 2015

WHEREAS, on November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (*TransNet* Extension Ordinance); and

WHEREAS, the *TransNet* Extension Ordinance provides that SANDAG, acting as the Regional Transportation Commission, shall approve a multi-year program of projects submitted by local jurisdictions identifying those transportation projects eligible to use transportation sales tax (*TransNet*) funds; and

WHEREAS, the City of Escondido ("City") was provided with an estimate of annual *TransNet* local street improvement revenues for fiscal years 2011 through 2015; and

WHEREAS, the City has held a clearly noticed public hearing regarding its proposed list of projects prior to approval by its authorized legislative body in accordance with Section 5(A) of the *TransNet* Extension Ordinance and Rule 7 of SANDAG Board Policy 31.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That pursuant to Section 2(C)(1) of the *TransNet* Extension Ordinance, the City certifies that no more than 30 percent of its annual revenues shall be spent on

maintenance-related projects.

3. That pursuant to Section 4(E)(3) of the *TransNet* Extension Ordinance, the City certifies that all new projects, or major reconstruction projects, funded by *TransNet* revenues shall accommodate travel by pedestrians and bicyclists, and that any exception to this requirement permitted under the Ordinance and proposed shall be clearly noticed as part of the City of Escondido's public hearing process.

4. That pursuant to Section 8 of the *TransNet* Extension Ordinance, the City certifies that the required minimum annual level of local discretionary funds to be expended for street and road purposes will be met throughout the five-year period consistent with the most recent Maintenance of Effort Requirements adopted by the SANDAG.

5. That pursuant to Section 9(A) of the *TransNet* Extension Ordinance, the City certifies that they will extract \$2,081 from the private sector for each newly constructed residential housing unit in that jurisdiction to comply with the provisions of the Regional Transportation Congestion Improvement Program (RTCIP).

6. That pursuant to Section 13 of the *TransNet* Extension Ordinance, the City certifies that it has established a separate Transportation Improvement Account for *TransNet* revenues with interest earned expended only for those purposes for which the funds were allocated.

7. That pursuant to Section 18 of the *TransNet* Extension Ordinance, the City certifies that each project of \$250,000 or more will be clearly designated during construction with *TransNet* project funding identification signs.

8. That the City does hereby certify that all other applicable provisions of the

TransNet Extension Ordinance and SANDAG Board Policy 31 have been met.

9. That the City agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to local *TransNet* funded projects.

10. That the City's Five-year Transnet Local Street Improvement Program of Projects for Fiscal Years 2011 through 2015, as presented to City Council in the staff report considered at the public hearing conducted at the regular City Council meeting, at which time the City Council approved the Fiscal Years 2010/2011 through 2014/2015 Five-year Capital Improvement Program (CIP) and the Fiscal Year 2010/2011 Project CIP Budgets, is hereby approved.

RESOLUTION NO. CDC 2010-06

A RESOLUTION OF THE COMMUNITY
DEVELOPMENT COMMISSION OF THE CITY
OF ESCONDIDO, CALIFORNIA ADOPTING
THE CAPITAL PROJECT BUDGETS FOR THE
COMMUNITY DEVELOPMENT COMMISSION
FOR FISCAL YEAR 2010/11

BE IT RESOLVED by the Escondido Community Development Commission
of the City of Escondido, California, as follows:

SECTION 1. That the budgets for CDC capital projects for the period July 1, 2010, through June 30, 2011, inclusive, contained in the Fiscal Years 2010/11 - 2014/15 Five-Year Capital Improvement Program and Budget document (a copy of which is on file in the Office of the Secretary to the Commission) as amended by the Commission, are adopted as the final project budgets for Fiscal Year 2010/11. Amendments to this budget may be made from time to time following review and approval by minute action of the City Council.

SECTION 2. That the Fiscal Year 2010/11 amount designated for CDC capital projects on file with the Secretary to the Commission is hereby appropriated to the Commission and such appropriations shall be neither increased nor decreased without approval of the Commission, except for transfers within funds allowed under the City of Escondido's adopted budget adjustment policy. All amounts designated in each project budget on file with the Secretary to the Commission are hereby appropriated for such uses to the fund under which they are listed, and shall be neither increased nor decreased without approval of the Executive Director.