

TABLE OF CONTENTS

City of Morgan Hill Capital Improvement Program

Fiscal Years 2014-15 through 2018-19

<u>Pg #</u>	<u>Project #</u>	<u>Project Name</u>	<u>Pg #</u>	<u>Project #</u>	<u>Project Name</u>
Introduction					
C-3		Glossary	C-61	Streets & Roads (Category Summary)	
C-7		Narrative of the CIP Process	C-82	562012	DeWitt Avenue "S" Curve Realignment
C-9		Global Summary of All Projects	C-84	563013	Assessment District - Streets
C-11 Park Facilities (Category Summary)			C-86	566013	Dewitt Avenue Sidewalk Extension
C-12	106B09	Butterfield Blvd. Linear Park	C-88	568014	Parking Lot Maintenance and Rehabilitat
C-14	110097	Parks Land Purchase	C-90	569014	Fourth Street Reconstruction
C-16	117001	West Little Llagas Creek Trail	C-93 Water (Category Summary)		
C-18	120001	Community Park Improvements	C-94	601000	New Well Property/Construction
C-20	125004	Open Space Acquisitions	C-96	602000	New Water Reservoirs
C-22	132008	El Toro Trail	C-98	603000	New Water Mains
C-24	135013	Downtown Parks and Trails	C-100	607000	Booster Pump Rehabilitation
C-26	136014	Parks Master Plan Update	C-102	608000	Rehabilitate Water Wells
C-29 Public Facilities (Category Summary)			C-104	610000	Water Main Replacement
C-30	247012	CDBG Funded Projects	C-106	620007	Re-coat Water Reservoir/Tank
C-32	249013	CCC Spray Feature Equipment Building	C-108	622012	Update Water Master Plan
C-35 Sanitary Sewer (Category Summary)			C-110	623014	Recycled Water Master Plan Supplement
C-36	302000	Sanitary Sewer Rehabilitation	C-112	624014	San Pedro Well Solar System
C-38	303093	Sewer Plant Expansion Project	C-115 Capital Funds Description		
C-40	303A11	Sewer Plant Improvement	C-115		The Use of Capital Funds for CIP Projec
C-42	304000	Lift Station Rehabilitation	C-117		Fund 215 - CDBG
C-44	308A08	New Trunk Line	C-118		Fund 250 - Redevelopment Bond Proce
C-46	308B13	Trunk Line - Segments 19 & 20	C-119		Fund 301 - Park Impact (AB1600)
C-48	315006	New Sewer Mains	C-120		Fund 302 - Park Maintenance Fund
C-50	317012	Update Sewer Master Plan	C-121		Fund 303 - Drainage Impact (AB1600)
C-53 Storm Drainage (Category Summary)			C-122		Fund 304 - Drainage
C-54	415097	Storm Pipe and Inlet Installation	C-123		Fund 306 - Open Space
C-56	417099	West Little Llagas Flood Control/Draina	C-124		Fund 308 - Streets
C-58	423012	Update Storm Drain Master Plan	C-125		Fund 309 - Traffic Impact
C-61 Streets & Roads (Category Summary)			C-126		Fund 346 - Public Facilities non-AB160
C-62	501F14	Hale Avenue Plan Line	C-127		Fund 355 - School Pedestrian Safety
C-64	502000	New Signal Construction	C-128		Fund 641 - Sewer Impact
C-66	512093	Underground Monterey Utilities	C-129		Fund 643 - Sewer System Replacement
C-68	519000	Pavement Rehabilitation Program	C-130		Fund 651 - Water Impact
C-70	541005	Downtown Parking	C-131		Fund 653 - Water System Replacement
C-72	541E12	Multi-Level Parking Structure	C-133 Needed-But-Not-Funded Projects		
C-74	551008	RDCS School Safety Improvements			
C-76	552008	RDCS Miscellaneous Public Improvemen	C-134 Summary of 5-Year Pro-Forma		
C-78	560012	Monterey Rd. Streetscape & Downtown S			
C-80	561012	Monterey Road Medians	C-135 Funding Overview: 5 Years (project by fund)		

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GLOSSARY

Acronym/Term	Definition
AB1600 Fees	Assembly Bill 1600 Fees. The legal requirements for enactment of a development impact fee program are set forth in the California Government Code (the "Mitigation Fee Act"). The bulk of this program adopted in 1987 in AB 1600 and thus commonly referred to as "AB 1600 requirements." A development impact fee is a monetary exaction other than a tax or special assessment that the City charges an applicant in connection with approving a development project. It defrays all or a portion of the cost of public facilities that will be impacted by that particular development project (i.e., the incurring of additional use of infrastructure/facilities), thereby creating the need for new infrastructure/facilities. The fee must be reasonably related to the cost of the service provided by the local agency.
BTA	The Bicycle Transportation Account. An annual program that provides state funds for city and county projects that improve safety and convenience for bicycle commuters. To be eligible for BTA funds, a city or county must prepare and adopt a Bicycle Transportation Plan (BTP) that complies with Streets and Highways Code Section 891.2.
CDBG	Community Development Block Grant. The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States.
CEQA	California Environmental Quality Act. CEQA does not directly regulate land uses, but instead requires state and local agencies within California to follow a protocol of analysis and public disclosure of the potential environmental impacts of development projects.
Congestion Management Agency (CMA)	Santa Clara County Congestion Management Agency. The VTA serves as the Congestion Management Agency for Santa Clara County. In this role, VTA makes decisions on what local projects can utilize federal and state funding, and manages sales tax revenue that is specified for VTA usages, such as the 2000 Measure A sales tax measure and 2010 Measure B registration program.
EEMP	Environmental Enhancement & Mitigation Program. This program is jointly implemented by The Natural Resources Agency and California Department of Transportation (Caltrans). It was established by the Legislature in 1989 to offers a total of \$10 million each year for grants to local, state, and federal governmental agencies and to nonprofit organizations for projects to mitigate the environmental impacts caused by new or modified public transportation facilities. The Resources Agency prescribes procedures and criteria to evaluate grant proposals and submits a list of proposals recommended for funding to the California Transportation Commission (CTC). The CTC awards the funding.
Measure B	Measure B. A voter-approved measure passed in the November 2010 election and imposing an additional motor vehicle registration fee of up to \$10 on each motor vehicle registered within Santa Clara County. Fee proceeds can be used for congestion and pollution mitigation programs/projects that benefit the owners of motor vehicles who pay the fee, such as: repair potholes, repave/maintain local streets, improve traffic flow on local roads, improving traffic flow on local roads, improve safety; pay for other congestion and pollution mitigation projects; and provide matching funds for federal and state funding. Not more than 5% of fees collected may be used for administrative costs associated with the programs/projects.

Acronym/Term**Definition**

**Measure C Fees /
Non-AB1600
(RDCS)**

Measure C Fees/Non-Assembly Bill 1600. These fees that are not subject to the requirements of AB1600 (thus, "Non-AB1600"). Per Chapter 18.78 Residential Development Control System (RDCS) of the Morgan Hill Municipal Code, commonly referred to as "Measure C", proposed residential developments compete to obtain building allocations by achieving passing scores in various categories: Park Development (Fund 302), Storm Drain (Fund 304), Public Facilities (Fund 346), School Pedestrian Safety (Fund 355). Developers are awarded points in each of these categories for committing to spend or contribute approximately \$1,100 per residential unit towards the construction of capital improvements as approved by the City. This dollar commitment per unit is commonly referred to as "Measure C Fees," and is used specifically for design/construction of public off-site improvements.

MTC

Metropolitan Transportation Commission. The MTC is the transportation planning, coordinating and financing agency for the nine-county San Francisco Bay Area. It is responsible for regularly updating the Regional Transportation Plan, a comprehensive blueprint for the development of mass transit, highway, airport, seaport, railroad, bicycle and pedestrian facilities.

OneBay Area Grant

OneBay Area Grant. A proposal to establish the OneBay Area Grant program was approved for release to the public by the MTC Planning Committee and ABAG Administrative Committee at their joint meeting on July 8, 2011. This proposal is an alternative to the Cycle 2 STP/CMAQ framework approved by the Commission in December 2009 that better integrates the region's federal transportation program with land-use and housing policies by providing incentives for the production of housing with supportive transportation investments. MTC anticipates adoption of the final plan in April, 2013.

Prop 42

California Proposition 42. (Also known as Traffic Congestion Improvement Act) was approved as a constitutional amendment to the California Constitution in 2005. It added provisions to the Constitution requiring that from 2003-04 through 2007-08, gasoline sales tax revenues are used for specified state and local transportation purposes.

**Redevelopment
Agency (RDA)**

Redevelopment Agency. The Morgan Hill Redevelopment Agency was dissolved by State law as of February 1, 2012. The City of Morgan Hill, as Successor Agency, is responsible for meeting the remaining enforceable obligations of the former RDA.

**Redevelopment
Agency Bond
Proceeds**

Redevelopment Agency Bond Proceeds. The Successor Agency is responsible for completing projects financed with the remaining bond proceeds from the RDA's 2008 tax allocation bonds. Under the RDA Dissolution Act, "Bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved."

SCRWA

South County Regional Wastewater Authority. SCRWA is a joint powers authority set up in 1992 to jointly handle the wastewater needs of Morgan Hill and Gilroy. It is governed by a five member Board of Directors representing both cities. The agency operates the facility in Gilroy that all wastewater in Morgan Hill and Gilroy flows to and is treated at. The SCRWA plant was built in 1990 and is a modern, publicly-owned treatment works. The Plant treats the water and then disposes of the treated water to ponds. The ponds allow the water to soak into the soil and eventually add water to the underground aquifer.

SCVWD

Santa Clara Valley Water District. The SCVWD is a special district of California set up to provide stream stewardship, wholesale water supply and flood protection for Santa Clara County. It encompasses all of the county's 1,300 square miles, serves the area's 15 cities, and has 3 water treatment plants. It manages flood and storm waters along the county's hundreds of miles of creeks and rivers in an environmentally sensitive manner. It is responsible for: the control and conservation of flood and storm waters and the protection of watercourses, watersheds, public highways, life and property from damage or destruction from such waters. It provides for the acquisition, retention, and reclaiming of drainage, storm, flood, and other waters, and to save, conserve, and distribute such waters for beneficial use in the district.

Acronym/Term**Definition**

TDA

Transportation Development Act provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance fund (STA). These funds are for the development and support of public transportation needs that exist in California and are allocated to areas of each county based on population, taxable sales and transit performance.

TDCs

Transferable Development Credits. The process for the transfer of development rights or credits from one lot, parcel or area of land to another lot, parcel or area of land in one or more receiving site as set forth in Title 18, Chapter 18.44 of the Morgan Hill Municipal Code. These TDCs are utilized when a developer is not permitted to develop a parcel due to city zoning or use requirements.

TFCA

Transportation Fund for Clean Air. A grant program funded by a \$4 surcharge on motor vehicles registered in the Bay Area. Its purpose is to provide grants to implement the most cost-effective projects in the Bay Area that will decrease motor vehicle emissions, and thereby improve air quality. Projects must be consistent with the 1988 California Clean Air Act and the Bay Area Ozone Strategy.

VTA

Santa Clara Valley Transportation Authority. An independent special district that provides sustainable, accessible, community-focused transportation options that are innovative, environmentally responsible, and promote the vitality of our region. The VTA is responsible for countywide transportation planning, including congestion management, design and construction of specific highway, pedestrian, and bicycle improvement projects, as well as promotion of transit oriented development.

**VTA-MTC LSR
Block Grant**

Valley Transportation Authority/Metropolitan Transportation Commission Local Streets & Roads Block Grant. The VTA serves as the Congestion Management Agency (CMA) for Santa Clara County. Amongst other responsibilities, it has been delegated the program management and project selection responsibilities for the Local Streets and Roads Shortfall Program. (Also handles the County Transportation for Livable Communities Program and the Regional Bicycle Program.) The "block grant" approach provides additional flexibility to the CMA.

VTP

Valley Transportation Plan Highway Program. The comprehensive long-range multimodal transportation plan for the county, and for preparing/implementing the state-mandated Congestion Management Program (CMP). It is responsible for the programming and monitoring of discretionary federal, state, regional and local funds programmed by the VTA Board of Directors. Also serves as the program manager for certain grants funds, including the Transportation Fund for Clean Air (TFCA) and the Measure B Transportation Improvement Program (MBTIP) Ancillary Program.

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Capital Improvement Program

Fiscal Years 2014/15 through 2018/19

What is the Capital Improvement Program?

In conjunction with the annual operations budget for a given fiscal year, the City Council also approves the Capital Improvement budget. The Capital Improvement Program (CIP) is the primary tool that local governments use to plan for major capital projects and acquisitions. It identifies major capital needs over a multiyear forecast period. Morgan Hill implements a 5-year CIP which is quite common. The CIP focuses on large capital projects and acquisitions with long useful lives. Expenditures typically address one-time needs as opposed to the City's operations budget which addresses ongoing, year to year needs.

The CIP is intended to address the following multi-faceted infrastructure needs of the City:

- **Parks**, including fields, landscaping, lighting, irrigation, and recreational amenities
- **Public Facilities**, including community, public safety, recreation and civic facilities
- **Sewer**, including collection pipes, lift stations, and trunk lines
- **Storm Drain**, including inlet structures, pipelines, channels and basins
- **Streets**, including sidewalks, ramps, street lights, traffic signals, and signs
- **Water**, including wells, pipelines, storage tanks (also called reservoirs), and pumping stations

The 5-year CIP is a long-term spending plan that requires forecasting what the infrastructure needs for the City will be and forecasting the revenues needed to fund those needs. Morgan Hill has a wide variety of funding sources for CIP projects; some steady and predictable, while others are dependent on outside agencies. The City receives monies annually from the State, for instance, to help fund road repair projects. Also, a portion of the water and sewer bills paid by residents and businesses (franchise fees) go towards capital projects that keep the water and sewer systems in good repair and functioning efficiently. New development in Morgan Hill, be it residential homes or commercial and industrial buildings, is required to pay impact fees to the City, which goes towards the new and future infrastructure that will be needed as the City grows. Impact fees pay for the impact the new development's presence will have on the City. New development pays the following impact fees: streets, water, sewer, drainage, police, fire, parks, library, and public facilities. These impact fees can only be used to build infrastructure and facilities and cannot be used for ongoing maintenance or operations.

When the City Council adopts the 5-year CIP, it is doing two things. First, it is approving the five-year spending plan for all capital projects. Second, it is appropriating funds for the first year of that plan; in this case the 2014-15 fiscal year. This appropriation is very important in that it authorizes City staff to spend those CIP funds on the intended projects in that fiscal year.

Parks: The largest objective in the Parks category is the acquisition of future park lands. In addition, the City will work towards acquiring the necessary rights of way to build a trail to the summit of El Toro Mountain.

Public Facilities: For FY 2014-15 there are two projects programmed: CDBG Funded Projects and Community and Cultural Center Spray Feature Equipment Building.

Sewer: A large portion of the sewer resources, including impact fees and franchise fees, will be directed towards the sewage treatment plant located in Gilroy. The plant is simultaneously preparing for a significant expansion and at the same time, replacing aging plant capital. Both types of expenditures require the City of Morgan Hill to participate since it shares ownership of the plant with the City of Gilroy. In FY 2014-15 the City will also be rehabilitating sewer mains on Crest Avenue and Lindo Lane.

Storm Drainage: The primary focus for drainage projects will be to address local drainage issues. The City will also be updating Utilities Master Plans, including the Storm Drain Master Plan in FY 14-15.

Streets: The Streets section contains a variety of projects to address several City Council goals. The largest investment will be in the Downtown area where a multi-level parking structure will be built and where the majority of streets will be improved with overhead utility undergrounding and new street lights. A focus will also be made on Safe Routes to Schools in cooperation with the Morgan Hill Unified School District. In addition, there will be the city-wide Street Rehabilitation project.

Water: The primary projects in the Water section for FY 2014-15 will be to replace the water main in Main Avenue between Del Monte Avenue and Depot Avenue (Phase II), drilling a new well, and a new main will be installed on Mast Avenue from Church Street to Railroad Avenue.

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**CITY OF MORGAN HILL, CALIFORNIA
FIVE YEAR CAPITAL IMPROVEMENT PROGRAM
BUDGET SUMMARY**

(Thousands of Dollars)

	2014-15	2015-16	2016-17	2017-18	2018-19	TOTALS
PROJECT CATEGORIES						
1 Park Facilities	\$8,939	\$477	\$3,210	\$0	\$1,150	\$13,776
2 Public Facilities	\$257	\$71	\$71	\$71	\$71	\$541
3 Sanitary Sewer	\$15,178	\$6,461	\$4,661	\$6,953	\$12,428	\$45,681
4 Storm Drainage	\$195	\$125	\$70	\$2,600	\$3,170	\$6,160
5 Streets & Roads	\$22,767	\$3,902	\$1,918	\$1,603	\$2,413	\$32,603
6 Water	\$7,596	\$3,428	\$3,540	\$2,073	\$1,213	\$17,850
TOTALS	\$54,932	\$14,464	\$13,470	\$13,300	\$20,445	\$116,611

PROJECT FUNDING SOURCES						
215 CDBG Grant	\$142	\$71	\$71	\$71	\$71	\$426
250 Successor Agency (Bond Proceeds)	\$16,179	\$1,425	\$0	\$0	\$0	\$17,604
301 Park Impact Fund Grant Funds	\$45	\$0	\$2,320	\$0	\$0	\$2,365
301 Park Impact Fund (TDA Grant)	\$0	\$94	\$0	\$0	\$0	\$94
301 Park Impact Fund (TFCA Grant)	\$0	\$276	\$0	\$0	\$0	\$276
301 Park Impact Fund (AB1600)	\$7,774	\$107	\$455	\$0	\$0	\$8,336
302 Park Maintenance Fund	\$115	\$0	\$0	\$0	\$0	\$115
303 Drainage Impact Fund (AB1600)	\$80	\$20	\$20	\$2,450	\$3,050	\$5,620
304 Drainage Fund (non-AB1600)	\$115	\$105	\$50	\$150	\$120	\$540
306 Open Space Fund (TDCs)	\$1,120	\$0	\$435	\$0	\$1,150	\$2,705
308 Street Fund (gas Tax, formerly Prop. 42)	\$410	\$410	\$410	\$410	\$410	\$2,050
308 Street Fund (Measure B)	\$218	\$218	\$218	\$218	\$218	\$1,090
308 Street Fund (One Bay Area Grant)	\$1,379	\$0	\$0	\$0	\$0	\$1,379
308 Street Fund (TDA Grant)	\$80	\$0	\$0	\$0	\$0	\$80
308 Street Fund (TFCA Grant)	\$24	\$0	\$0	\$0	\$0	\$24
308 Street Fund (xfr from General Fund)	\$250	\$125	\$125	\$125	\$125	\$750
308 Street Fund (xfr from Special Deposits 820)	\$410	\$429	\$0	\$0	\$0	\$839
309 Traffic Impact Fund (AB1600)	\$613	\$320	\$360	\$0	\$460	\$1,753
309 Traffic Impact Fund (SCC Contribution)	\$52	\$0	\$0	\$0	\$0	\$52
346 Public Facilities (non-AB1600 RDCS)	\$2,072	\$585	\$390	\$390	\$800	\$4,237
355 School Pedestrian Safety	\$680	\$390	\$415	\$460	\$400	\$2,345
641 Sewer Impact Fund (AB1600)	\$13,351	\$3,786	\$2,740	\$4,869	\$10,522	\$35,268
643 Sewer System Replacement Fund	\$2,027	\$2,675	\$1,921	\$2,084	\$1,906	\$10,613
651 Water Impact Fund (AB1600)	\$2,709	\$1,878	\$1,795	\$344	\$82	\$6,808
653 Water System Replacement Fund	\$5,087	\$1,550	\$1,745	\$1,729	\$1,131	\$11,242
TOTALS	\$54,932	\$14,464	\$13,470	\$13,300	\$20,445	\$116,611

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Park Facilities**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

106B09	Butterfield Blvd. Linear Park	\$0	\$132	\$2,640	\$0	\$0	\$2,772
110097	Parks Land Purchase	\$6,284	\$0	\$0	\$0	\$1,150	\$7,434
117001	West Little Llagas Creek Trail	\$0	\$305	\$135	\$0	\$0	\$440
120001	Community Park Improvements	\$30	\$0	\$0	\$0	\$0	\$30
125004	Open Space Acquisitions	\$370	\$0	\$435	\$0	\$0	\$805
132008	El Toro Trail	\$1,030	\$0	\$0	\$0	\$0	\$1,030
135013	Downtown Parks and Trails	\$1,000	\$0	\$0	\$0	\$0	\$1,000
136014	Parks Master Plan Update	\$225	\$40	\$0	\$0	\$0	\$265
		\$8,939	\$477	\$3,210	\$0	\$1,150	\$13,776

PROJECT FUNDING SOURCES

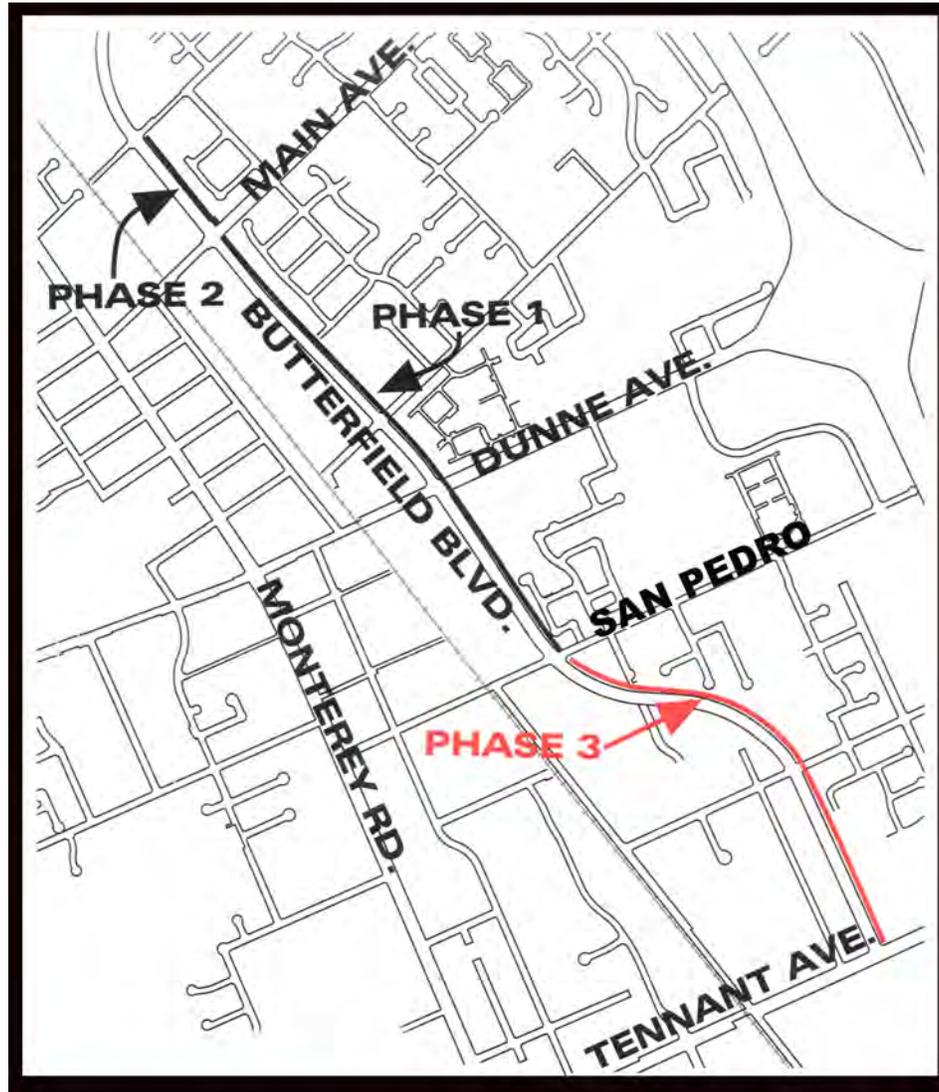
301	Park Impact Fund Grant Funds	\$45	\$0	\$2,320	\$0	\$0	\$2,365
301	Park Impact Fund (TDA Grant)	\$0	\$94	\$0	\$0	\$0	\$94
301	Park Impact Fund (TFCA Grant)	\$0	\$276	\$0	\$0	\$0	\$276
301	Park Impact Fund (AB1600)	\$7,774	\$107	\$455	\$0	\$0	\$8,336
306	Open Space Fund (TDCs)	\$1,120	\$0	\$435	\$0	\$1,150	\$2,705
		\$8,939	\$477	\$3,210	\$0	\$1,150	\$13,776

Project: Butterfield Blvd. Linear Park

Project Location: Butterfield Boulevard

Project No.: 106B09

Category: Park Facilities



DESCRIPTION: Project provides for a continuous Class 1 pedestrian pathway along Butterfield Boulevard with the ultimate goal of connecting to the West Little Llagas Creek trail west of Monterey Road. The scope includes a detached meandering asphalt walkway, with trees, and benches. To date, the reach from Central to San Pedro has been completed. Continuing the project south of San Pedro becomes more difficult due to the close proximity of the Butterfield Channel to the east curb of Butterfield Blvd. To build the linear park south of San Pedro is costlier to build than earlier phases because it requires either a retaining wall in the Channel or a relocation of the curb. The most likely source of funding for future reaches of the linear park is grants. Grants of the size needed are difficult to acquire, however, staff will continue to pursue them.

JUSTIFICATION: The adopted Parks, Facilities, & Recreation Facilities Master Plan calls for installation, where possible, of bike and pedestrian trails along all creeks and channels. In addition, the adopted Trails Master Plan calls for a paved trail along Butterfield Blvd.

RESPONSIBLE DEPARTMENTS: Public Works

106B09 - Butterfield Blvd. Linear Park		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6201 - Environmental Clearances		\$10				\$10	
6220 - Architecture, Design & Constr Support		\$100				\$100	
6360 - Construction			\$2,400			\$2,400	
6530 - Project Implementation		\$22	\$240			\$262	
PROJECT COST		\$132	\$2,640			\$2,772	
FUNDING SOURCE(S)							
301-Park Impact Fund (AB1600)			\$320			\$320	
301-Park Impact Fund (TFCA Grant)		\$132				\$132	
301-Park Impact Fund Grant Funds			\$2,320			\$2,320	
FUNDING TOTALS		\$132	\$2,640			\$2,772	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development		Q1			
Project Design		Q2			
Community Input & Environmental Reviews		Q2			
City Council Approvals		Q3	Q1		
Finalized Design			Q1		
Construction			Q2-Q3		
Project Close-out			Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Recent similar construction contracts, adjusted for inflation

PRIOR EXPENDITURES: - FY13/14 \$0 (estimated) - FY12/13 \$0 - FY11/12 \$0 - FY10/11 \$0 - FY09/10 \$0 - FY08/09 \$1,720 - FY07/08 \$199,225 - FY06/07 \$3,549

OPERATIONS and MAINTENANCE FISCAL IMPACT: This facility will increase Street Maintenance operating costs in the General Fund by approximately \$1,000 annually for landscape maintenance, weed control, tree trimming, utilities, occasional walkway minor repair work, graffiti/vandalism and repair/replacement of the benches along the walkway. It is expected that significant pavement repairs will be required on a 20-year cycle.

Project: Parks Land Purchase

Project Location: City-wide

Project No.: 110097

Category: Park Facilities



DESCRIPTION: Purchase of land for future parks as identified in the Parks, Facilities and Recreation Programming Master Plan and the General Plan. The City Council has prioritized the acquisition of a 20+ acre parcel suitable for softball and baseball field development. The City has entered into a letter of intent with the owners of a parcel at the corner of Tennant and Condit and the City is finalizing the due diligence studies and environmental reviews needed to finalize the purchase. A conceptual design and cost estimate have been developed and total site development costs are estimated to be between \$20 and \$25 million. Project activities are limited to site acquisition for future development at this time. The City and the School District may collaborate on a neighborhood park facility at a site adjacent to Peet Road.

JUSTIFICATION: Acquiring property for new parks helps ensure an adequate parks inventory in the future and is a required element of the Parks Master Plan.

RESPONSIBLE DEPARTMENTS: Community Services

110097 - Parks Land Purchase		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition	\$6,274					\$6,274	
6121 - Right-of-Way Acquisition						\$0	
6205 - Agriculture Mitigation					\$1,150	\$1,150	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction						\$0	
6530 - Project Implementation	\$10					\$10	
PROJECT COST	\$6,284				\$1,150	\$7,434	
FUNDING SOURCE(S)							
301-Park Impact Fund (AB1600)	\$6,284					\$6,284	
306-Open Space Fund (TDCs)					\$1,150	\$1,150	
FUNDING TOTALS	\$6,284				\$1,150	\$7,434	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals	Q2				Q2
Finalized Design					
Construction					
Project Close-out					

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: This estimate is based on purchasing 23 acres of potential ball field property at the negotiated sales price of \$230,000 and an additional 2.5 acres at the Peet Road site for \$300,000 per acre. \$50,000 in additional consulting costs related to land acquisition are also included. Agricultural mitigation costs of \$50,000 per acre for the 23 acre ball field property are noted for eventual development costs.

PRIOR EXPENDITURES: - FY13/14 \$35,000 (estimated) - FY12/13 \$25,300 - FY11/12 \$3,000 - FY10/11 \$1,500 - FY09/10 \$26,122 - FY08/09 \$17,465

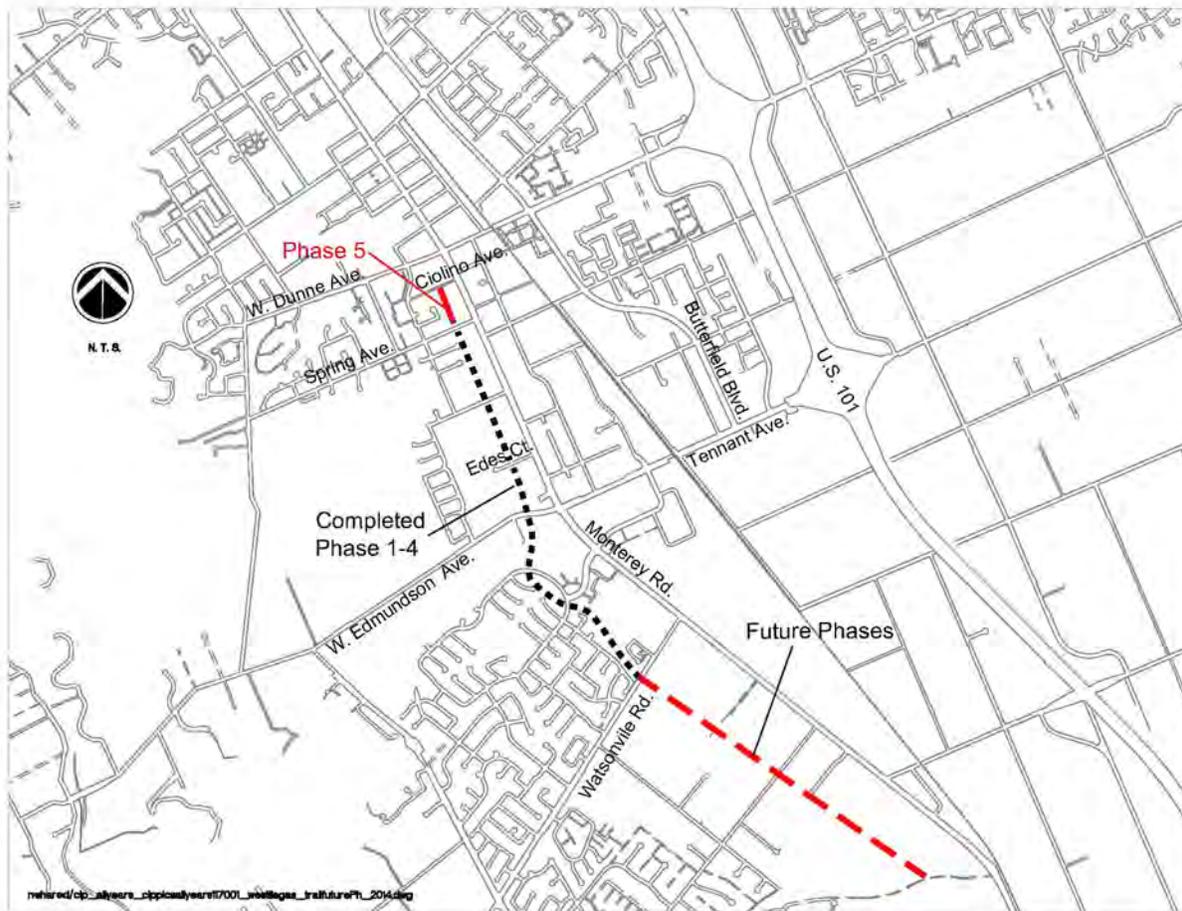
OPERATIONS and MAINTENANCE FISCAL IMPACT: No new operations costs are incurred prior to development if other alternate uses, such as farming, can be identified. Without an alternate use, annual cost to abate weeds would be approximately \$125 per acre.

Project: West Little Llagas Creek Trail

Project Location: Along West Little Llagas Creek

Project No.: 117001

Category: Park Facilities



DESCRIPTION: Project provides for a continuous Class 1 pedestrian pathway along the West Little Llagas Creek Trail from the City's Downtown south to the future Silveira Park wetlands area. The alignment of this trail will follow the Upper Llagas Flood Control project taking advantage of the maintenance roads required for that project. The scope includes a meandering asphalt pathway, with trees, benches, lit crosswalks (where necessary at street crossings), and interpretive landmarks and signage (where appropriate). To date, the trail has been constructed between Spring Avenue south to Watsonville Road. The two reaches remaining are: 1) Spring Avenue to the Downtown core, and 2) Watsonville Road to Silveira Park wetlands area with trails in and around the wetlands. Completion of the southern portions of the project cannot commence until the Upper Llagas Flood Control project is completed in that area, which is projected to happen in 2015. Funding for this project will come from grants and Park Impact Funds.

JUSTIFICATION: The adopted Parks, Facilities and Recreat Facilities Master Plan calls for installation, where possible, of bike and pedestrian trails along all creeks and channels. In addition, the adopted Trails Master Plan calls for a paved trail along the West Little Llagas Creek.

RESPONSIBLE DEPARTMENTS: Public Works

117001 - West Little Llagas Creek Trail		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6201 - Environmental Clearances			\$10			\$10	
6220 - Architecture, Design & Constr Support		\$25	\$20			\$45	
6360 - Construction		\$250	\$90			\$340	
6530 - Project Implementation		\$30	\$15			\$45	
PROJECT COST		\$305	\$135			\$440	
FUNDING SOURCE(S)							
301-Park Impact Fund (AB1600)		\$67	\$135			\$202	
301-Park Impact Fund (TDA Grant)		\$94				\$94	
301-Park Impact Fund (TFCA Grant)		\$144				\$144	
FUNDING TOTALS		\$305	\$135			\$440	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development		Q1	Q1		
Project Design		Q1-Q2	Q1-Q2		
Community Input & Environmental Reviews		Q1-Q3	Q1-Q2		
City Council Approvals		Q2	Q2		
Finalized Design		Q2	Q2		
Construction		Q3-Q4	Q3-Q4		
Project Close-out		Q4	Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent trail construction projects, adjusted for inflation.

PRIOR EXPENDITURES: - FY13/14 \$7,535 (estimated) - FY12/13 \$8,830 - FY11/12 \$76,608 - FY10/11 \$301,706 - FY09/10 \$141,578 - FY08/09 \$646,701 - FY07/08 \$85,450 - FY06/07 \$467,955 - FY05/06 \$77,426

OPERATIONS and MAINTENANCE FISCAL IMPACT: This facility will increase Park Maintenance operating costs in the General Fund by approximately \$1,000 annually for landscape maintenance, weed control, tree trimming, utilities, occasional trail minor repair work, graffiti/vandalism and repair/replacement of trail benches. It is expected that significant pavement repairs will be required on a 20-year cycle.

Project: Community Park Improvements

Project Location: Community Park

Project No.: 120001

Category: Park Facilities



DESCRIPTION: In 2005, the City adopted the Community Park Master Plan. The multi-phase project includes the renovation and possible expansion of the existing park to meet the community's growing recreational needs. Phase 1 was completed in 2008. Due to the length of time that has passed since the Plan was adopted and the many changes that have occurred in the community since that time, the Master Plan will undergo a master revision in FY 14-15. \$30,000 is programmed for the services of a park planning consultant.

JUSTIFICATION: Additional recreation needs for a growing population can be met by expanding facilities at Community Park in conformance with the Parks Master Plan.

RESPONSIBLE DEPARTMENTS: Community Services, Public Works

120001 - Community Park Improvements		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$30					\$30	
6360 - Construction						\$0	
6530 - Project Implementation						\$0	
PROJECT COST	\$30					\$30	
FUNDING SOURCE(S)							
301-Park Impact Fund (AB1600)	\$30					\$30	
FUNDING TOTALS	\$30					\$30	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q2				
Community Input & Environmental Reviews	Q2				
City Council Approvals	Q4				
Finalized Design	Q4				
Construction					
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: This is a preliminary estimate only.

PRIOR EXPENDITURES: - FY13-14 \$89,000 (Estimated - Phase2)

OPERATIONS and MAINTENANCE FISCAL IMPACT: Minimal impact on operational budgets as this is predominantly plan development.

Project: Open Space Acquisitions

Project No.: 125004

Project Location: City-wide

Category: Park Facilities



DESCRIPTION: This project consists of the purchase of conservation easements and/or fee title for open space. The Urban Limit Line/Greenbelt Study was conducted to identify the long-term limits of City growth and establish a non-urban buffer or Greenbelt around the City. According to the Urban Limit Line/Greenbelt Study, priority locations for a greenbelt are: the east side of El Toro Mountain and the foothills east of Hill Rd. and north of E. Dunne Ave. Open space in the southeast quadrant could also be targeted. Funding is from City Open Space funds. A portion of open space funds has been included in the El Toro Trail project for acquisition support for that project. Staff has been working with the Open Space Authority to identify properties to acquire to support the General Plan goal of preserving hillsides and linking trail systems.

JUSTIFICATION: General Plan Open Space and Conservation Element advocates the preservation of open space and the creation of a greenbelt around the city. The Southeast Quadrant Land Use Plan and Citywide Agriculture Mitigation Plan underway anticipates the purchase of open space lands.

RESPONSIBLE DEPARTMENTS: Public Works

125004 - Open Space Acquisitions		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition	\$350		\$400			\$750	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6230 - Legal Services	\$10		\$20			\$30	
6360 - Construction						\$0	
6530 - Project Implementation	\$10		\$15			\$25	
PROJECT COST	\$370		\$435			\$805	
FUNDING SOURCE(S)							
306-Open Space Fund (TDCs)	\$370		\$435			\$805	
FUNDING TOTALS	\$370		\$435			\$805	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1		Q1		
Project Design					
Community Input & Environmental Reviews	Q2		Q2		
City Council Approvals	Q3		Q3		
Finalized Design					
Construction					
Project Close-out	Q4		Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on available revenue

PRIOR EXPENDITURES: - FY13/14 \$0 (estimated) - FY12/13 \$0 - FY11/12 \$0 - FY10/11 \$0 - FY09/10 \$301,819 - FY08/09 \$10,700 - FY07/08 \$119

OPERATIONS and MAINTENANCE FISCAL IMPACT: Minimal maintenance cost for undeveloped open space.

Project: El Toro Trail

Project No.: 132008

Project Location: El Toro Mountain

Category: Park Facilities



DESCRIPTION: This project will provide a non-paved public trail (meeting City Trail Study guidelines) to the top of El Toro Mountain. Project will be phased to take advantage of City-owned property and to maximize coordination with the Open Space Authority (OSA). City staff have held meetings to keep neighborhood and community interested parties informed of the project's status. Staff will continue to address concerns raised in the public meetings, such as parking, safety, etc... The goal is to provide a trail experience for the community that respects the privacy of local residents. The OSA has acquired lands to the south of El Toro Mountain and intends to provide a trail on that property. Currently, neither the City nor the OSA has property rights encircling the El Toro summit area which would be required to provide a trail all the way to the top. Until those summit rights are secured, a trail network will be established on the lower portion of the mountain (phase 1). Phase 2 will be the portion of the trail that actually makes the summit. The City and OSA will partner to create the trail network. Both agencies will assist with design and construction. The City could potentially purchase property rights using Open Space funds.

JUSTIFICATION: Per Trails Master Plan.

RESPONSIBLE DEPARTMENTS: Community Services, Public Works

132008 - El Toro Trail	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition	\$750					\$750
6121 - Right-of-Way Acquisition						\$0
6201 - Environmental Clearances	\$40					\$40
6220 - Architecture, Design & Constr Support	\$25					\$25
6360 - Construction	\$175					\$175
6530 - Project Implementation	\$40					\$40
PROJECT COST	\$1,030					\$1,030
FUNDING SOURCE(S)						
301-Park Impact Fund (AB1600)	\$235					\$235
301-Park Impact Fund Grant Funds	\$45					\$45
306-Open Space Fund (TDCs)	\$750					\$750
FUNDING TOTALS	\$1,030					\$1,030

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q1				
Community Input & Environmental Reviews	Q1-Q2				
City Council Approvals	Q2				
Finalized Design	Q2				
Construction	Q3-Q4				
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: This is a preliminary estimate only, and more detailed costs will be developed.

PRIOR EXPENDITURES: - FY13/14 \$70,000 (estimated) - FY12/13 \$83,835 - FY11/12 \$81,781 - FY10/11 \$32,838 - FY09/10 \$2,236

OPERATIONS and MAINTENANCE FISCAL IMPACT: This facility will increase Park Maintenance operating costs in the General Fund by approximately \$3,000 annually for litter removal, trash collection, and minor trail repair work in the areas near the trailhead. This estimate assumes that volunteers will participate in trail maintenance and litter collection in the upper reaches of the trail.

Project: Downtown Parks and Trails

Project No.: 135013

Project Location: Downtown Morgan Hill

Category: Park Facilities



DESCRIPTION: The goal of this project is to create parks and trails that in that are integrated into the downtown. This project will build upon the Downtown Specific Plan and the 2012 Downtown Park Visioning process. Additionally, prior to design of this project more community engagement will be done on additional potential sites for trails and parks in the downtown area. This process will be integrated with the discussion with the community for the overall downtown streetscape project.

JUSTIFICATION: The City Council has made revitalization of the downtown through implementation of the Downtown Specific Plan one of its 2013 focus areas. The Downtown currently lacks green park spaces.

RESPONSIBLE DEPARTMENTS: Community Services, Public Works

135013 - Downtown Parks and Trails	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$100					\$100
6360 - Construction	\$850					\$850
6530 - Project Implementation	\$50					\$50
PROJECT COST	\$1,000					\$1,000
FUNDING SOURCE(S)						
301-Park Impact Fund (AB1600)	\$1,000					\$1,000
FUNDING TOTALS	\$1,000					\$1,000

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1				
Community Input & Environmental Reviews	Q1				
City Council Approvals	Q2				
Finalized Design	Q2				
Construction	Q3				
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Construction costs are based on rough early estimates. Formal cost estimates for construction will occur as part of the design phase of this project.

PRIOR EXPENDITURES: - FY 13/14 \$0 (estimated) - FY 12/13 \$0

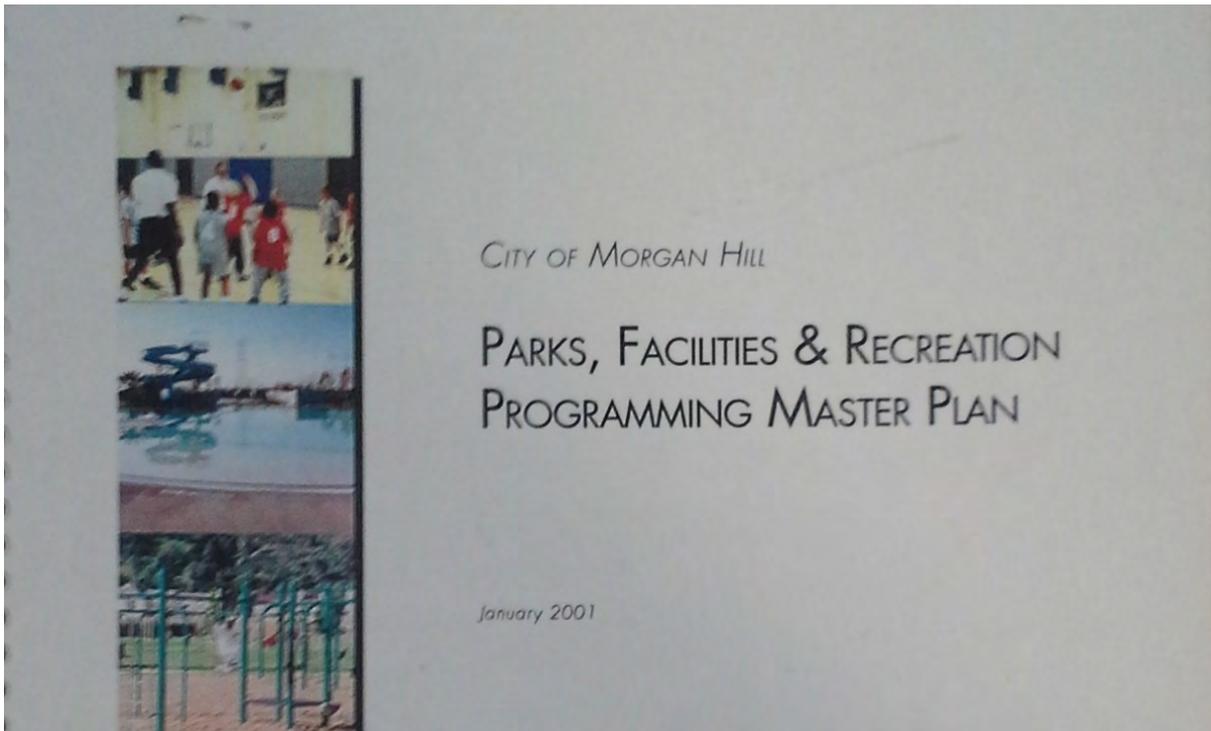
OPERATIONS and MAINTENANCE FISCAL IMPACT: Having additional park lands in the City's inventory will bring additional maintenance costs. The costs are estimated to be approximately \$10,000 per year.

Project: Parks Master Plan Update

Project No.: 136014

Project Location:

Category: Park Facilities



DESCRIPTION: The Parks and Recreation Master Plan was most recently updated in 2002. With most of the centers outlined in the plan constructed and in operation, the next update to the plan will focus on future park planning and development. After engaging the community, an updated Parks and Recreation Master Plan will map a vision for advancing the City's parks.

In June 2008, the City updated the Bikeways Master Plan, which contains new bike lanes, paths, and routes within the City to aide non-motorized travel. The Trails and Natural Resources Study, which complimented the Bikeways Master Plan, was completed in November 2007. Its main function was to identify new trails and sidewalk connections, and also close gaps in the existing sidewalk system.

JUSTIFICATION: The City's General Plan indicates the Parks and Recreation Master Plan is to be updated every five years. Both the Trails and Bikeways Master Plans are in need of updating and combining the two plans will be more efficient and cost effective than preparing them separately. Having current master plans is important for obtaining future grant funds as well as defining long term direction for the development of future citywide park, recreation, trail, bicycle and pedestrian facilities. These master plans would be consistent with the General Plan Circulation Element goals #1, #6, #7, #8, and #9.

RESPONSIBLE DEPARTMENTS: Community Services

136014 - Parks Master Plan Update		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6201 - Environmental Clearances	\$25					\$25	
6220 - Architecture, Design & Constr Support	\$165	\$40				\$205	
6360 - Construction						\$0	
6530 - Project Implementation	\$35					\$35	
PROJECT COST	\$225	\$40				\$265	
FUNDING SOURCE(S)							
301-Park Impact Fund (AB1600)	\$225	\$40				\$265	
FUNDING TOTALS	\$225	\$40				\$265	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q3				
Community Input & Environmental Reviews	Q3-Q4	Q1-Q2			
City Council Approvals					
Finalized Design					
Construction					
Project Close-out					

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimates based on recent costs incurred for similar services at other agencies. Scope of consultant developing the plan will drive project costs.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: Updating the Plan will not create any additional operational costs. Ongoing operations and maintenance cost planning for future park development will be a component of the Master Plan.

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Public Facilities**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

247012	CDBG Funded Projects	\$142	\$71	\$71	\$71	\$71	\$426
249013	CCC Spray Feature Equipment Building	\$115	\$0	\$0	\$0	\$0	\$115
		\$257	\$71	\$71	\$71	\$71	\$541

PROJECT FUNDING SOURCES

215	CDBG Grant	\$142	\$71	\$71	\$71	\$71	\$426
302	Park Maintenance Fund	\$115	\$0	\$0	\$0	\$0	\$115
		\$257	\$71	\$71	\$71	\$71	\$541

Project: CDBG Funded Projects

Project No.: 247012

Project Location: City-wide

Category: Public Facilities



DESCRIPTION: The CDBG funds from FY 13-14 were deferred for use in FY 14-15 in increase the amount of dollars available for use at Galvan Park. The scope of the project is being crafted by an engagement process that is reaching out to local residents.

Projects for FY14-15 and 15-16 will focus on enhancements outlined in this outreach.

JUSTIFICATION: CDBG funds are to be used to benefit low income areas. Galvan Park, which lies near the City's downtown is eligible for these funds under the guidelines of the CDBG program. The park improvements meet the Council's goal of supporting youth in the community.

RESPONSIBLE DEPARTMENTS: Public Works

247012 - CDBG Funded Projects	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$12	\$5	\$5	\$5	\$5	\$32
6360 - Construction	\$100	\$54	\$54	\$54	\$54	\$316
6530 - Project Implementation	\$30	\$12	\$12	\$12	\$12	\$78
PROJECT COST	\$142	\$71	\$71	\$71	\$71	\$426
FUNDING SOURCE(S)						
215-CDBG Grant	\$142	\$71	\$71	\$71	\$71	\$426
FUNDING TOTALS	\$142	\$71	\$71	\$71	\$71	\$426

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	Q1
Project Design	Q2	Q2	Q2	Q2	Q2
Community Input & Environmental Reviews	Q2	Q2	Q2	Q2	Q2
City Council Approvals	Q2	Q2	Q2	Q2	Q2
Finalized Design	Q2	Q2	Q2	Q2	Q2
Construction	Q2-Q4	Q2-Q4	Q2-Q4	Q2-Q4	Q2-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Available funding drives project cost.

PRIOR EXPENDITURES: - FY13/14 \$0 (estimated) - FY12/13 \$114,612 - FY11/12 \$145,311 - FY10/11 \$102,009 - FY09/10 \$91,679 - FY08/09 \$60,361 - FY07/08 \$260,625

OPERATIONS and MAINTENANCE FISCAL IMPACT: Depending on the park improvements, cost for maintenance at the park could increase. Maintenance implications will be evaluated during the design process.

Project: CCC Spray Feature Equipment Building

Project No.: 249013

Project Location: Community and Cultural Center

Category: Public Facilities



DESCRIPTION: Construct above-ground equipment building to house pumps, piping, disinfectant equipment, and controls for spray feature located adjacent to children's pavilion at the Community and Cultural Center. The work is necessary to remedy confined space restrictions that exist at the spray feature given the current configuration of the in-ground equipment. The new building will replace the existing underground vault holding all support equipment and plumbing. The scope includes construction of new building, removal of existing equipment from underground vault and installing in new building, rerouting of necessary plumbing and wiring to new building, and refit the existing vault to be used at the new surge tank. The design was completed in FY 13/14 and the project will be bid such that construction begins after the heavy Summer and Fall activity at the Community and Cultural Center Downtown Amphitheatre in 2014.

JUSTIFICATION: Access to the spray feature equipment in the existing underground vault is limited due to OSHA enclosed space requirements. Currently, providing the necessary number of trained personnel and equipment makes maintenance of the facility cost prohibitive. Thus, the City has had to close the feature to public use.

RESPONSIBLE DEPARTMENTS: Community Services, Public Works

249013 - CCC Spray Feature Equipment		(Thousands of Dollars)					Five
Building	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction	\$100					\$100	
6530 - Project Implementation	\$15					\$15	
PROJECT COST	\$115					\$115	
FUNDING SOURCE(S)							
302-Park Maintenance Fund	\$115					\$115	
FUNDING TOTALS	\$115					\$115	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q2-Q3				
Project Close-out	Q3				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineers' Estimates

PRIOR EXPENDITURES: - FY13-14 \$20,000 (estimated)

OPERATIONS and MAINTENANCE FISCAL IMPACT: Spray feature is currently not in operation. Once the project is completed and regular maintenance is employed, the approximate annual added cost is \$5,000.

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Sanitary Sewer**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

302000	Sanitary Sewer Rehabilitation	\$760	\$408	\$1,778	\$1,384	\$600	\$4,930
303093	Sewer Plant Expansion Project	\$766	\$1,349	\$649	\$4,208	\$5,117	\$12,089
303A11	Sewer Plant Improvement	\$9,600	\$1,664	\$149	\$156	\$4,900	\$16,469
304000	Lift Station Rehabilitation	\$882	\$1,155	\$948	\$770	\$790	\$4,545
308A08	New Trunk Line	\$1,378	\$1,885	\$308	\$435	\$0	\$4,006
308B13	Trunk Line - Segments 19 & 20	\$1,762	\$0	\$0	\$0	\$0	\$1,762
315006	New Sewer Mains	\$0	\$0	\$829	\$0	\$1,021	\$1,850
317012	Update Sewer Master Plan	\$30	\$0	\$0	\$0	\$0	\$30
		\$15,178	\$6,461	\$4,661	\$6,953	\$12,428	\$45,681

PROJECT FUNDING SOURCES

641	Sewer Impact Fund (AB1600)	\$13,301	\$3,786	\$2,740	\$4,869	\$10,522	\$35,218
643	Sewer System Replacement Fund	\$1,877	\$2,675	\$1,921	\$2,084	\$1,906	\$10,463
		\$15,178	\$6,461	\$4,661	\$6,953	\$12,428	\$45,681

Project: Sanitary Sewer Rehabilitation

Project Location: City-wide

Project No.: 302000

Category: Sanitary Sewer



DESCRIPTION: The City's wastewater collection system requires an on-going program of evaluation, cleaning, improvement, and repairs. For FY 14-15, sewer mains on Crest Lane, Lindo Lane, and sections of First Street have been identified as priorities for the ongoing maintenance program.

The access road on Oak Leaf Drive is necessary to maintain wastewater mains on easements in the Jackson Oaks area. Our current maintenance efforts require access through private property, and thus a new road will secure access and enable crews to perform maintenance activities with minimal property intrusion.

JUSTIFICATION: This repair will improve system reliability, reduce infiltration and inflow problems, and reduce the number of emergency repairs that have occurred at these sites.

RESPONSIBLE DEPARTMENTS: Public Works

302000 - Sanitary Sewer Rehabilitation		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$60	\$35	\$138	\$100	\$50	\$383	
6360 - Construction	\$640	\$343	\$1,500	\$1,168	\$500	\$4,151	
6530 - Project Implementation	\$60	\$30	\$140	\$116	\$50	\$396	
PROJECT COST	\$760	\$408	\$1,778	\$1,384	\$600	\$4,930	
FUNDING SOURCE(S)							
641-Sewer Impact Fund (AB1600)	\$17	\$21	\$1,333	\$484	\$200	\$2,055	
643-Sewer System Replacement Fund	\$743	\$387	\$445	\$900	\$400	\$2,875	
FUNDING TOTALS	\$760	\$408	\$1,778	\$1,384	\$600	\$4,930	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1	Q1	Q1	Q1	Q1
Community Input & Environmental Reviews	Q1-Q2	Q1-Q2	Q1-Q2	Q1-Q2	Q1-Q2
City Council Approvals					
Finalized Design	Q2-Q3	Q2-Q3	Q2-Q3	Q2-Q3	Q2-Q3
Construction	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate is based on Engineers estimate, however, many unknowns exist (such as old, undocumented sewer lines) and the true accuracy of cost estimates can only be determined once the projects have commenced.

PRIOR EXPENDITURES: This is an ongoing Capital Project program. Expenditures vary according to size and scope of each project. - FY 13/14 \$2,000 (estimated) - FY12/13 \$213 - FY11/12 \$65,432 (see 610000) - FY10/11 \$4,972 - FY09/10 \$6,880 - FY08/09 \$32,608 - FY07/08 \$12,323 - FY06/07 \$52,752 - FY05/06 \$677,187 - FY04/05 \$244,105

OPERATIONS and MAINTENANCE FISCAL IMPACT: This project will reduce the likelihood of costly emergency maintenance to these sections of the system. Proactive improvements and rehabilitation to sewer mains that have reached the end of their useful life allows the Division to avoid emergency repair costs.

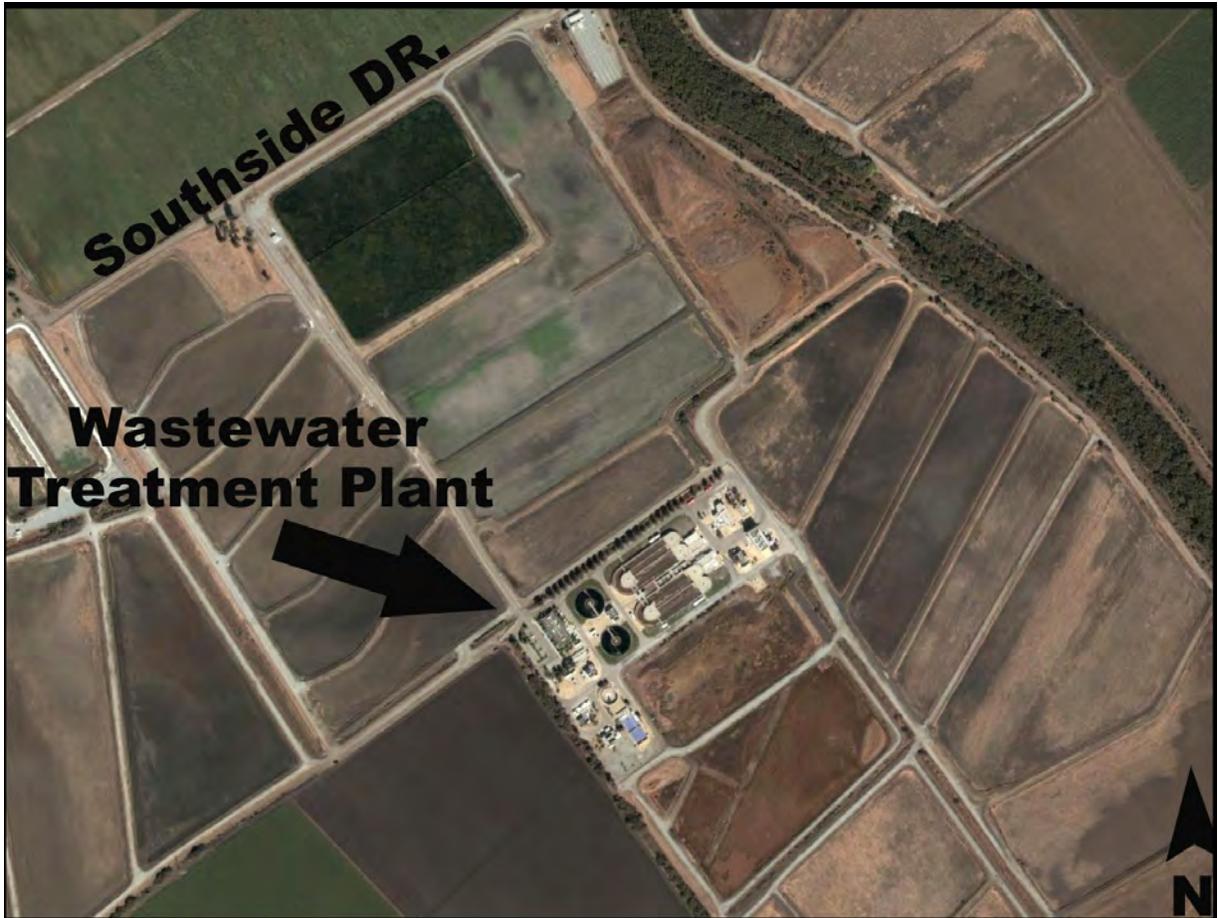
The new access road will enable crews to perform work more efficiently as current practice requires resident approval to encroach on private property.

Project: Sewer Plant Expansion Project

Project Location: Gilroy Treatment Plant

Project No.: 303093

Category: Sanitary Sewer



DESCRIPTION: The South County Regional Wastewater (SCRWA) treatment plant in Gilroy has recently been re-rated and now has a capacity of 8.5 mgd (million gallons/day). The plant expects to expand and eventually treat 9.6 mgd, however annual flow projections studies have been revised and it is not expected that the plant will require expansion until FY 19-20, thus design work is not expected to commence until FY 15-16 with construction beginning in FY 17-18.

The Morgan Hill share of the project is approximately 41% of the total costs and will be funded through accumulated impact fees and a possible bond issuance. Debt service on the bond proceeds will be funded by impact fees.

JUSTIFICATION: Future development will require that the plant treat a larger volume of wastewater. Revised wastewater flow projections will continue to be updated and once the current capacity is expected to be exceeded, the expansion project will commence.

RESPONSIBLE DEPARTMENTS: Public Works

303093 - Sewer Plant Expansion Project	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support						\$0
6360 - Construction	\$766	\$1,349	\$649	\$4,208	\$5,117	\$12,089
6530 - Project Implementation						\$0
PROJECT COST	\$766	\$1,349	\$649	\$4,208	\$5,117	\$12,089
FUNDING SOURCE(S)						
641-Sewer Impact Fund (AB1600)	\$766	\$1,349	\$649	\$4,208	\$5,117	\$12,089
FUNDING TOTALS	\$766	\$1,349	\$649	\$4,208	\$5,117	\$12,089

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	
Project Close-out	Q4	Q4	Q4	Q4	

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: The City of Gilroy oversees the management of the facility and thus cost estimates are provided by SCRWA staff.

PRIOR EXPENDITURES: On-going improvement projects are part of the annual SCRWA budget and are funded with accumulated impact fees. - FY13/14 \$605,000 (estimated) - FY12/13 \$302,112 - FY11/12 \$1,239,566 - FY10/11 \$2,577,920 - FY09/10 \$288,891 - FY08/09 \$877,816 - FY07/08 \$518,707 - FY06/07 \$3,667 - FY05/06 \$1,841,047 - FY04/05 \$703,396

OPERATIONS and MAINTENANCE FISCAL IMPACT: Once completed, the City will see higher wastewater treatment costs; however those additional costs will be passed onto new customers who pay rates as established by the City Council.

Project: Sewer Plant Improvement

Project No.: 303A11

Project Location: Gilroy Treatment Plant

Category: Sanitary Sewer



DESCRIPTION: Constructed in 1994, the South County Regional Wastewater Authority (SCRWA) treatment plant requires ongoing maintenance and improvement while also implementing new standards from the State Water Resources Control Board. Projects are identified in the annual SCRWA budget and are funded through wastewater rate payers. In FY12-13, the City of Morgan Hill sold approximately \$15 million in bonds to fund its share of the plant improvements.

In FY13-14 the plant began to make significant investments to replace many aging components including the primary influent force main, secondary clarifier, aeration system, and the pre-anoxic basin.

JUSTIFICATION: Ongoing plant maintenance and repairs are performed to increase efficiency and reliability - a program that is necessary to maintain the plant's operating license.

RESPONSIBLE DEPARTMENTS: Public Works

303A11 - Sewer Plant Improvement	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support						\$0
6360 - Construction	\$9,595	\$1,659	\$144	\$151	\$4,895	\$16,444
6530 - Project Implementation	\$5	\$5	\$5	\$5	\$5	\$25
PROJECT COST	\$9,600	\$1,664	\$149	\$156	\$4,900	\$16,469
FUNDING SOURCE(S)						
641-Sewer Impact Fund (AB1600)	\$9,600	\$416			\$4,700	\$14,716
643-Sewer System Replacement Fund		\$1,248	\$149	\$156	\$200	\$1,753
FUNDING TOTALS	\$9,600	\$1,664	\$149	\$156	\$4,900	\$16,469

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: The City of Gilroy oversees the management of the facility and thus cost estimates are provided by SCRWA staff.

PRIOR EXPENDITURES: - FY13/14 \$400,000 (estimated) - FY12/13 \$199,576 - FY11/12 \$942,670 - FY10/11 \$0

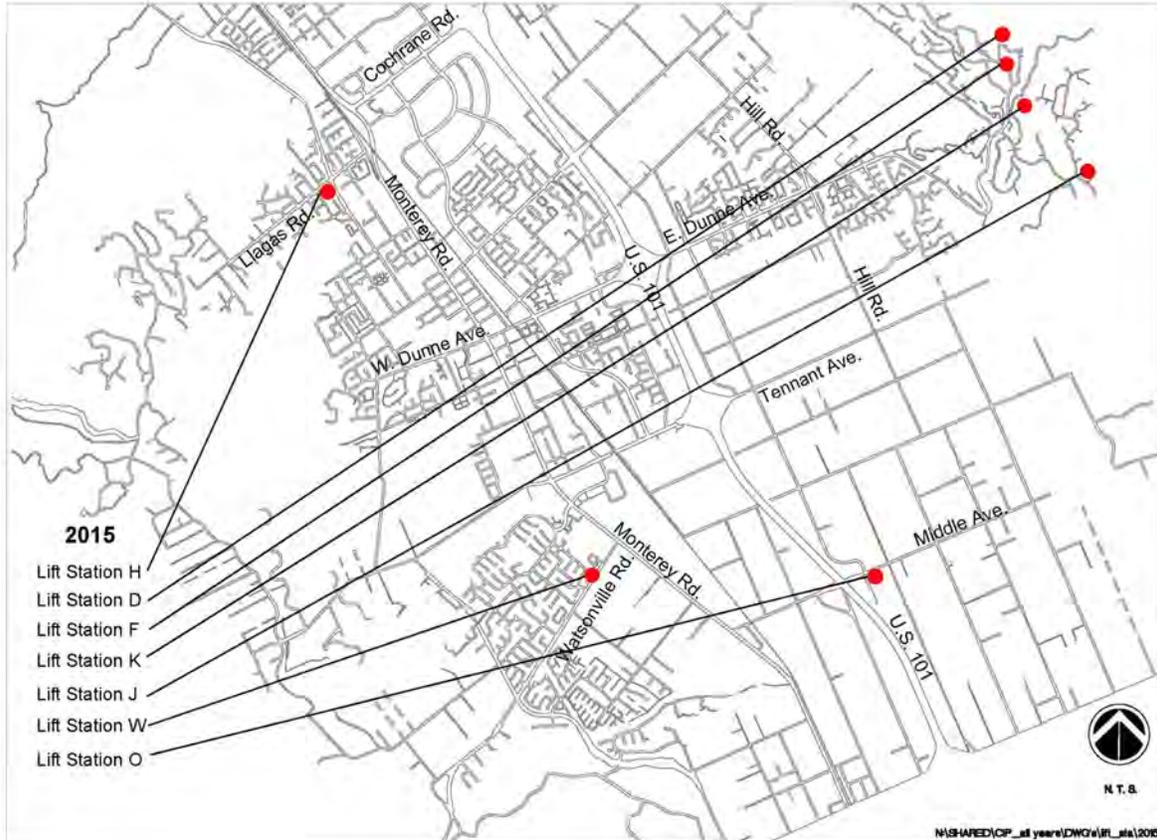
OPERATIONS and MAINTENANCE FISCAL IMPACT: Ongoing costs are expected to remain unaffected, however, plant improvement projects will reduce the need for costly emergency repairs.

Project: Lift Station Rehabilitation

Project Location: City-wide

Project No.: 304000

Category: Sanitary Sewer



DESCRIPTION: The City's 14 lift stations are upgraded and repaired as part of the ongoing maintenance program. For FY14-15, Lift Station H at the intersection of Llagas Road and Hale Avenue will be rehabilitated. The force main at Lift Station F will be replaced due to continual pipe failures and relocated to improve access.

JUSTIFICATION: Many of the City's lift stations are past their useful life, thus an ongoing maintenance/upgrade program ensures that residents are provided safe, reliable services. The program also enables the City to upgrade wastewater facilities to current Regional Water Quality Control Board (RWQCB) standards.

RESPONSIBLE DEPARTMENTS: Public Works

304000 - Lift Station Rehabilitation		(Thousands of Dollars)					Five
		2014-15	2015-16	2016-17	2017-18	2018-19	Year
EXPENDITURE CATEGORY							
6120 - Property Acquisition							\$0
6121 - Right-of-Way Acquisition							\$0
6220 - Architecture, Design & Constr Support		\$70	\$90	\$78	\$60	\$60	\$358
6360 - Construction		\$742	\$975	\$800	\$650	\$670	\$3,837
6530 - Project Implementation		\$70	\$90	\$70	\$60	\$60	\$350
PROJECT COST		\$882	\$1,155	\$948	\$770	\$790	\$4,545
FUNDING SOURCE(S)							
641-Sewer Impact Fund (AB1600)		\$155	\$115	\$474	\$77	\$250	\$1,071
643-Sewer System Replacement Fund		\$727	\$1,040	\$474	\$693	\$540	\$3,474
FUNDING TOTALS		\$882	\$1,155	\$948	\$770	\$790	\$4,545

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	Q1
Project Design	Q1	Q1	Q1	Q1	Q1
Community Input & Environmental Reviews					
City Council Approvals	Q2	Q2	Q2	Q2	Q2
Finalized Design	Q2	Q2	Q2	Q2	Q2
Construction	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's estimates.

PRIOR EXPENDITURES: - L.S. H \$65,850 FY 13/14 (est.) - L.S. M \$877 FY 13/14 - L.S. M \$411,906 FY 12/13 - L.S. M \$51,149 FY 11/12 - L.S. M \$49,352 FY 10/11 - L.S. M \$57,166 FY 09/11 - L.S. P \$4,860 FY 10/11 - L.S. P \$516,031 FY 09/10 - L.S. P \$99,408 FY 08/09 - L.S. C \$62,980 FY 06/07 - L.S. P \$28,141 FY 07/08 - L.S. C \$33,609 FY 08/09 - L.S. C \$589,667 FY 07/08 - L.S. G \$717,585 FY 05/06 - L.S. G \$48,356 FY 04/05 - L.S. B \$2,087 FY 05/06

OPERATIONS and MAINTENANCE FISCAL IMPACT: Investing in the lift station rehabilitation program ensures safety and reliability and reduces emergency repair costs.

Project: New Trunk Line

Project No.: 308A08

Project Location: Various Locations

Category: Sanitary Sewer



DESCRIPTION: In order to facilitate future growth, the City is constructing a new parallel trunk sewer from Morgan Hill to the South County Regional Wastewater Authority (SCRWA) plant in Gilroy. Costs for this trunk line are shared between Morgan Hill and Gilroy and are based on the amount of wastewater flow each community produces. The section of pipeline on Harding Avenue between California Avenue and Highland Avenue will be designed with the intent to divide the construction of the line into two phases. Phase 1 includes 3,000 feet of pipeline on Harding between California and San Martin Avenue to be constructed in FY14-15. Phase 2 will be built in FY15-16 and will include 4,200 feet of pipeline on Harding from San Martin Avenue to Highland Avenue and 350 feet of pipeline on Highland west of Harding Avenue.

JUSTIFICATION: The 2002 Sewer Master Plan identified the potential need for the new trunk line and development over the last ten years has verified that this capital improvement is needed.

RESPONSIBLE DEPARTMENTS: Public Works

308A08 - New Trunk Line	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$100	\$140	\$23	\$35		\$298
6360 - Construction	\$1,163	\$1,590	\$260	\$365		\$3,378
6450 - Furnishings, Fixtures and Equipment	\$115	\$155	\$25	\$35		\$330
6530 - Project Implementation						\$0
PROJECT COST	\$1,378	\$1,885	\$308	\$435		\$4,006
FUNDING SOURCE(S)						
641-Sewer Impact Fund (AB1600)	\$1,378	\$1,885	\$77	\$100		\$3,440
643-Sewer System Replacement Fund			\$231	\$335		\$566
FUNDING TOTALS	\$1,378	\$1,885	\$308	\$435		\$4,006

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	
Project Close-out	Q4	Q4	Q4	Q4	

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary project design and engineer's estimate

PRIOR EXPENDITURES: \$0 (Phase 2) - FY13-14 \$60,000 (estimated) - FY12-13 \$901,292 - FY11-12 \$29,962 - FY10-11 \$3,110 - FY09-10 \$43,188 - FY08-09 \$0 - FY07-08 \$0 (Phase 2A only)

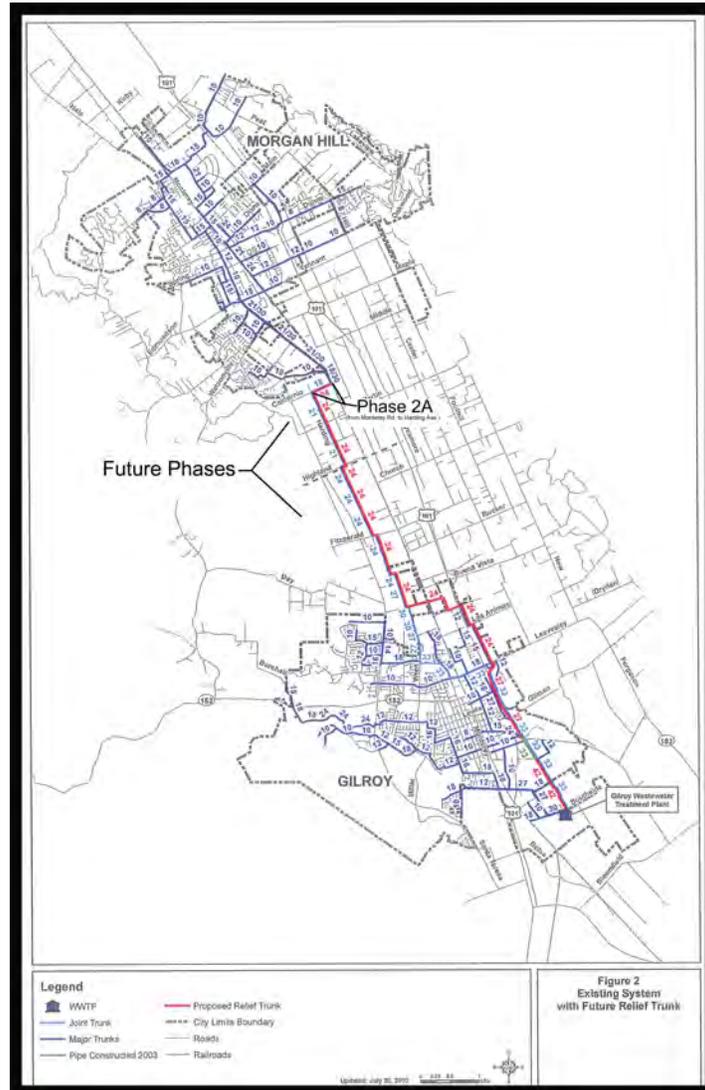
OPERATIONS and MAINTENANCE FISCAL IMPACT: Minimal on-going costs, however, some costs are reduced due to elimination of system bottlenecks and the subsequent reduction in emergency maintenance.

Project: Trunk Line - Segments 19 & 20

Project No.: 308B13

Project Location: Gilroy to Sewer Plant

Category: Sanitary Sewer



DESCRIPTION: The Joint Sewer Interceptor conveys wastewater flows from the cities of Morgan Hill and Gilroy to the South County Regional Wastewater Authority (SCRWA) treatment plant in Gilroy. A capacity and asset analysis was conducted in 2008 and identified the need for the existing 24-inch pipe located in segment 19 & 20 to be replaced due to its deteriorating condition and upgraded to 42 inches in order to accommodate future development. The capacity study also identified the need to install a 33 inch relief pipe.

JUSTIFICATION: Since 2008, the condition of the pipe has continued to deteriorate and at this point, both cities believe that this project can no longer be delayed. The cost share agreement requires that Morgan Hill fund 26% of the 42-inch pipe project costs, and 50% of the 33-inch relief pipe costs for a total project share of \$1,773,274, whereas Gilroy is responsible for \$4,680,826 of the \$6,454,100 total project cost.

RESPONSIBLE DEPARTMENTS: Public Works

308B13 - Trunk Line - Segments 19 & 20		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction	\$1,727					\$1,727	
6530 - Project Implementation	\$35					\$35	
PROJECT COST	\$1,762					\$1,762	
FUNDING SOURCE(S)							
641-Sewer Impact Fund (AB1600)	\$1,355					\$1,355	
643-Sewer System Replacement Fund	\$407					\$407	
FUNDING TOTALS	\$1,762					\$1,762	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1-Q2				
Community Input & Environmental Reviews	Q2				
City Council Approvals					
Finalized Design	Q3				
Construction	Q4				
Project Close-out					

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: The cost-sharing percentages were calculated based on wastewater flow analysis which determines the amount of capacity that is currently being used by each community and expected additional flow attributed to commercial and residential development.

PRIOR EXPENDITURES: - FY 13-14 \$25,000 (estimated) - FY 12-13 \$15,580

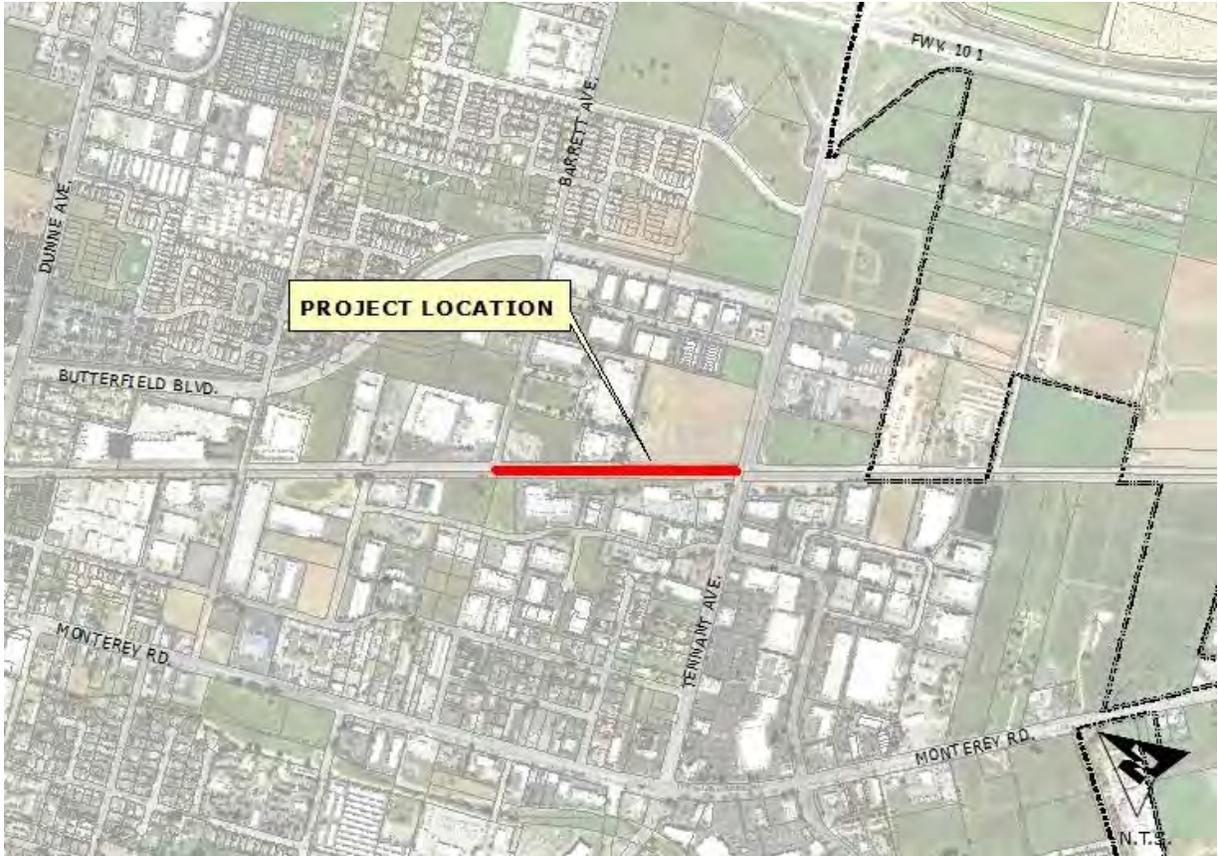
OPERATIONS and MAINTENANCE FISCAL IMPACT: This one-time capital investment will replace existing infrastructure, but is not anticipated to affect ongoing costs.

Project: New Sewer Mains

Project No.: 315006

Project Location: City-wide

Category: Sanitary Sewer



DESCRIPTION: In FY 16-17 a new sewer main on Railroad between Barrett and Tennant will be installed. A new sewer main on Tennant between Railroad and Monterey will be designed and constructed in FY 18-19.

JUSTIFICATION: New sewer mains are required to provide adequate capacity and support development-related growth. Many of the new mains were identified in the 2002 Sewer Master Plan.

RESPONSIBLE DEPARTMENTS: Public Works

315006 - New Sewer Mains	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support			\$80		\$80	\$160
6360 - Construction			\$675		\$860	\$1,535
6530 - Project Implementation			\$74		\$81	\$155
PROJECT COST			\$829		\$1,021	\$1,850
FUNDING SOURCE(S)						
641-Sewer Impact Fund (AB1600)			\$207		\$255	\$462
643-Sewer System Replacement Fund			\$622		\$766	\$1,388
FUNDING TOTALS			\$829		\$1,021	\$1,850

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development			Q1		Q1
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design			Q2		Q2
Construction			Q3-Q4		Q3-Q4
Project Close-out			Q4		Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's Estimate

PRIOR EXPENDITURES: - FY13-14 \$1,580,981 (Barrett Swr Ph II) - FY12-13 \$113,519 - FY11-12 \$7,691 - FY10-11 \$0 - FY09-10 \$0 - FY08/09 \$0 - FY07-08 \$0 - FY06/07 \$0 - FY05-06 \$0

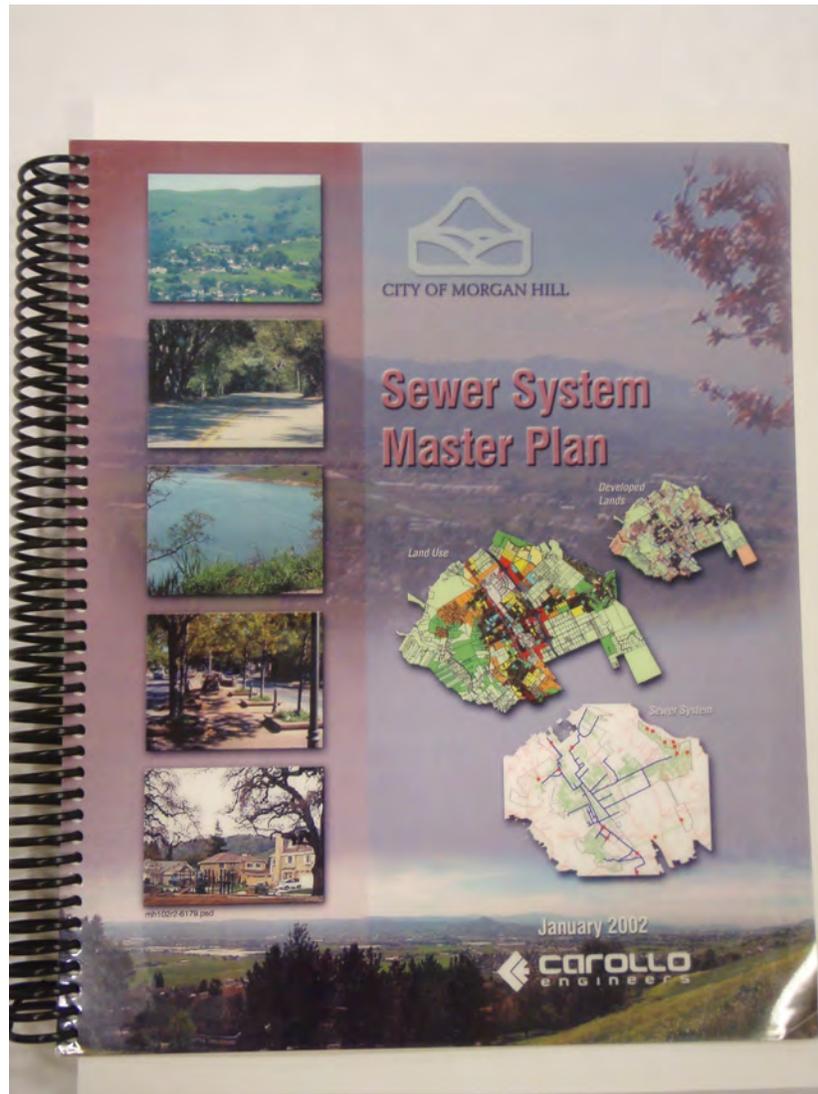
OPERATIONS and MAINTENANCE FISCAL IMPACT: Minimal increases in operating costs which are offset by additional user fees.

Project: Update Sewer Master Plan

Project No.: 317012

Project Location: City-Wide

Category: Sanitary Sewer



DESCRIPTION: The last Sewer Master Plan Update was conducted in 2002 and since that time, the City has experienced significant growth. The 2002 Master Plan made assumptions concerning the location and extent of growth and future infrastructure investments were identified based on those assumptions. As the City updates the General Plan, this is the opportune time to update the Sewer Master Plan and identify future needs of the Capital Improvement Program.

JUSTIFICATION: Updating the City's 10-year old Sewer Master Plan will provide an accurate baseline for identifying future infrastructure needs.

RESPONSIBLE DEPARTMENTS: Public Works

317012 - Update Sewer Master Plan		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$25					\$25	
6360 - Construction						\$0	
6530 - Project Implementation	\$5					\$5	
PROJECT COST	\$30					\$30	
FUNDING SOURCE(S)	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
641-Sewer Impact Fund (AB1600)	\$30					\$30	
FUNDING TOTALS	\$30					\$30	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design					
Community Input & Environmental Reviews	Q1-Q3				
City Council Approvals					
Finalized Design					
Construction					
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary estimates from various Master Plan Consultants.

PRIOR EXPENDITURES: - FY13/14 \$105,000 (estimated) - FY12/13 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: Updating the Sewer Master Plan will identify future capital improvement projects, which will subsequently require a funding mechanism in order to complete the projects.

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Storm Drainage**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

415097	Storm Pipe and Inlet Installation	\$115	\$105	\$50	\$150	\$120	\$540
417099	West Little Llagas Flood Control/Drainage Imps	\$20	\$20	\$20	\$2,450	\$3,050	\$5,560
423012	Update Storm Drain Master Plan	\$60	\$0	\$0	\$0	\$0	\$60
		\$195	\$125	\$70	\$2,600	\$3,170	\$6,160

PROJECT FUNDING SOURCES

303	Drainage Impact Fund (AB1600)	\$80	\$20	\$20	\$2,450	\$3,050	\$5,620
304	Drainage Fund (non-AB1600)	\$115	\$105	\$50	\$150	\$120	\$540
		\$195	\$125	\$70	\$2,600	\$3,170	\$6,160

Project: Storm Pipe and Inlet Installation

Project No.: 415097

Project Location: Citywide

Category: Storm Drainage



DESCRIPTION: Construction of storm drains, storm inlets and other miscellaneous improvements at various locations in the city to address localized chronic drainage problems. Identified locations are first analyzed to determine if minimum measures can be taken to alleviate drainage issues. Then, determine if adding more drainage facilities that will connect to adjacent regional drainage pipes and channels will solve the localized problem. For example, many localized drainage problems lying in the Upper Llagas Creek watershed (and, thus, in the 100-year FEMA flood plain) are unable to be resolved with additional drainage facilities due to the current limited capacity in the Upper Llagas Creek channel. Areas of focus include the La Mar and Via La Azul neighborhood, the Llagas Creek Drive/Shadowbrook Way/Stoney Creek Way neighborhood, and the Church Street and E. Dunne Avenue area. Additional areas may also be considered.

JUSTIFICATION: Local flooding can cause damage to public and private property and may present safety issues.

RESPONSIBLE DEPARTMENTS: Public Works

415097 - Storm Pipe and Inlet Installation		(Thousands of Dollars)					Five
		2014-15	2015-16	2016-17	2017-18	2018-19	Year
EXPENDITURE CATEGORY							
6120 - Property Acquisition							\$0
6121 - Right-of-Way Acquisition							\$0
6220 - Architecture, Design & Constr Support	\$20	\$15	\$40	\$10	\$10		\$95
6360 - Construction	\$80	\$75		\$120	\$100		\$375
6530 - Project Implementation	\$15	\$15	\$10	\$20	\$10		\$70
PROJECT COST	\$115	\$105	\$50	\$150	\$120		\$540
FUNDING SOURCE(S)							
304-Drainage Fund (non-AB1600)	\$115	\$105	\$50	\$150	\$120		\$540
FUNDING TOTALS	\$115	\$105	\$50	\$150	\$120		\$540

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1		Q1
Project Design	Q2	Q2	Q2		Q2
Community Input & Environmental Reviews			Q2		Q2
City Council Approvals					
Finalized Design	Q2		Q4		
Construction	Q3	Q3-Q4		Q2-Q4	Q2-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent drainage construction CIP projects.

PRIOR EXPENDITURES: - FY13/14 \$130,000 (estimated) - FY12/13 \$23,441 - FY11/12 \$0 - FY10/11 \$4,800 - FY09/10 \$780 - FY08/09 \$151,147 - FY07/08 \$17,789 - FY06/07 \$38,355 - FY05/06 \$412,163 - FY04/05 \$35,553

OPERATIONS and MAINTENANCE FISCAL IMPACT: As local drainage problems are repaired or improved, maintenance costs are reduced during rain events.

417099 - West Little Llagas Flood Control/Drainage Imps	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support				\$250	\$300	\$550
6360 - Construction				\$2,000	\$2,500	\$4,500
6530 - Project Implementation	\$20	\$20	\$20	\$200	\$250	\$510
PROJECT COST	\$20	\$20	\$20	\$2,450	\$3,050	\$5,560
FUNDING SOURCE(S)						
303-Drainage Impact Fund (AB1600)	\$20	\$20	\$20	\$2,450	\$3,050	\$5,560
FUNDING TOTALS	\$20	\$20	\$20	\$2,450	\$3,050	\$5,560

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q2	Q1-Q2
Community Input & Environmental Reviews				Q1-Q2	Q1-Q2
City Council Approvals				Q2	Q2
Finalized Design				Q2	Q2
Construction				Q3-Q4	Q3-Q4
Project Close-out				Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent publicly bid drainage projects.

PRIOR EXPENDITURES: \$2,665,000 for environmental studies and design work, paid with former RDA Bond Proceeds - FY13/14 \$1,030,364 (estimated) - FY12/13 \$801,139 - FY11/12 \$1,007,322 - FY10/11 \$244,062 - FY09/10 \$23,258 - FY08/09 \$12,066 - FY07/08 \$0 - FY06/07 \$128,863 - FY05/06 \$211,137 - FY04/05 \$0

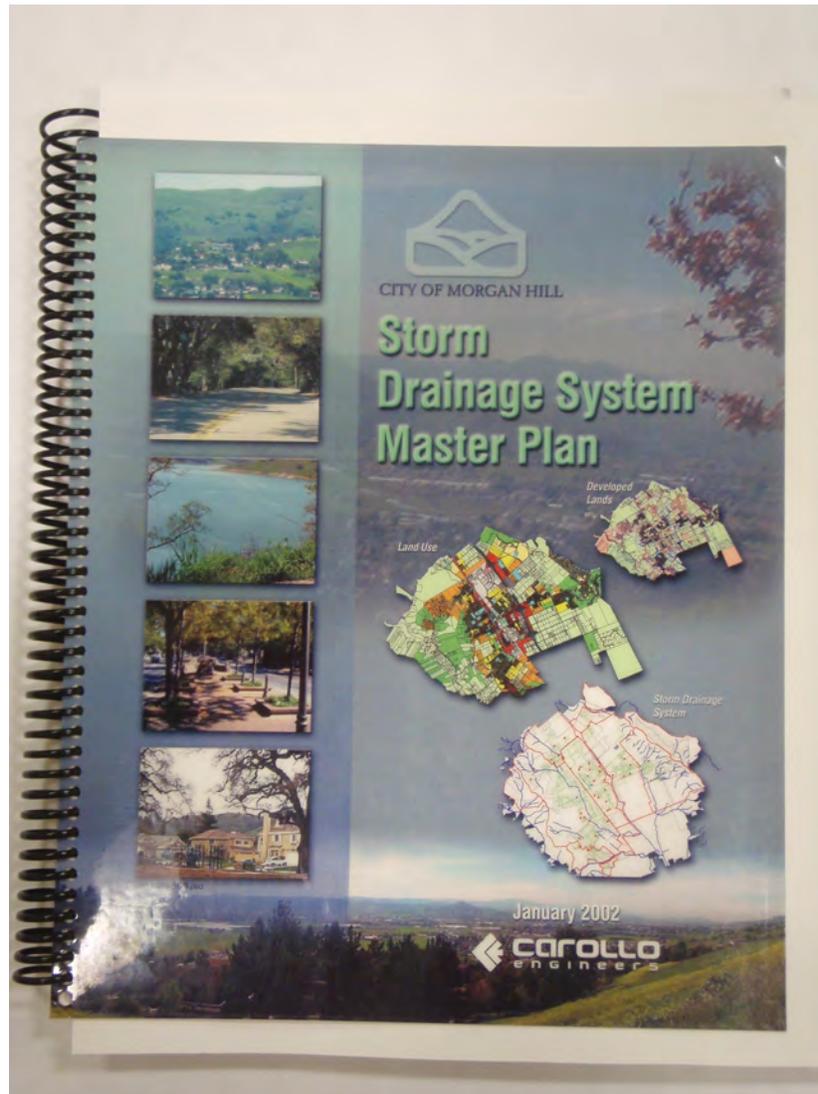
OPERATIONS and MAINTENANCE FISCAL IMPACT: Costs to operate and maintain the Upper Llagas Creek Flood Protection Project will be borne by the Santa Clara Valley Water District. Costs to maintain local drainage facilities constructed in FY's 17-18 and 18-19 will be borne by the City. Those costs are unknown at this time but will be off-set by a reduction in O&M costs due to elimination of flooding in streets, once projects are completed.

Project: Update Storm Drain Master Plan

Project No.: 423012

Project Location: City-wide

Category: Storm Drainage



DESCRIPTION: The existing Storm Drain Master Plan was developed in 2002. Many modifications to the existing storm drain network have made some of the recommendations obsolete. By updating this Plan to the current conditions in conjunction with the General Plan, the City will have a better base of knowing how to prioritize capital improvements for future storm drain projects.

JUSTIFICATION: The City will hire a consultant to prepare an updated Storm Drain Master Plan, model the existing and future system, and prepare a 5-Year Capital Improvement Program for planning and funding future storm drain projects.

RESPONSIBLE DEPARTMENTS: Public Works

423012 - Update Storm Drain Master Plan		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$50					\$50	
6360 - Construction						\$0	
6530 - Project Implementation	\$10					\$10	
PROJECT COST	\$60					\$60	
FUNDING SOURCE(S)							
303-Drainage Impact Fund (AB1600)	\$60					\$60	
FUNDING TOTALS	\$60					\$60	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design					
Community Input & Environmental Reviews	Q1-Q3				
City Council Approvals					
Finalized Design					
Construction					
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Preliminary estimate only.

PRIOR EXPENDITURES: - FY13/14 \$105,000 (estimated) - FY12/13 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: The projects resulting from updating the Storm Drain Master Plan will eventually bring about efficiencies throughout the storm drainage system.

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Streets & Roads**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

501F14	Hale Avenue Plan Line	\$130	\$0	\$0	\$0	\$0	\$130
502000	New Signal Construction	\$350	\$0	\$360	\$0	\$460	\$1,170
512093	Underground Monterey Utilities	\$30	\$0	\$0	\$0	\$0	\$30
519000	Pavement Rehabilitation Program	\$2,297	\$753	\$753	\$753	\$753	\$5,309
541005	Downtown Parking	\$235	\$0	\$0	\$0	\$0	\$235
541E12	Multi-Level Parking Structure	\$11,010	\$1,090	\$0	\$0	\$0	\$12,100
551008	RDCS School Safety Improvements	\$680	\$390	\$415	\$460	\$400	\$2,345
552008	RDCS Miscellaneous Public Improvements	\$400	\$520	\$350	\$350	\$760	\$2,380
560012	Monterey Rd Streetscape & Downtown Sidestreets	\$4,928	\$335	\$0	\$0	\$0	\$5,263
561012	Monterey Road Medians	\$300	\$10	\$0	\$0	\$0	\$310
562012	DeWitt Avenue "S" Curve Realignment	\$210	\$310	\$0	\$0	\$0	\$520
563013	Assessment District - Streets	\$410	\$429	\$0	\$0	\$0	\$839
566013	DeWitt Avenue Sidewalk Extension	\$82	\$0	\$0	\$0	\$0	\$82
568014	Parking Lot Maintenance and Rehabilitation	\$40	\$40	\$40	\$40	\$40	\$200
569014	Fourth Street Reconstruction	\$1,665	\$25	\$0	\$0	\$0	\$1,690
TOTAL PROJECTS		\$22,767	\$3,902	\$1,918	\$1,603	\$2,413	\$32,603

PROJECT FUNDING SOURCES

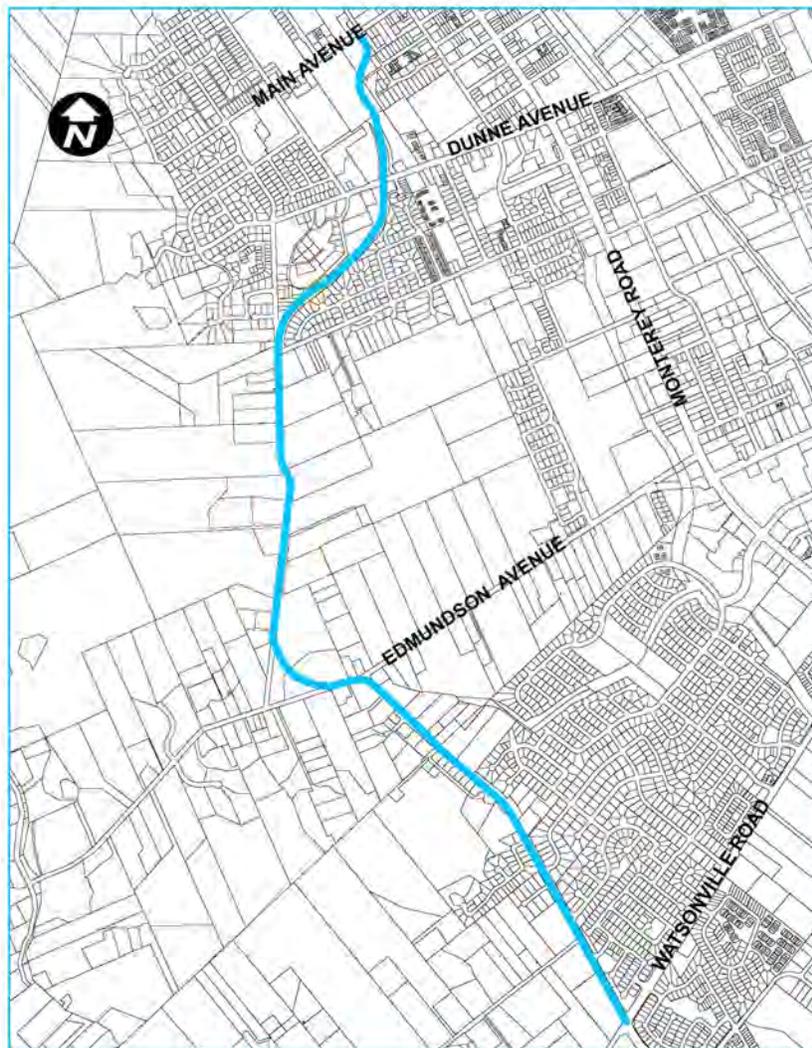
250	Successor Agency (Bond Proceeds)	\$16,179	\$1,425	\$0	\$0	\$0	\$17,604
308	Street Fund (gas Tax, formerly Prop. 42)	\$410	\$410	\$410	\$410	\$410	\$2,050
308	Street Fund (Measure B)	\$218	\$218	\$218	\$218	\$218	\$1,090
308	Street Fund (One Bay Area Grant)	\$1,379	\$0	\$0	\$0	\$0	\$1,379
308	Street Fund (TDA Grant)	\$80	\$0	\$0	\$0	\$0	\$80
308	Street Fund (TFCA Grant)	\$24	\$0	\$0	\$0	\$0	\$24
308	Street Fund (xfr from General Fund)	\$250	\$125	\$125	\$125	\$125	\$750
308	Street Fund (xfr from Special Deposits 820)	\$410	\$429	\$0	\$0	\$0	\$839
309	Traffic Impact Fund (AB1600)	\$613	\$320	\$360	\$0	\$460	\$1,753
309	Traffic Impact Fund (SCC Contribution)	\$52	\$0	\$0	\$0	\$0	\$52
346	Public Facilities (non-AB1600 RDCS)	\$2,072	\$585	\$390	\$390	\$800	\$4,237
355	School Pedestrian Safety	\$680	\$390	\$415	\$460	\$400	\$2,345
641	Sewer Impact Fund (AB1600)	\$50	\$0	\$0	\$0	\$0	\$50
643	Sewer System Replacement Fund	\$150	\$0	\$0	\$0	\$0	\$150
651	Water Impact Fund (AB1600)	\$50	\$0	\$0	\$0	\$0	\$50
653	Water System Replacement Fund	\$150	\$0	\$0	\$0	\$0	\$150
TOTAL FUNDING SOURCES		\$22,767	\$3,902	\$1,918	\$1,603	\$2,413	\$32,603

Project: Hale Avenue Plan Line

Project No.: 501F14

Project Location: Hale Avenue Between Main Avenue and Watsonville Road

Category: Streets & Roads



Path: G:\R-14\PROJ\GIS\Marks\Dave\HaleAvePlanLine2.mxd

DESCRIPTION: In 1964, the County adopted a plan line for Santa Teresa Boulevard between South San Jose and Gilroy. That plan and subsequent County plans for Santa Teresa envisioned a four-lane expressway with speed limits up to 50 mph. In the early 1990's, the City hired Willdan Associates to update the Santa Teresa plan line. The Willdan plan line was designed as a four-lane arterial roadway, 110 feet in width throughout the limits of the City. This plan line was completed in August 1994, but never officially adopted or recorded. This project is to prepare and adopt an official Plan Line for Hale Avenue, between Main Avenue and Watsonville Road.

JUSTIFICATION: The Plan Line would establish the roadway limits for Hale Avenue in accordance with 2010 General Plan Circulation Element update and aid in preserving the necessary right-of-way for construction purposes.

RESPONSIBLE DEPARTMENTS: Public Works

501F14 - Hale Avenue Plan Line	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$100					\$100
6360 - Construction						\$0
6530 - Project Implementation	\$30					\$30
PROJECT COST	\$130					\$130
FUNDING SOURCE(S)						
309-Traffic Impact Fund (SCC Contribution)	\$52					\$52
309-Traffic Impact Fund (AB1600)	\$78					\$78
FUNDING TOTALS	\$130					\$130

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q1-Q2				
Community Input & Environmental Reviews	Q2				
City Council Approvals	Q2				
Finalized Design	Q3				
Construction					
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary discussions with consulting engineers familiar with this type of work. In April, 2014, the County committed to contributing \$52,000 towards the cost of the plan line.

PRIOR EXPENDITURES: - FY 13-14 \$20,000 (estimated)

OPERATIONS and MAINTENANCE FISCAL IMPACT: Establishment of plan line does not create O & M costs.

Project: New Signal Construction

Project No.: 502000

Project Location: City-wide

Category: Streets & Roads



DESCRIPTION: New traffic signals are installed as needed to meet growing traffic demands and existing signals are periodically upgraded. In FY 14-15 the Vineyard/Monterey signal will be upgraded. In FYs 17-18 and beyond, intersections of major arterials will be studied to determine improvements that would increase capacity and/or efficiency of vehicle movements. New signals will be considered where traffic volumes warrant the need.

JUSTIFICATION: New signals, when warranted, provide for a more efficient movement of traffic and improve pedestrian safety.

RESPONSIBLE DEPARTMENTS: Public Works

502000 - New Signal Construction		(Thousands of Dollars)					Five
		2014-15	2015-16	2016-17	2017-18	2018-19	Year
EXPENDITURE CATEGORY							
6120 - Property Acquisition							\$0
6121 - Right-of-Way Acquisition							\$0
6220 - Architecture, Design & Constr Support	\$30		\$30		\$40		\$100
6360 - Construction	\$260		\$270		\$350		\$880
6530 - Project Implementation	\$60		\$60		\$70		\$190
PROJECT COST	\$350		\$360		\$460		\$1,170
FUNDING SOURCE(S)							
309-Traffic Impact Fund (AB1600)	\$25		\$360		\$460		\$845
346-Public Facilities (non-AB1600 RDCS)	\$325						\$325
FUNDING TOTALS	\$350		\$360		\$460		\$1,170

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1		Q1		Q1
Project Design	Q2		Q2		Q2
Community Input & Environmental Reviews	Q2		Q2		Q2
City Council Approvals					
Finalized Design	Q2		Q2		Q2
Construction	Q3-Q4		Q3-Q4		Q3-Q4
Project Close-out	Q4		Q4		Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent similar projects

PRIOR EXPENDITURES: - Digital/Bu \$206,012 FY13/14 - Digital/Bu \$128,306 FY12/13 - Spring/Mon \$41,481 FY12/13 - Spring/Mon \$259,576 FY11/12 - Spring/Mon \$78,525 FY10/11 - Spring/Mon \$3,175 FY09/10 - Spring/Mon \$0 FY08/09 - Spring/Mon \$25,817 FY07/08 - Spring/Mon \$2,605 FY06/07 - Dunne/Mont \$7,461 FY08/09 - Dunne/Mont \$13,320 FY07/08 - Main/Mont \$321,135 FY07/08 - Main/Mont \$37,030 FY06/07 - Main/Mont \$8,795 FY05/06 - Tenn/101 \$120,277 FY05/06 - Tenn/101 \$422,777 FY04/05

OPERATIONS and MAINTENANCE FISCAL IMPACT: Maintenance of new traffic signal to be performed by Community Services Maintenance Division at an estimated additional annual operating cost of \$1,500 per signal.

Project: Underground Monterey Utilities

Project No.: 512093

Project Location: Monterey Road - Dunne to 600'
north of Cosmo

Category: Streets & Roads



DESCRIPTION: City's goal is to underground the overhead utility lines along Monterey Rd. from Dunne Ave. to Tennant Ave. using Rule 20A funds due to safety, aesthetics and reliability. The City of Morgan Hill, in collaboration with Giacalone Design Services, Inc., has submitted utility plans for PG&E final review. In order to use the Rule 20A funds, one of the criteria is to form an undergrounding district. The current undergrounding district has been formed along Monterey Road to Cosmo Avenue only. Due to lack of funding and time necessary to form a new district, the City will not pursue extending the limit to Tennant Avenue at this time.

Construction is anticipated to begin in the Summer of 2014 using \$2.0M of Rule 20A funding and be completed by FY 14-15. These funds will not come to the City but will be spent by PG&E against the City's 20A fund balance held by PG&E. PG&E has agreed to pay for the conversion costs to each individual customer affected by the project. Verizon and Charter will work separately from the City and PG&E to complete their portion of work.

JUSTIFICATION: The undergrounding of utilities will improve both the aesthetics and safety along Monterey Road.

RESPONSIBLE DEPARTMENTS: Public Works

512093 - Underground Monterey Utilities		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction						\$0	
6530 - Project Implementation	\$30					\$30	
PROJECT COST	\$30					\$30	
FUNDING SOURCE(S)							
250-Successor Agency (Bond Proceeds)	\$30					\$30	
FUNDING TOTALS	\$30					\$30	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q1-Q3				
Project Close-out	Q3				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate based on past experience; preliminary engineering only, no field survey.

PRIOR EXPENDITURES: - FY13/14 \$277,202 (estimated) - FY12/13 \$41,091 - FY11/12 \$141,638 - FY10/11 \$17,702 - FY09/10 \$20,442 - FY08/09 \$18,331 - FY07/08 \$967 - FY06/07 \$2,523 - FY05/06 \$2,182 - FY04/05 \$21,556

OPERATIONS and MAINTENANCE FISCAL IMPACT: None

Project: Pavement Rehabilitation Program

Project No.: 519000

Project Location: City-wide

Category: Streets & Roads



DESCRIPTION: This Program involves the rehabilitation of existing street surfaces by crack sealing, slurry seal, overlay or reconstruction. Priorities for the Pavement Rehabilitation Program are derived from the City's Pavement Management Program (PMP) and observed repair needs. FY 13-14 work included the overlaying of Watsonville Road from Sunnyside Avenue to Calle Sueno and the expenditure of \$400,000 on the repair of damaged or lifted city sidewalks. For FY 14-15 Monterey Road will be overlayed from East Dunne to East Middle. The balance of the work activity involves preventative maintenance activity (i.e., slurry seal) on the City's residential neighborhood streets such as Llagas Creek Estates, Coyote Estates, and Jackson Meadows.

JUSTIFICATION: Extends surface life of streets, thus reducing repair costs in the future. The 2004 Pavement Management Program recommends needed rehabilitation of \$3.05M per year to maintain the City's current pavement condition index of 70.

RESPONSIBLE DEPARTMENTS: Public Works

519000 - Pavement Rehabilitation Program		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$287	\$63	\$63	\$63	\$63	\$539	
6230 - Legal Services	\$20					\$20	
6360 - Construction	\$1,790	\$640	\$640	\$640	\$640	\$4,350	
6530 - Project Implementation	\$200	\$50	\$50	\$50	\$50	\$400	
PROJECT COST	\$2,297	\$753	\$753	\$753	\$753	\$5,309	
FUNDING SOURCE(S)	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
308-Street Fund (gas Tax, formerly Prop. 42)	\$410	\$410	\$410	\$410	\$410	\$2,050	
308-Street Fund (Measure B)	\$218	\$218	\$218	\$218	\$218	\$1,090	
308-Street Fund (One Bay Area Grant)	\$1,379					\$1,379	
308-Street Fund (TDA Grant)	\$40					\$40	
308-Street Fund (xfr from General Fund)	\$250	\$125	\$125	\$125	\$125	\$750	
FUNDING TOTALS	\$2,297	\$753	\$753	\$753	\$753	\$5,309	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	Q1
Project Design	Q2	Q2	Q2	Q2	Q2
Community Input & Environmental Reviews	Q2	Q2	Q2	Q2	Q2
City Council Approvals	Q2	Q2	Q2	Q2	Q2
Finalized Design	Q2	Q2	Q2	Q2	Q2
Construction	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Available funding drives level of project work each year

PRIOR EXPENDITURES: - FY13/14 \$2,529,139 (estimated) - FY12/13 \$172,298 - FY11/12 \$1,257,405 - FY10/11 \$52,896 - FY09/10 \$501,402 - FY08/09 \$1,451,753 - FY07/08 \$870,120 - FY06/07 \$1,085,215 - FY05/06 \$42,145 - FY04/05 \$387,317

OPERATIONS and MAINTENANCE FISCAL IMPACT: Pavement rehabilitation reduces overall maintenance cost as affected streets are improved.

Project: Downtown Parking

Project No.: 541005

Project Location: Downtown area

Category: Streets & Roads



DESCRIPTION: Enhance parking in the Downtown by improving existing lots. The goal of the project is to improve the existing lots by making them safer, more efficient, and easier to navigate. Improvements will include new pavement, lighting, striping and signing. Former Redevelopment Agency bond proceeds are to be used for this work.

JUSTIFICATION: Adequate parking is essential to the economic viability of the downtown. The City Council has identified Downtown parking as a priority for the remaining RDA bond proceeds.

RESPONSIBLE DEPARTMENTS: Public Works

541005 - Downtown Parking	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$20					\$20
6360 - Construction	\$210					\$210
6530 - Project Implementation	\$5					\$5
PROJECT COST	\$235					\$235
FUNDING SOURCE(S)						
250-Successor Agency (Bond Proceeds)	\$235					\$235
FUNDING TOTALS	\$235					\$235

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q1				
Community Input & Environmental Reviews	Q1				
City Council Approvals	Q2				
Finalized Design	Q2				
Construction	Q3-Q4				
Project Close-out					

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on previous publicly bid parking lot projects.

PRIOR EXPENDITURES: - FY13/14 \$250,000 (estimated) - FY12/13 \$0 - FY11/12 \$474 - FY10/11 \$217,009 - FY09/10 \$918,967 - FY08/09 \$1,741,825 - FY07/08 \$683,589 - FY06/07 \$103 - FY05/06 \$0 - FY04/05 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: The City's parking lots require ongoing maintenance and cleaning and have utility costs associated with them. This project will reduce ongoing maintenance expenses by performing preventative pavement maintenance activities, refreshing the surface coatings and striping, and installing energy efficient lighting.

Project: Multi-Level Parking Structure

Project No.: 541E12

Project Location: Downtown

Category: Streets & Roads



DESCRIPTION: A multi-level parking garage structure is being pursued on the Sunsweet site between Third and Fourth Streets. The structure will add parking inventory to the Downtown and could be expanded should the VTA site east of the RR tracks develop into a multi-use project. Construction of a structure at this site will require the successful acquisition of the necessary parcel to build it on from a private property owner. Other sites will be considered if acquisition of the parcel on the Sunsweet site is unsuccessful. Included in the scope is the construction of an approximately 3,500 SF commercial structure adjacent to the parking structure. Expenditure plan for FY14/15 assumes parcel is purchased in FY13/14.

JUSTIFICATION: Adequate parking is essential to the economic viability of the downtown. The City Council has identified Downtown Parking as a priority for the remaining RDA bond proceeds.

RESPONSIBLE DEPARTMENTS: Public Works

541E12 - Multi-Level Parking Structure		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition	\$40					\$40	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$200	\$50				\$250	
6360 - Construction	\$10,636	\$1,030				\$11,666	
6450 - Furnishings, Fixtures and Equipment	\$24					\$24	
6530 - Project Implementation	\$110	\$10				\$120	
PROJECT COST	\$11,010	\$1,090				\$12,100	
FUNDING SOURCE(S)							
250-Successor Agency (Bond Proceeds)	\$10,986	\$1,090				\$12,076	
308-Street Fund (TFCA Grant)	\$24					\$24	
FUNDING TOTALS	\$11,010	\$1,090				\$12,100	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1-Q2				
Community Input & Environmental Reviews	Q1-Q2				
City Council Approvals					
Finalized Design	Q2				
Construction	Q3-Q4	Q1-Q2			
Project Close-out		Q2			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on

PRIOR EXPENDITURES: - FY 13/14 \$600,000 (estimated)

OPERATIONS and MAINTENANCE FISCAL IMPACT: Maintenance costs for a parking structure are estimated to be \$125,000 per year starting in FY15-16.

Project: RDCS School Safety Improvements

Project No.: 551008

Project Location: City-wide

Category: Streets & Roads



DESCRIPTION: Construct school pedestrian safety improvements in accordance with Residential Development Control System (RDCS) ordinance. Locations and scope will be determined in collaboration with the Morgan Hill Unified School District, utilizing studies and maps. For FY14/15, the focus of expenditures will be on a joint project with the School District to address the overall circulation and access improvements at PA Walsh Elementary School and other improvements along Main Avenue and Peak Avenue. In addition, new pedestrian crossings with flashing lights will be installed across W. Dunne Avenue at the Del Monte intersection and across W. Main Avenue at the Del Monte intersection. Future projects to include sidewalk repair near schools (i.e., Britton), Half Road near Live Oak High School, and other safety improvements near schools citywide.

JUSTIFICATION: School Pedestrian Safety Fund 355 fees collected from developers throughout the RDCS process are to be allocated for construction of school safety projects.

RESPONSIBLE DEPARTMENTS: Public Works

551008 - RDCS School Safety Improvements		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$60	\$20	\$25	\$60	\$20	\$185	
6360 - Construction	\$560	\$350	\$350	\$350	\$350	\$1,960	
6530 - Project Implementation	\$60	\$20	\$40	\$50	\$30	\$200	
PROJECT COST	\$680	\$390	\$415	\$460	\$400	\$2,345	
FUNDING SOURCE(S)							
355-School Pedestrian Safety	\$680	\$390	\$415	\$460	\$400	\$2,345	
FUNDING TOTALS	\$680	\$390	\$415	\$460	\$400	\$2,345	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	Q1
Project Design	Q2	Q2	Q2	Q2	Q2
Community Input & Environmental Reviews	Q2	Q2	Q2	Q2	Q2
City Council Approvals	Q2	Q2	Q2	Q2	Q2
Finalized Design	Q2	Q2	Q2	Q2	Q2
Construction	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on available funds

PRIOR EXPENDITURES: - FY13/14 \$869 (estimated) - FY12/13 \$392,344 - FY11/12 \$135,829 - FY10/11 \$208,011 - FY09/10 \$35,727 - FY08/09 \$46,681

OPERATIONS and MAINTENANCE FISCAL IMPACT: Additional maintenance costs to Community Services Maintenance Division will be minimal.

Project: RDCS Miscellaneous Public Improvements

Project No.: 552008

Project Location: City-wide

Category: Streets & Roads



DESCRIPTION: Construct public improvements, including public facilities, street and utility improvements, at various locations to improve function, fill gaps and enhance safety. Location and scope will be determined by the need to improve public facilities and to construct public improvements in areas where gaps exist with emphasis on major arterial and collector streets. In FY14/15, the focus will be on resurfacing the parking lot adjacent to the City Council Chambers, Monterey Road south of Dunne Avenue and collector streets that connect to Monterey Road south of Dunne Avenue.

JUSTIFICATION: The City's RDCS Ordinance provides for collection of funds from residential developers to be used to complete public infrastructure improvements.

RESPONSIBLE DEPARTMENTS: Public Works

552008 - RDCS Miscellaneous Public Improvements	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$30	\$40	\$30	\$30	\$80	\$210
6360 - Construction	\$350	\$450	\$300	\$300	\$600	\$2,000
6530 - Project Implementation	\$20	\$30	\$20	\$20	\$80	\$170
PROJECT COST	\$400	\$520	\$350	\$350	\$760	\$2,380
FUNDING SOURCE(S)						
346-Public Facilities (non-AB1600 RDCS)	\$400	\$520	\$350	\$350	\$760	\$2,380
FUNDING TOTALS	\$400	\$520	\$350	\$350	\$760	\$2,380

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1	Q1	Q1
Project Design	Q2	Q2	Q2	Q2	Q2
Community Input & Environmental Reviews	Q2	Q2	Q2	Q2	Q2
City Council Approvals	Q2	Q2	Q2	Q2	Q2
Finalized Design	Q2	Q2	Q2	Q2	Q2
Construction	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out	Q4	Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate based on funds available

PRIOR EXPENDITURES: - FY13/14 \$2,028 (estimated) - FY12/13 \$7,699 - FY11/12 \$0 - FY10/11 \$775 - FY09/10 \$11,975 - FY08/09 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: Additional annual maintenance costs to Community Services Maintenance and/or Utility Divisions.

Project: Monterey Rd Streetscape & Downtown Sidestreets

Project No.: 560012

Project Location: Downtown

Category: Streets & Roads



DESCRIPTION: Enhance Monterey Road and sidestreets in the downtown area utilizing past visioning and scoping efforts, and with fresh input from downtown stakeholders and the community at large. Improvements may include new curb, gutter, and sidewalks, utility undergrounding, new lighting, landscaping, decorative hardscape, pedestrian crossing, and median improvements. Sidestreets to include First Street, Second Street, Third Street, and possibly Main Avenue. The Fourth Street improvements will be handled as a separate project. The funding source for this work is the former Redevelopment Agency bond proceeds.

JUSTIFICATION: Provides enhancements without prolonged street renovation project. Provides aesthetics and safety enhancements to side streets, per the Downtown Specific Plan.

RESPONSIBLE DEPARTMENTS: Public Works

560012 - Monterey Rd Streetscape & Downtown Sidestreets	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$450	\$30				\$480
6360 - Construction	\$4,428	\$300				\$4,728
6530 - Project Implementation	\$50	\$5				\$55
PROJECT COST	\$4,928	\$335				\$5,263
FUNDING SOURCE(S)						
250-Successor Agency (Bond Proceeds)	\$4,928	\$335				\$5,263
FUNDING TOTALS	\$4,928	\$335				\$5,263

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q1				
Community Input & Environmental Reviews	Q1-Q2				
City Council Approvals	Q2				
Finalized Design	Q2				
Construction	Q3-Q4	Q1			
Project Close-out		Q1			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary engineering.

PRIOR EXPENDITURES: - FY13/14 \$150,000 (estimated) - FY12/13 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: Additional annual maintenance costs to Community Services Maintenance Division.

Project: Monterey Road Medians

Project No.: 561012

Project Location: Monterey Road South of Dunne Avenue

Category: Streets & Roads



DESCRIPTION: Construct new medians in Monterey Road between Dunne and Cosmo Avenues. Medians are to be raised with curb and gutter and landscaped to match the character of the downtown medians north of Dunne Avenue. Construction of medians to happen in FY 14/15 following the completion of the Monterey Road Utility Undergrounding project.

JUSTIFICATION: Completion of the new medians south of Dunne Avenue is in accordance with the City Council's direction to extend the downtown place-making efforts south of Dunne Avenue. The project will also provide a permanent and safer median in front of the local Post Office.

RESPONSIBLE DEPARTMENTS: Public Works

561012 - Monterey Road Medians		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$30					\$30	
6360 - Construction	\$240					\$240	
6530 - Project Implementation	\$30	\$10				\$40	
PROJECT COST	\$300	\$10				\$310	
FUNDING SOURCE(S)	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
309-Traffic Impact Fund (AB1600)	\$300	\$10				\$310	
FUNDING TOTALS	\$300	\$10				\$310	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q2-Q3				
Community Input & Environmental Reviews	Q2-Q3				
City Council Approvals	Q3				
Finalized Design	Q2-Q3				
Construction	Q4	Q1			
Project Close-out		Q2			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent design and construction costs for similar projects.

PRIOR EXPENDITURES: - FY13/14 \$25,000 (estimated) - FY12/13 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: New median landscaping will require additional O&M costs of approximately \$2,000 per year.

Project: DeWitt Avenue "S" Curve
Realignment

Project No.: 562012

Project Location: DeWitt Avenue

Category: Streets & Roads



DESCRIPTION: DeWitt Avenue is a principal arterial roadway in Morgan Hill. Realignment of the "S" curve will improve the line of sight and flow of traffic along this section of the roadway. The County will be the lead agency to administer the project. The County allocated Measure B Sales Tax and County Road funds to this project, which will be combined with City of Morgan Hill's contribution of \$500,000 from traffic impact fees to fully fund this project. The design was completed in FY13/14; construction is estimated to begin in the Fall of 2014 pending the County's ability to bid the project by that time.

JUSTIFICATION: Within the last 6 years, there have been two fatal accidents, 5 accidents resulting in injuries, and 7 accidents causing property damage within the vicinity of the "S" curve on DeWitt Avenue. Various traffic devices have been installed to provide advance warnings, speed limit, etc., but the number of accidents has not decreased. As a result, the City of Morgan Hill and the local community expressed a desire to make improvements to the existing geometric conditions.

RESPONSIBLE DEPARTMENTS: Public Works

562012 - DeWitt Avenue "S" Curve Realignment		(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19		
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction	\$200	\$300				\$500	
6530 - Project Implementation	\$10	\$10				\$20	
PROJECT COST	\$210	\$310				\$520	
FUNDING SOURCE(S)							
309-Traffic Impact Fund (AB1600)	\$210	\$310				\$520	
FUNDING TOTALS	\$210	\$310				\$520	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design					
Construction	Q2-Q4	Q1-Q2			
Project Close-out		Q2			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary engineering.

PRIOR EXPENDITURES:

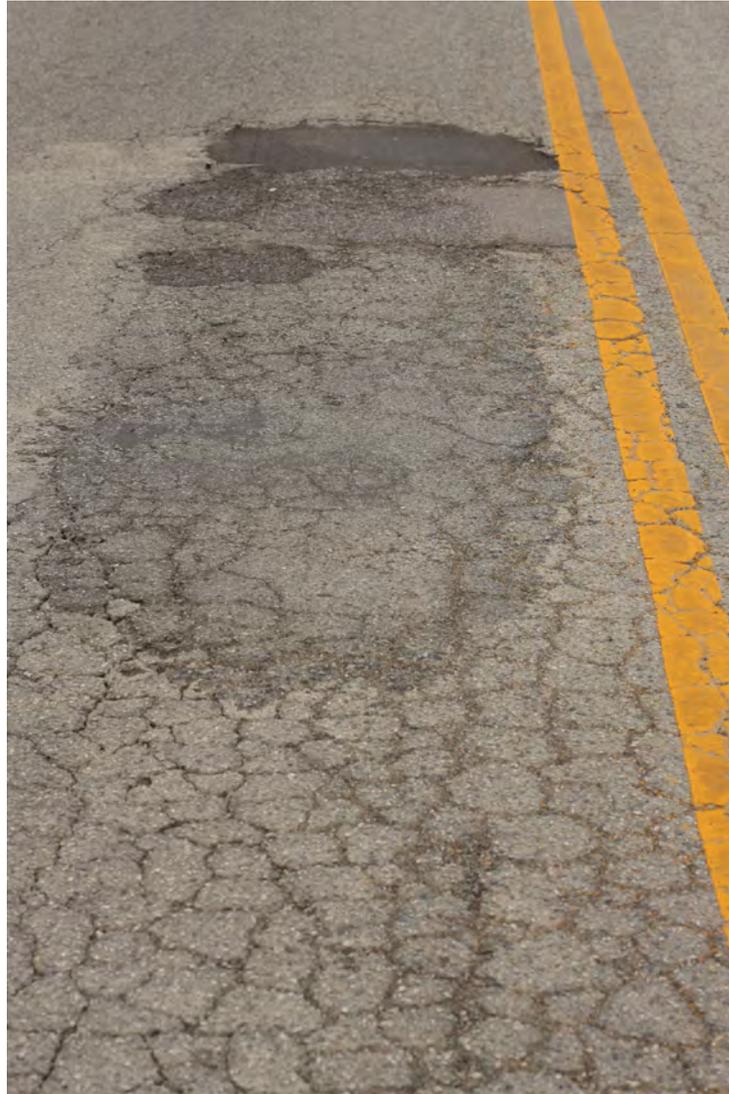
OPERATIONS and MAINTENANCE FISCAL IMPACT: Santa Clara County is responsible for operations and maintenance costs.

Project: Assessment District - Streets

Project No.: 563013

Project Location: Citywide

Category: Streets & Roads



DESCRIPTION: The City previously established assessment districts to construct public improvements associated with new developments. These districts were funded by the original private developer to construct specific improvements that served the new development and district funds must only be spent for construction or extraordinary maintenance. Eligible street improvements include the construction of streets and their related ancillary elements like signage, signalization, and landscaping. This is an omnibus project that includes the following districts: Dunne and Condit, Encino Hills, Sutter Business Park, Woodland Acres, Barnell Avenue, Hidden Creek, Tennant Ave Business Park, and Rancho Encino. The project will be phased over the 14/15 and 15/16 fiscal years.

JUSTIFICATION: Specific needed improvements have been identified in every district that will accomplish infrastructure upgrades serving the related developments.

RESPONSIBLE DEPARTMENTS: Public Works, Community Services

563013 - Assessment District - Streets		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$190					\$190	
6360 - Construction	\$200	\$389				\$589	
6530 - Project Implementation	\$20	\$40				\$60	
PROJECT COST	\$410	\$429				\$839	
FUNDING SOURCE(S)							
308-Street Fund (xfr from Special Deposits 820)	\$410	\$429				\$839	
FUNDING TOTALS	\$410	\$429				\$839	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1			
Project Design	Q2-Q3				
Community Input & Environmental Reviews	Q2				
City Council Approvals					
Finalized Design	Q4				
Construction		Q1-Q4			
Project Close-out	Q4	Q4			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate based on past experiences, intended uses of the funds, and the funding available; preliminary engineering only. Funds not used for design will be shifted to construction.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: Reduced street maintenance expenses for many years in most districts. Increased expenses for traffic signal battery maintenance in some districts.

Project: DeWitt Avenue Sidewalk Extension

Project No.: 566013

Project Location: DeWitt Avenue

Category: Streets & Roads



EXHIBIT "A"

© 19-149003.312102 DeWitt_Sidewalk.dwg



SCALE: 1"=30'

DESCRIPTION: The scope of work for the project is to construct 540 linear feet of sidewalk along the east side of DeWitt Avenue and 440 linear feet along the west side. There is a current need for sidewalks along both sides of DeWitt Avenue to accommodate pedestrian activity. The sidewalk connections are consistent with the City's Trails and Natural Resources Study, which addresses sidewalk trail connections. The City received funding in the amount of \$40,000 from the County's Expressway Pedestrian Improvement Grant Program. The City's match is thus \$15,000.

JUSTIFICATION: There exists a gap in the City's sidewalk system between Spring Avenue and DeWitt Avenue. As a result, there is a well worn dirt pathway. This gap in the sidewalk system should be connected for safety purposes with a year-round usable surface.

RESPONSIBLE DEPARTMENTS: Public Works

566013 - DeWitt Avenue Sidewalk Extension		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support						\$0	
6360 - Construction	\$57					\$57	
6530 - Project Implementation	\$25					\$25	
PROJECT COST	\$82					\$82	
FUNDING SOURCE(S)							
308-Street Fund (TDA Grant)	\$40					\$40	
346-Public Facilities (non-AB1600 RDCS)	\$42					\$42	
FUNDING TOTALS	\$82					\$82	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals	Q1				
Finalized Design	Q1				
Construction	Q2-Q3				
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent sidewalk replacement project, adjusted for inflation.

PRIOR EXPENDITURES: - FY13-14 \$25,000 (estimated)

OPERATIONS and MAINTENANCE FISCAL IMPACT: Additional minimal annual maintenance costs to Community Services Maintenance Division.

Project: Parking Lot Maintenance and Rehabilitation

Project No.: 568014

Project Location: Citywide

Category: Streets & Roads



DESCRIPTION: The City owns parking lots in the Downtown and throughout the community at parks and public facilities. These lots require periodic slurry sealing and restriping which will be addressed on a rotational basis each year. For FY14-15, the parking lots at the Friendly Inn/Galvan Park and Community Park are scheduled to be addressed.

JUSTIFICATION: Maintaining parking lot surfaces is a required maintenance activity.

RESPONSIBLE DEPARTMENTS: Community Services

568014 - Parking Lot Maintenance and Rehabilitation	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support						\$0
6360 - Construction	\$40	\$40	\$40	\$40	\$40	\$200
6530 - Project Implementation						\$0
PROJECT COST	\$40	\$40	\$40	\$40	\$40	\$200
FUNDING SOURCE(S)						
346-Public Facilities (non-AB1600 RDCS)	\$40	\$40	\$40	\$40	\$40	\$200
FUNDING TOTALS	\$40	\$40	\$40	\$40	\$40	\$200

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1	Q1	Q1	Q1	Q1
Community Input & Environmental Reviews					
City Council Approvals	Q1	Q1	Q1	Q1	Q1
Finalized Design					
Construction	Q1-Q2	Q1-Q2	Q1-Q2	Q1-Q2	Q1-Q2
Project Close-out	Q2	Q2	Q2	Q2	Q2

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: This is a preliminary estimate based on prior similar projects.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: This project directly addresses maintenance needs. In addition, the slurry sealing of asphalt protects the surface from water, extends its life, and reduces long-term maintenance expenses.

Project: Fourth Street Reconstruction

Project No.: 569014

Project Location: Downtown between Monterey Rd. and Depot St.

Category: Streets & Roads



DESCRIPTION: Reconstruct Fourth Street between Monterey Road and Depot Street. Roadway to be improved by undergrounding overhead utilities, replacing curb, gutter, sidewalks, street lights, and paved roadway. In addition, the water main and sewer mains will both be upgraded.

JUSTIFICATION: Fourth Street will serve as the only roadway to provide access to the City's new parking structure. Currently, the condition of Fourth Street is substandard and in disrepair.

RESPONSIBLE DEPARTMENTS:

569014 - Fourth Street Reconstruction		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$150	\$20				\$170	
6360 - Construction	\$1,500					\$1,500	
6530 - Project Implementation	\$15	\$5				\$20	
PROJECT COST	\$1,665	\$25				\$1,690	
FUNDING SOURCE(S)							
346-Public Facilities (non-AB1600 RDCS)	\$1,265	\$25				\$1,290	
641-Sewer Impact Fund (AB1600)	\$50					\$50	
643-Sewer System Replacement Fund	\$150					\$150	
651-Water Impact Fund (AB1600)	\$50					\$50	
653-Water System Replacement Fund	\$150					\$150	
FUNDING TOTALS	\$1,665	\$25				\$1,690	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1				
Project Design	Q1				
Community Input & Environmental Reviews	Q1-Q4				
City Council Approvals	Q2				
Finalized Design	Q2				
Construction	Q3-Q4	Q1			
Project Close-out		Q1			

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on recent publicly bid projects of a similar nature.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: New street improvements will reduce O&M costs for the next 5 years.

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**CITY OF MORGAN HILL
CAPITAL IMPROVEMENT PROGRAM
Water**

(Thousands of Dollars)

2014-15 2015-16 2016-17 2017-18 2018-19 TOTALS

PROJECT TITLE

601000	New Well Property/Construction	\$1,470	\$1,540	\$1,540	\$0	\$0	\$4,550
602000	New Water Reservoirs	\$1,777	\$0	\$592	\$1,422	\$0	\$3,791
603000	New Water Mains	\$1,083	\$1,297	\$550	\$0	\$0	\$2,930
607000	Booster Pump Rehabilitation	\$947	\$177	\$0	\$296	\$0	\$1,420
608000	Rehabilitate Water Wells	\$503	\$0	\$503	\$0	\$0	\$1,006
610000	Water Main Replacement	\$1,267	\$0	\$0	\$0	\$828	\$2,095
620007	Re-coat Water Reservoir/Tank	\$0	\$414	\$355	\$355	\$385	\$1,509
622012	Update Water Master Plan	\$70	\$0	\$0	\$0	\$0	\$70
623014	Recycled Water Master Plan Supplemental Study	\$35	\$0	\$0	\$0	\$0	\$35
624014	San Pedro Well Solar System	\$444	\$0	\$0	\$0	\$0	\$444
		\$7,596	\$3,428	\$3,540	\$2,073	\$1,213	\$17,850

PROJECT FUNDING SOURCES

651	Water Impact Fund (AB1600)	\$2,659	\$1,878	\$1,795	\$344	\$82	\$6,758
653	Water System Replacement Fund	\$4,937	\$1,550	\$1,745	\$1,729	\$1,131	\$11,092
		\$7,596	\$3,428	\$3,540	\$2,073	\$1,213	\$17,850

Project: New Well Property/Construction

Project No.: 601000

Project Location: City-wide

Category: Water



DESCRIPTION: The 2002 Water Master Plan identified potential sites for expanding the City's water system as demand increases due to development growth. The City identified two potential well sites at the Walnut Grove Subdivision and on Main Avenue. Based on the test hole results, the City will drill a new well in Walnut Grove and is expected to be online in FY15-16.

JUSTIFICATION: New wells are identified in the 2002 Water Master Plan and reflect the need for additional capacity as the community continues to develop and demand additional water resources. The 2002 Water Master Plan will be updated in FY14-15 and thus other wells will be identified in order to meet demand.

RESPONSIBLE DEPARTMENTS: Public Works

601000 - New Well Property/Construction		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$170	\$200	\$200			\$570	
6360 - Construction	\$1,200	\$1,240	\$1,240			\$3,680	
6530 - Project Implementation	\$100	\$100	\$100			\$300	
PROJECT COST	\$1,470	\$1,540	\$1,540			\$4,550	
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)	\$1,470	\$1,540	\$1,540			\$4,550	
FUNDING TOTALS	\$1,470	\$1,540	\$1,540			\$4,550	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1		
Project Design	Q1-Q2	Q1-Q2	Q1-Q2		
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design	Q2	Q2	Q2		
Construction	Q3-Q4	Q3-Q4	Q3-Q4		
Project Close-out	Q4	Q4	Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate is based on staff's recent experience constructing the Diana 1 well, however each well site is unique and cost estimates can vary greatly depending on many factors including the volatile cost for well construction materials, gravel pack, stainless steel, mechanical design, and the unknown groundwater formation.

PRIOR EXPENDITURES: - FY13/14 \$30,206 (estimated) - FY12/13 \$1,976 - FY11/12 \$0 - FY10/11 \$100,412 - FY09/10 \$321,969 - FY08/09 \$986,486 - FY07/08 \$259,587 - FY06/07 \$227,169 - FY05/06 \$593,767 - FY04/05 \$606,291

OPERATIONS and MAINTENANCE FISCAL IMPACT: This project will increase maintenance and operating costs which will be offset by increased water sales.

Project: New Water Reservoirs

Project No.: 602000

Project Location: City-wide

Category: Water



DESCRIPTION: The 2002 Water Master Plan identified the need for several additional water reservoirs which will increase storage capabilities and assist meeting peak demand levels. In FY14-15 a new tank at East Dunne Avenue and Flaming Oaks Lane will increase system storage by 750,000 gallons.

JUSTIFICATION: Reservoirs allow the City to meet peak demand, but also reduce electrical costs since they typically operate during off-peak times. Additional tanks also create redundancy in the system which allows the City to continually provide water for consumption and fire protection, even while other components may be off-line due to maintenance, repair, or natural disaster.

RESPONSIBLE DEPARTMENTS: Public Works

602000 - New Water Reservoirs		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$150		\$60	\$120		\$330	
6360 - Construction	\$1,500		\$500	\$1,200		\$3,200	
6530 - Project Implementation	\$127		\$32	\$102		\$261	
PROJECT COST	\$1,777		\$592	\$1,422		\$3,791	
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)	\$444		\$118	\$285		\$847	
653-Water System Replacement Fund	\$1,333		\$474	\$1,137		\$2,944	
FUNDING TOTALS	\$1,777		\$592	\$1,422		\$3,791	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1		Q1	Q1	
Project Design	Q2		Q2	Q2	
Community Input & Environmental Reviews	Q2		Q2	Q2	
City Council Approvals	Q2		Q2	Q2	
Finalized Design	Q3		Q3	Q3	
Construction	Q3-Q4		Q3-Q4	Q3-Q4	
Project Close-out	Q4		Q4	Q4	

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimates are generalizations of what a tank might typically cost, however until design is completed, the true costs associated with each individual tank will not be identified.

PRIOR EXPENDITURES: - FY13/14 \$0 - FY12/13 \$0 - FY11/12 \$0 - FY10/11 \$3,448 - FY09/10 \$87,957 - FY08/09 \$617,261 - FY 07/08 \$367,708 - FY06/07 \$4,191 - FY05/06 \$192,067 - FY04/05 \$7,283

OPERATIONS and MAINTENANCE FISCAL IMPACT: This project will increase maintenance and operating costs which will be offset by increased water sales.

Project: New Water Mains

Project No.: 603000

Project Location: City-wide

Category: Water



DESCRIPTION: Ongoing development results in greater demand for water services and thus new water mains are required for distributing water to the new areas.

For FY 14-15, new water mains will be installed on Railroad Avenue between Barrett Avenue and Mast Avenue and on Mast Avenue between Church Street and Railroad Avenue.

JUSTIFICATION: The new water mains will ensure that there is an adequate distribution system enabling the City to meet new water demands.

RESPONSIBLE DEPARTMENTS: Public Works

603000 - New Water Mains		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$100	\$120	\$50			\$270	
6360 - Construction	\$880	\$1,060	\$460			\$2,400	
6530 - Project Implementation	\$103	\$117	\$40			\$260	
PROJECT COST	\$1,083	\$1,297	\$550			\$2,930	
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)	\$216	\$259	\$137			\$612	
653-Water System Replacement Fund	\$867	\$1,038	\$413			\$2,318	
FUNDING TOTALS	\$1,083	\$1,297	\$550			\$2,930	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1	Q1		
Project Design	Q2	Q2	Q2		
Community Input & Environmental Reviews	Q2	Q2	Q2		
City Council Approvals	Q2	Q2	Q2		
Finalized Design	Q3	Q3	Q3		
Construction	Q3-Q4	Q3-Q4	Q3-Q4		
Project Close-out	Q4	Q4	Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Engineer's estimates based on previous projects.

PRIOR EXPENDITURES: - FY13/14 \$25,000 (Mast Water Main) - FY12/13 \$0 - FY11/12 \$0 - FY10/11 \$5,897 - FY09/10 \$1,552,134 (Burnett Water/Sewer - FY08/09 \$129,396 - FY07/08 \$50,657 - FY06/07 \$0 - FY05/06 \$145,585 - FY04/05 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: This project will increase maintenance and operating costs which will be offset by increased water sales.

Project: Booster Pump Rehabilitation

Project No.: 607000

Project Location: City Booster Stations

Category: Water



DESCRIPTION: The City has an ongoing maintenance program of repairs/updates for the City's ten booster stations. Upcoming projects include Jackson Oaks Booster in FY 14-15 which will incorporate a new booster facility and the installation of additional fire pumps.

JUSTIFICATION: In order to ensure system reliability, the booster stations are on a scheduled maintenance program.

RESPONSIBLE DEPARTMENTS: Public Works

607000 - Booster Pump Rehabilitation		(Thousands of Dollars)					Five
		2014-15	2015-16	2016-17	2017-18	2018-19	Year
EXPENDITURE CATEGORY							
6120 - Property Acquisition							\$0
6121 - Right-of-Way Acquisition							\$0
6220 - Architecture, Design & Constr Support		\$70	\$20		\$25		\$115
6360 - Construction		\$800	\$145		\$250		\$1,195
6530 - Project Implementation		\$77	\$12		\$21		\$110
PROJECT COST		\$947	\$177		\$296		\$1,420
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)		\$189	\$38		\$59		\$286
653-Water System Replacement Fund		\$758	\$139		\$237		\$1,134
FUNDING TOTALS		\$947	\$177		\$296		\$1,420

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1	Q1		Q1	
Project Design	Q1	Q1		Q1	
Community Input & Environmental Reviews	Q2	Q2		Q2	
City Council Approvals	Q2	Q2		Q2	
Finalized Design	Q2	Q2		Q2	
Construction	Q3-Q4	Q3-Q4		Q3-Q4	
Project Close-out	Q4	Q4		Q4	

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's Estimates

PRIOR EXPENDITURES: - FY13/14 \$68,305 (estimated) - FY12/13 \$120,866 - FY11/12 \$34,328 - FY10/11 \$369,481 - FY09/10 \$30,454 - FY08/09 \$29,667 - FY07/08 \$22,643 - FY06/07 \$2,705 - FY05/06 \$411,466 - FY04/05 \$835,142

OPERATIONS and MAINTENANCE FISCAL IMPACT: Investing in the booster station rehabilitation program ensures safety and reliability, and reduces emergency repair costs.

Project: Rehabilitate Water Wells

Project No.: 608000

Project Location: City-wide

Category: Water



DESCRIPTION: The City has an ongoing maintenance program of repairs/updates for the City's 17 active water wells. Upcoming projects include Boys' Ranch Well III in FY 14-15 and Jackson Well in FY 16-17.

JUSTIFICATION: In order to ensure system reliability, the water wells are on a scheduled maintenance program.

RESPONSIBLE DEPARTMENTS: Public Works

608000 - Rehabilitate Water Wells	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support	\$40		\$40			\$80
6360 - Construction	\$425		\$425			\$850
6530 - Project Implementation	\$38		\$38			\$76
PROJECT COST	\$503		\$503			\$1,006
FUNDING SOURCE(S)						
653-Water System Replacement Fund	\$503		\$503			\$1,006
FUNDING TOTALS	\$503		\$503			\$1,006

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1		Q1		
Project Design	Q1		Q1		
Community Input & Environmental Reviews	Q2		Q2		
City Council Approvals	Q2		Q2		
Finalized Design	Q2		Q2		
Construction	Q3-Q4		Q3-Q4		
Project Close-out	Q4		Q4		

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's Estimates

PRIOR EXPENDITURES: - FY13/14 \$465,918 Boys Ranch #3 - FY12/13 \$107,767 - FY11/12 \$272,675 - FY10/11 \$72,602 - FY09/10 \$89,636 - FY08/09 \$19,114 - FY07/08 \$14,362 - FY06/07 \$0 - FY05/06 \$24 - FY04/05 \$0

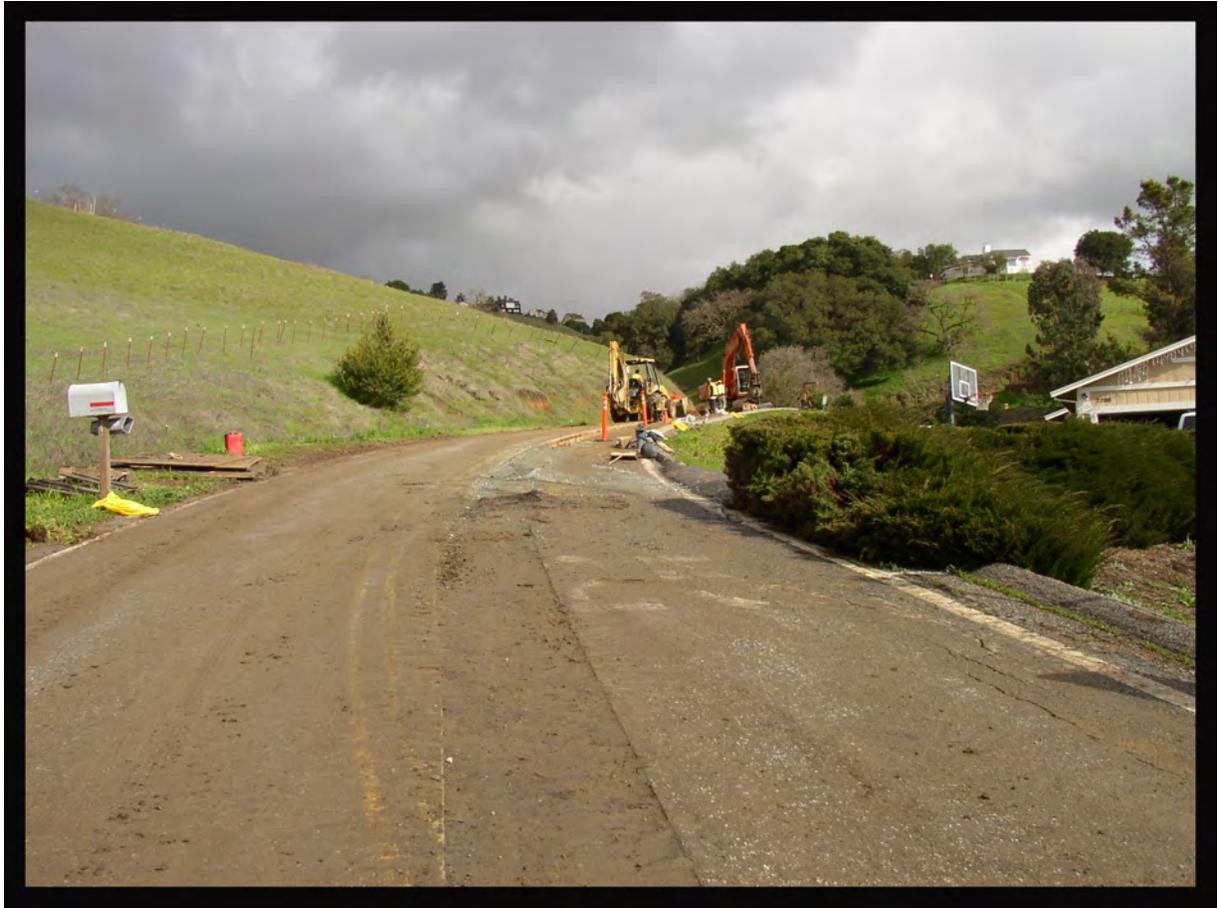
OPERATIONS and MAINTENANCE FISCAL IMPACT: Investing in the water well rehabilitation program ensures safety and reliability, and reduces emergency repair costs.

Project: Water Main Replacement

Project No.: 610000

Project Location: City-wide

Category: Water



DESCRIPTION: The City has approximately 182 miles of water pipelines, many of which have exceeded their useful life. Replacement of these aging components is a routine, ongoing program which will assist in enhancing system reliability.

In FY 14-15, the following projects are planned:

The water main on Main Avenue between Hale Avenue and Depot Street will be replaced. An existing supply of pipe materials from Phase I will be utilized for this second phase of the project.

The water line in Downtown will be redesigned

JUSTIFICATION: In order to ensure system reliability, the City's water mains are on a scheduled maintenance/replacement program.

RESPONSIBLE DEPARTMENTS: Public Works

610000 - Water Main Replacement		(Thousands of Dollars)					Five
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$120				\$40	\$160	
6360 - Construction	\$1,030				\$750	\$1,780	
6530 - Project Implementation	\$117				\$38	\$155	
PROJECT COST	\$1,267				\$828	\$2,095	
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)	\$253				\$82	\$335	
653-Water System Replacement Fund	\$1,014				\$746	\$1,760	
FUNDING TOTALS	\$1,267				\$828	\$2,095	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design					
Community Input & Environmental Reviews					
City Council Approvals					
Finalized Design	Q1				
Construction	Q1-Q2				
Project Close-out	Q3				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's estimates

PRIOR EXPENDITURES: - FY13/14 \$570,000 Main Ave Wtr Main - FY12/13 \$841,528 - FY11/12 \$157,279 - FY10/11 \$3,448 - FY09/10 \$87,957 - FY08/09 \$617,261 - FY07/08 \$367,708 - FY06/07 \$4,191 - FY05/06 \$192,067 - FY04/05 \$7,283

OPERATIONS and MAINTENANCE FISCAL IMPACT: Investing in the water main replacement program ensures safety and reliability, and reduces emergency repair costs.

Project: Re-coat Water Reservoir/Tank

Project No.: 620007

Project Location: City's Water Storage Reservoirs

Category: Water



DESCRIPTION: The City has 13 water tanks/reservoirs that must be maintained in accordance with American Water Works Association (AWWA) standards. A typical re-coating includes the removal of the old coating, application of a new exterior epoxy coating, corrosion-resistant paint on the exterior surface and structural repairs and required upgrades. For FY 16-17 the Jackson Oaks Tank is scheduled for re-coating and El Toro Tank in FY 17-18, with Encino Tank in FY 18-19.

The access road to El Toro Tank is in need of complete repair as it has begun to slip down the hillside. The area around the tank pad has begun to erode and thus improvements will be made to stabilize both the road and tank.

JUSTIFICATION: The ongoing re-coating project is required for compliance with the City's Water System Operating permit issued by the Department of Public Health. Each re-coating typically lasts for 10-20 years depending on the tank location and other environmental factors.

RESPONSIBLE DEPARTMENTS: Public Works

620007 - Re-coat Water Reservoir/Tank	(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	
EXPENDITURE CATEGORY						
6120 - Property Acquisition						\$0
6121 - Right-of-Way Acquisition						\$0
6220 - Architecture, Design & Constr Support		\$35	\$30	\$30	\$30	\$125
6360 - Construction		\$350	\$300	\$300	\$325	\$1,275
6530 - Project Implementation		\$29	\$25	\$25	\$30	\$109
PROJECT COST		\$414	\$355	\$355	\$385	\$1,509
FUNDING SOURCE(S)						
651-Water Impact Fund (AB1600)		\$41				\$41
653-Water System Replacement Fund		\$373	\$355	\$355	\$385	\$1,468
FUNDING TOTALS		\$414	\$355	\$355	\$385	\$1,509

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development		Q1	Q1	Q1	Q1
Project Design		Q2	Q2	Q2	Q2
Community Input & Environmental Reviews		Q2	Q2	Q2	Q2
City Council Approvals		Q2	Q2	Q2	Q2
Finalized Design		Q3	Q3	Q3	Q3
Construction		Q3-Q4	Q3-Q4	Q3-Q4	Q3-Q4
Project Close-out		Q4	Q4	Q4	Q4

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on Engineer's estimates

PRIOR EXPENDITURES: - FY13/14 \$91,150 Llagas Tank - FY12/13 \$16,697 - FY11/12 \$0 - FY10/11 \$0 - FY09/10 \$89,040 - FY08/09 \$562,221 - FY07/08 \$0

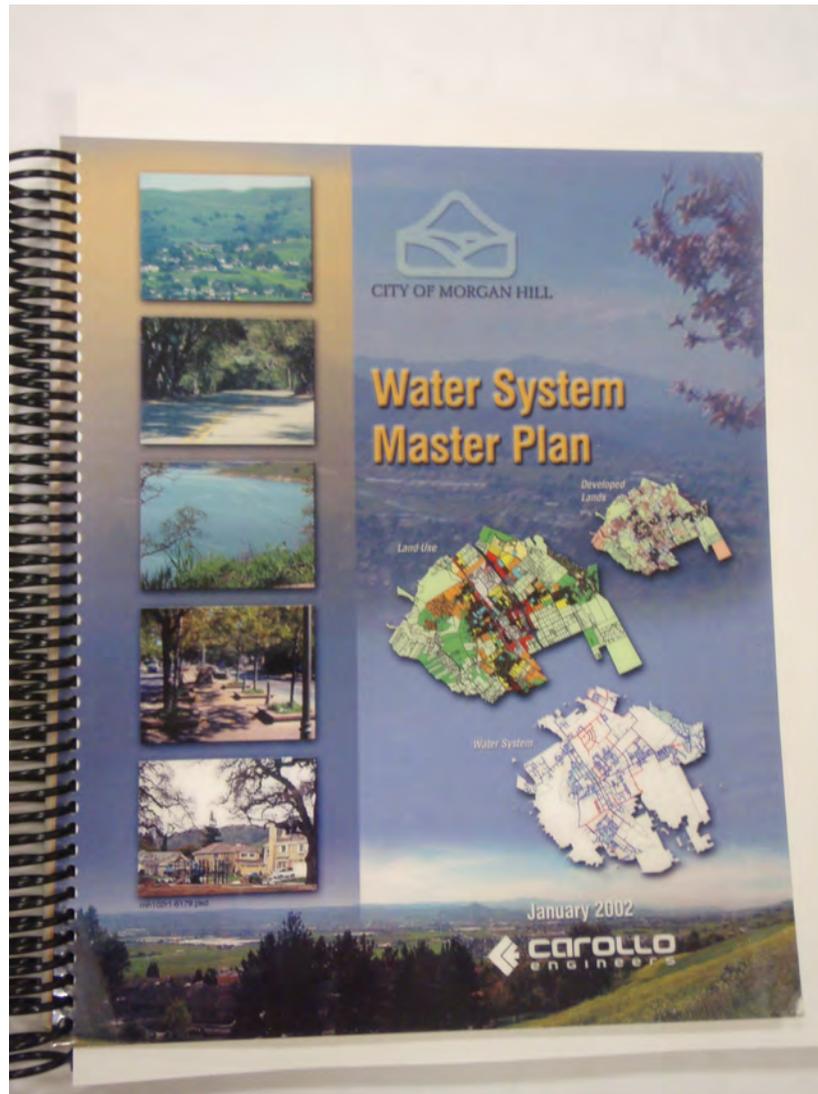
OPERATIONS and MAINTENANCE FISCAL IMPACT: There is no significant ongoing fiscal impact associated with the reservoir/tank re-coating project.

Project: Update Water Master Plan

Project No.: 622012

Project Location: City-wide

Category: Water



DESCRIPTION: The last Water Master Plan Update was conducted in 2002 and since that time, the City has experienced significant growth. The 2002 Master Plan made assumptions concerning the location and extent of growth and future infrastructure investments were identified based on those assumptions. As the City updates the General Plan, this is the opportune time to update the Water Master Plan and identify future needs of the Capital Improvement Program.

JUSTIFICATION: Updating the City's 10-year old Water Master Plan will provide an accurate baseline for identifying future infrastructure needs.

RESPONSIBLE DEPARTMENTS: Public Works

622012 - Update Water Master Plan		(Thousands of Dollars)					Five
		2014-15	2015-16	2016-17	2017-18	2018-19	Year
EXPENDITURE CATEGORY							
6120 - Property Acquisition							\$0
6121 - Right-of-Way Acquisition							\$0
6220 - Architecture, Design & Constr Support		\$60					\$60
6360 - Construction							\$0
6530 - Project Implementation		\$10					\$10
PROJECT COST		\$70					\$70
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)		\$70					\$70
FUNDING TOTALS		\$70					\$70

ESTIMATED PROJECT SCHEDULE		2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development	Q1					
Project Design						
Community Input & Environmental Reviews	Q1-Q3					
City Council Approvals						
Finalized Design						
Construction						
Project Close-out	Q4					

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary estimates from various Master Plan Consultants

PRIOR EXPENDITURES: None - FY13/14 \$105,000 (estimated) - FY12/13 \$0

OPERATIONS and MAINTENANCE FISCAL IMPACT: Updating the Water Master Plan may identify future capital improvement projects, which will subsequently require identification of a funding mechanism in order to complete the projects.

Project: Recycled Water Master Plan
Supplemental Study

Project No.: 623014

Project Location: SCVWD & SCRWA - San
Jose/Gilroy

Category: Water



DESCRIPTION: The Santa Clara Valley Water District (SCVWD) and South County Regional Wastewater Authority (SCRWA) are partnering in a revised Recycled Water Master Plan for FY14-15. Because the wastewater treatment plant is jointly operated by the cities of Gilroy and Morgan Hill, a significant portion of water usage in Morgan Hill in the form of wastewater will be considered in the Master Plan study. The focus of the Master Plan Study will be to increase the use of recycled water in the Gilroy area.

The scope of this supplemental study will be to coordinate with the efforts of the larger SCVWD/SCRWA Master Plan Study, and take a closer look at how Morgan Hill could receive recycled water in the future and to explore other areas that will help maintain a sustainable water supply. Areas to be studied will be feasibility and cost to pump recycled water to Morgan Hill from the treatment plant, where the potential users would be located, an estimate of the future use, and details to be considered in design standards. If the budget allows, a more focused look at a potential scalping plant in Morgan Hill will be studied.

JUSTIFICATION: The Recycled Water Master Plan Supplemental Study will identify opportunities to increase the use of recycled water.

RESPONSIBLE DEPARTMENTS: Public Works

623014 - Recycled Water Master Plan Supplemental Study		(Thousands of Dollars)					Five Year
	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
EXPENDITURE CATEGORY							
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$35					\$35	
6360 - Construction						\$0	
6530 - Project Implementation						\$0	
PROJECT COST	\$35					\$35	
FUNDING SOURCE(S)							
651-Water Impact Fund (AB1600)	\$17					\$17	
653-Water System Replacement Fund	\$18					\$18	
FUNDING TOTALS	\$35					\$35	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1				
Community Input & Environmental Reviews	Q1				
City Council Approvals					
Finalized Design	Q2				
Construction					
Project Close-out	Q3				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Based on preliminary estimates from various Master Plan consultants.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: Investing in a Recycled Master Plan Supplemental Study will help to identify alternative opportunities to reduce water usage in the community.

Project: San Pedro Well Solar System

Project No.: 624014

Project Location: San Pedro Well

Category: Water



DESCRIPTION: The City's Water Well at 1240 San Pedro Avenue (at the Morgan Hill Outdoor Sports Center) is the Water Division's pilot program to determine the viability of a solar power system to drive the pumps and motors at the well site. The San Pedro location is unique in that it is one of the few well sites large enough to accommodate the space necessary to install solar panels, which will be located over the parking lot of the Sports Center.

JUSTIFICATION: This project enables the water division to realize significant electrical savings through use of solar panels which generate power to sell to the electrical grid during peak times and subsequently purchase electricity during non-peak hours when it is much cheaper.

RESPONSIBLE DEPARTMENTS:

624014 - San Pedro Well Solar System		(Thousands of Dollars)					Five
EXPENDITURE CATEGORY	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
6120 - Property Acquisition						\$0	
6121 - Right-of-Way Acquisition						\$0	
6220 - Architecture, Design & Constr Support	\$35					\$35	
6360 - Construction	\$375					\$375	
6530 - Project Implementation	\$34					\$34	
PROJECT COST	\$444					\$444	
FUNDING SOURCE(S)	2014-15	2015-16	2016-17	2017-18	2018-19	Year	
653-Water System Replacement Fund	\$444					\$444	
FUNDING TOTALS	\$444					\$444	

ESTIMATED PROJECT SCHEDULE	2014-15	2015-16	2016-17	2017-18	2018-19
Funding Development					
Project Design	Q1				
Community Input & Environmental Reviews					
City Council Approvals	Q2				
Finalized Design					
Construction	Q3-Q4				
Project Close-out	Q4				

FINANCIAL DISCUSSION & FISCAL IMPACT

COST ESTIMATE ACCURACY: Estimate is based on a vendor quote for this particular project.

PRIOR EXPENDITURES: None

OPERATIONS and MAINTENANCE FISCAL IMPACT: There are no expected ongoing maintenance costs and it is anticipated that significant electrical cost savings will be realized.

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THE USE OF CAPITAL FUNDS FOR CIP PROJECTS

OVERVIEW. This section describes the capital funds used for the construction of capital improvement projects in the City's 5-Year Capital Improvement Program. Each fund is described on its own individual page with a brief description of the fund, followed by a description of how that fund generates money for capital investment; limitations and other important factors relating to the use of that fund; and, the goals for capital investment for that fund.

In accordance with the City's fiscal policies, capital improvements are financed primarily through user fees, service charges, assessments, special taxes or developer agreements when benefits can be specifically attributed to users of the facility. As these funds are received, they are accumulated into specific fund categories for tracking purposes, and for use only for capital projects.

Accordingly, development impact fees are created and implemented at levels sufficient to ensure that new development pays its fair share of the cost of constructing necessary community facilities as needed to handle the demand for new services. Development impact fees and residential development control system fees are major funding sources in financing City improvements. However, revenues from these fees are subject to significant fluctuation based upon the rate of new development.

The following guidelines are followed in designing and building projects funded with development impact fees or Measure C fees:

- The availability of fees in funding a specific project will be analyzed on a case-by-case basis as plans and specifications or contract awards are submitted for City Manager or City Council approval.
- If adequate funds are not available at that time, the City Council will make one of two determinations: 1) Defer the project until funds are available, or, 2) based on the high-priority of the project, advance funds from other available City Funds.
- Repayment of advances and related interest will be the first use of development impact funds and Measure C funds when they become available.

THE PRO FORMA AND HOW IS IT USED IN CAPITAL BUDGET PLANNING. A "pro forma" is basically a balance sheet that shows the balances projected to be available in each fund at the end of each fiscal year based on projected revenues (using conservative estimates) and a detailed program of expenditures as laid out in the 5-Year CIP. Projects are funded on the basis of available funding. In those out-years where the pro forma shows a negative fund balance, the decision will be made in the interim as to whether to move the project out, reduce the scope of work for that year, develop alternate revenue sources, or delete the project. These decisions will be made by aligning available funding with the overall goals of the 5-Year CIP.

There are two tables at the bottom of each page that accomplish the following purpose:

- "Projects within Fund" - This lists the projects that are funded (partially or in whole) by the use of that fund. Projects funded by more than one fund are listed again within the page(s) that describe the other participating funds.
- "5-Year Pro Forma within Fund" - This shows the progression of fund balance within a particular fund over the next five years based on revenues received (as projected) and capital expenditures as programmed in the 5-Year CIP. The fund balance begins with the estimated ending balance as of June 30, 2013 (i.e., through the end of FY12-13).

NEEDED-BUT-NOT-FUNDED PROJECTS.

This is a listing of capital projects for which no funding sources are currently available, yet which are described as needed within the General Plan, within the Master Plans (for Storm Drainage, Sewer, and Water), and within other planning documents.

THE "PROJECT-BY-FUND" OVERVIEW.

The last pages of this section contain a one-page matrix (5 matrices total) for each year of the 5-Year CIP. Each matrix overviews on one page all of the CIP projects: by-project/by-funding-sources.

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Fund 215 - CDBG

The Community Development Block Grant (CDBG) and CDBG Revolving Loan Funds are special revenue funds used to account for Federal low and moderate income housing program funds. These funds are restricted to low and moderate income housing uses. These funds are issued by the U.S. Department of Housing and Urban Development, and fund local community development activities such as affordable housing, anti-poverty programs, and infrastructure development.

How this Fund Generates Money for Capital Investment. These funds are issued by the U.S. Department of Housing and Urban Development, funds local community development activities such as affordable housing, anti-poverty programs, and infrastructure development.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	(\$229)	FY14/15	\$142,000
FY12/13	(\$46)	FY15/16	\$71,000
FY11/12	\$90,051	FY16/17	\$71,000
FY10/11	\$338,038	FY17/18	\$71,000
FY09/10	\$57,567	FY18/19	\$71,000
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. Overall uses allowed include: community development activities (such as real estate acquisition, relocation, demolition, rehabilitation of housing and commercial buildings), construction of public facilities and improvements (such as water, sewer, and other utilities, street paving, and sidewalks), construction and maintenance of neighborhood centers, and the conversion of school buildings, public services, and economic development and job creation/retention activities.

Goals for Capital Investment. In compliance with the intended CDBG purpose, the funds made available for the City's 5-Year CIP program will be used for ongoing installment of curb ramps city-wide to make sidewalks more accessible for the disabled, improvements to recreational facilities located in eligible neighborhoods, and security improvements, such as surveillance cameras, in eligible locations.

Projects within Fund 215						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
247012 - CDBG Funded Projects	\$142,000	\$71,000	\$71,000	\$71,000	\$71,000	\$426,000
Totals	\$142,000	\$71,000	\$71,000	\$71,000	\$71,000	\$426,000

5-Year Pro Forma within Fund 215							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$142,000	\$71,000	\$71,000	\$71,000	\$71,000	
CIP Expenditures		\$142,000	\$71,000	\$71,000	\$71,000	\$71,000	
Other Expenditures		\$0	\$0	\$0	\$0	\$0	
Balances	\$0	\$0	\$0	\$0	\$0	\$0	

Fund 250 - Redevelopment Bond Proceeds

The Redevelopment Agency (RDA), established in 1980 and eliminated in 2012, had as one of its primary goals the rehabilitation and revitalization of blighted areas in residential neighborhoods and business districts. The projects developed underutilized and vacant lands, assisted in providing affordable housing, assisted in business attraction, retention and rehabilitation programs, and provided community services such as housing and business counseling. Additionally, the RDA provided financial assistance for many capital improvement projects and rehabilitated and constructed the City's infrastructure such as streets, water and sewer lines, storm drains, and community facilities.

How this Fund Generates Money for Capital Investment. In 2007, the former Redevelopment Agency issued approximately \$120 Million in bonds to finance an array of public facilities, public infrastructure, and economic development projects. While much has been accomplished, there remains a balance of bond proceeds. The balance of this fund's revenues come from remaining bond proceeds to complete contractual obligations at the time the RDA was abolished.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$106,467,00	FY14/15	\$7,082,052
FY12/13	\$10,193,401	FY15/16	\$7,081,993
FY11/12	\$404,657	FY16/17	\$7,083,003
FY10/11	\$16,764,416	FY17/18	\$7,085,230
FY09/10	\$12,743,622	FY18/19	\$7,081,428
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. These funds may be used only for the purposes for which the original bond issue was intended, and that is to rehabilitate and revitalize blighted areas in residential neighborhoods and business districts.

Goals for Capital investment. The goals for the use of this fund during this period are to assist the City in accomplishing its economic development goals, funding expansion of sewer system capacity, and investing into the infrastructure of the Downtown area and adjacent streets. Key projects include expanding and improving the parking inventory, upgrades to Downtown streets (utilities, pavement, lighting, sidewalks), upgrades to Monterey Road, and to further the planning and design of the Hale Avenue extension.

Projects within Fund 250						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
512093 - Underground Monterey Utilities	\$30,000					\$30,000
541005 - Downtown Parking	\$235,000	\$0	\$0			\$235,000
541E12 - Multi-Level Parking Structure	\$10,986,000	\$1,090,000				\$12,076,000
560012 - Monterey Rd Streetscape & Downtown	\$4,928,000	\$335,000				\$5,263,000
Totals	\$16,179,000	\$1,425,000	\$0	\$0	\$0	\$17,604,000

5-Year Pro Forma within Fund 250							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$7,082,052	\$7,081,993	\$7,083,003	\$7,085,230	\$7,081,428	
CIP Expenditures		\$16,179,000	\$1,425,000	\$0			
Other Expenditures		\$8,044,562	\$7,862,837	\$7,450,492	\$7,072,026	\$7,069,449	
Balances	\$6,347,126	\$10,794,384	\$13,000,228	\$13,367,717	\$13,354,513	\$13,342,534	

Fund 301 - Park Impact (AB1600)

Park Development Impact Fund revenues are received from developers when they pay impact fees. The funds may only be used for design, development and construction of new parks as the City grows. Fund is subject to the restrictions of AB1600.

How this Fund Generates Money for Capital Investment. New development creates the need for expanded inventory of parks facilities. Impact fee revenues are intended for the capital investment into new parks. The City imposes parks fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 66000 et seq. A City Council adopted "Impact Fee Report" provides the necessary findings required by the Act for adoption of the fees presented in impact fee schedules.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$1,216,279	FY14/15	\$1,925,740
FY12/13	\$1,586,210	FY15/16	\$2,569,889
FY11/12	\$885,378	FY16/17	\$4,050,038
FY10/11	\$804,124	FY17/18	\$1,355,188
FY09/10	\$265,670	FY18/19	\$1,355,339
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. All development impact fee-funded capital projects are programmed through the City's 5-Year Capital Improvement Plan (CIP), by which the City identifies and directs its fee revenue to new public facilities/infrastructure projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City ensures a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act. As residents are considered to be the primary users of parks, demand for parks and associated facilities is based on the City's residential population, rather than a combined resident-worker service population.

Goals for Capital Investment. The goal is to expand park facilities to meet the demands of a growing community. Prior to capital investment, a citywide assessment of potential park impact projects and an evaluation of trail needs vs. park needs will be reviewed and a prioritization plan will be established.

Projects within Fund 301						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
106B09 - Butterfield Blvd. Linear Park	\$0	\$132,000	\$2,640,000			\$2,772,000
110097 - Parks Land Purchase	\$6,284,000		\$0			\$6,284,000
117001 - West Little Llagas Creek Trail	\$0	\$305,000	\$135,000			\$440,000
120001 - Community Park Improvements	\$30,000	\$0				\$30,000
132008 - El Toro Trail	\$280,000					\$280,000
135013 - Downtown Parks and Trails	\$1,000,000	\$0				\$1,000,000
136014 - Parks Master Plan Update	\$225,000	\$40,000				\$265,000
Totals	\$7,819,000	\$477,000	\$2,775,000	\$0	\$0	\$11,071,000

5-Year Pro Forma within Fund 301							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$1,925,740	\$2,569,889	\$4,050,038	\$1,355,188	\$1,355,339	
CIP Expenditures		\$7,819,000	\$477,000	\$2,775,000			
Other Expenditures		\$83,225	\$84,223	\$85,255	\$86,323	\$87,428	
Balances	\$9,498,170	\$3,521,685	\$5,530,351	\$6,720,134	\$7,988,999	\$9,256,910	

Fund 302 - Park Maintenance Fund

The Park Maintenance Fund was derived from the ongoing Residential Development Control System (RDSCS) whereby developers volunteer to make a financial commitment towards park maintenance to allow them to score additional points for their proposed projects.

How this Fund Generates Money for Capital Investment. Funds received from developers through the RDSCS process are deposited in the Park Maintenance Fund to pay for maintenance activity in parks or to improve or reduce maintenance activity. Transfers to the General Fund are periodically made to support park maintenance activities. Capital expenditures can be made at park facilities to address or minimize future maintenance efforts.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$407,424	FY14/15	\$894,150
FY12/13	\$693,214	FY15/16	\$1,010,951
FY11/12	\$534,263	FY16/17	\$864,303
FY10/11	\$417,977	FY17/18	\$754,232
FY09/10	\$170,196	FY18/19	\$767,767
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. Park Maintenance Funds are to be spent only on the maintenance activities in City parks. Expenditures made for capital improvements will deplete resources allocated in the future for ongoing operations and maintenance.

Goals for Capital Investment. Improvements to the support infrastructure of the Spray Feature at the Community and Cultural Center will make maintenance of the Spray Feature financially acceptable.

Projects within Fund 302

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
249013 - CCC Spray Feature Equipment Buildin	\$115,000					\$115,000
Totals	\$115,000	\$0	\$0	\$0	\$0	\$115,000

5-Year Pro Forma within Fund 302

	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$894,150	\$1,010,951	\$864,303	\$754,232	\$767,767
CIP Expenditures		\$115,000				
Other Expenditures		\$911,482	\$932,423	\$961,716	\$991,899	\$1,022,721
Balances	\$4,657,630	\$4,525,298	\$4,603,826	\$4,506,413	\$4,268,746	\$4,013,792

Fund 303 - Drainage Impact (AB1600)

Local Drainage Impact Fund revenues are received from developers of properties and the funds may only be used for the design and construction of new storm drains. Fund is subject to the restrictions of AB1600.

How this Fund Generates Money for Capital Investment. Revenues result from the City's development impact fee program, through which new development pays the capital costs associated with growth. New development creates the need for City to expand its inventory of public facilities and build new - or add on to current - infrastructure to handle the demands of new services. The City imposes public facilities fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 86000 et seq. A City Council-adopted "Impact Fee Report" provides the necessary findings required by the Act for adoption of the fees presented in impact fee schedules.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$1,376,003	FY14/15	\$1,347,061
FY12/13	\$1,167,470	FY15/16	\$1,577,171
FY11/12	\$618,480	FY16/17	\$1,237,282
FY10/11	\$549,518	FY17/18	\$967,394
FY09/10	\$125,631	FY18/19	\$967,506
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. All development impact fee-funded capital projects are programmed through the City's 5-Year Capital Improvement Plan (CIP), by which the City identifies and directs its fee revenue to new public facilities/infrastructure projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City ensures a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act. Most new development generates storm water runoff. This runoff must be controlled through storm drain facilities. Storm drain demand is measured by impervious (solid) surface. The more impervious surface a land use creates, the more demand for storm drain facilities it creates.

Goals for Capital Investment. The goal for this fund during this period is to install improvements needed to service anticipated future growth in Morgan Hill.

Projects within Fund 303						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
417099 - West Little Llagas Flood Control/Drain	\$20,000	\$20,000	\$20,000	\$2,450,000	\$3,050,000	\$5,560,000
423012 - Update Storm Drain Master Plan	\$60,000					\$60,000
Totals	\$80,000	\$20,000	\$20,000	\$2,450,000	\$3,050,000	\$5,620,000

5-Year Pro Forma within Fund 303							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$1,347,061	\$1,577,171	\$1,237,282	\$967,394	\$967,506	
CIP Expenditures		\$80,000	\$20,000	\$20,000	\$2,450,000	\$3,050,000	
Other Expenditures		\$14,333	\$14,527	\$14,728	\$14,936	\$15,151	
Balances	\$3,659,589	\$4,912,317	\$6,454,961	\$7,657,515	\$6,159,973	\$4,062,328	

Fund 304 - Drainage

Local Drainage Fund (non-AB1800) revenues are received from developers of properties and the funds may be used for the design, construction, and maintenance of storm drains.

How this Fund Generates Money for Capital Investment. Fees are paid by developers of properties.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$222,422	FY14/15	\$140,140
FY12/13	\$313,793	FY15/16	\$120,166
FY11/12	\$90,584	FY16/17	\$100,192
FY10/11	\$170,856	FY17/18	\$90,217
FY09/10	\$43,757	FY18/19	\$80,244
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. These funds are for use for design, the construction, and maintenance of the City's storm drain system.

Goals for Capital Investment. The goals for the use of this fund are to improve existing storm drainage systems and to mitigate existing capacity deficiencies for property frontage. The City is no longer collecting property frontage fees for this fund.

Projects within Fund 304

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
415097 - Storm Pipe and Inlet Installation	\$115,000	\$105,000	\$50,000	\$150,000	\$120,000	\$540,000
Totals	\$115,000	\$105,000	\$50,000	\$150,000	\$120,000	\$540,000

5-Year Pro Forma within Fund 304

	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$140,140	\$120,166	\$100,192	\$90,217	\$80,244
CIP Expenditures		\$115,000	\$105,000	\$50,000	\$150,000	\$120,000
Other Expenditures		\$4,498	\$4,653	\$4,813	\$4,979	\$5,150
Balances	\$972,853	\$993,495	\$1,004,008	\$1,049,387	\$984,625	\$939,719

Fund 306 - Open Space

This fund accounts for open space fees collected from developers for the purpose of buying land for open space purposes and for certain maintenance activities in open space areas.

How this Fund Generates Money for Capital Investment. Funds collected in the Open Space Fund are primarily used for acquiring properties for open space as part of the Capital Improvements Program. They can also be used to acquire properties to mitigate the loss of agricultural lands.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$618,249	FY14/15	\$417,598
FY12/13	\$725,348	FY15/16	\$417,686
FY11/12	\$220,000	FY16/17	\$417,774
FY10/11	\$310,245	FY17/18	\$417,863
FY09/10	\$83,106	FY18/19	\$417,953
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. Open Space funds are to be used for the acquisition of open space areas and for certain maintenance activities in open space areas.

Goals for Capital Investment. The City will continue to acquire lands for open space purposes which can include mitigation for the loss of agricultural lands as the City builds out or for recreational purposes.

Projects within Fund 306						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
110097 - Parks Land Purchase	\$0				\$1,150,000	\$1,150,000
125004 - Open Space Acquisitions	\$370,000		\$435,000			\$805,000
132008 - El Toro Trail	\$750,000					\$750,000
Totals	\$1,120,000	\$0	\$435,000	\$0	\$1,150,000	\$2,705,000

5-Year Pro Forma within Fund 306							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$417,598	\$417,686	\$417,774	\$417,863	\$417,953	
CIP Expenditures		\$1,120,000		\$435,000		\$1,150,000	
Other Expenditures		\$108,846	\$112,129	\$115,511	\$118,994	\$122,583	
Balances	\$3,810,241	\$2,998,993	\$3,304,550	\$3,171,813	\$3,470,682	\$2,616,052	

Fund 308 - Streets

This fund was established effective July 1, 2007. The fund accounts for resources and requirements for capital projects that support the City of Morgan Hills streets and roads. The fund has been separated from Street Operations, fund 202.

How this Fund Generates Money for Capital Investment. The funds allocated, which are normally transfers from other revenue funds such as the Traffic Impact Fund 309 and grant reimbursements, may be expended on new streets, traffic signals, and improvements of existing streets. Increasing Fund 308 investment of \$2.5 million annual would stabilize street maintenance levels and maintain the current pavement condition index (PCI) of 76.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$1,596,003	FY14/15	\$2,782,267
FY12/13	\$811,139	FY15/16	\$1,193,270
FY11/12	\$1,178,783	FY16/17	\$764,272
FY10/11	\$1,034,125	FY17/18	\$764,275
FY09/10	\$4,107,520	FY18/19	\$764,278
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. This fund does not independently generate any revenues. For the most part, the funds used for street-related work have been primarily grants. Since grants are paid on a reimbursement basis: 1) the work is first completed, 2) a reimbursement request is submitted, and 3) in approximately 60-90 days a reimbursement check is received). Because award of a grant constitutes a "reimbursement promise" by the granting agency, it is not unusual for the process to overlap fiscal years - the work might be completed in one fiscal year, and the reimbursement is received in the new fiscal year.

Expenditures are only made on the assurance of funds to be received. Because Fund 308 has no income sources beyond grants, it occasionally receives loans from another fund so that the grant application process can be initiated (design work, renderings, studies, etc.). These loans are routinely repaid upon receipt of grant reimbursements for the project.

Goals for Capital Investment. The goals of this fund's use during this period are to install improvements that will make the existing roads network more efficient, solve some of the current existing traffic delays, and to expand transit opportunities.

Projects within Fund 308

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
519000 - Pavement Rehabilitation Program	\$2,297,000	\$753,000	\$753,000	\$753,000	\$753,000	\$5,309,000
541E12 - Multi-Level Parking Structure	\$24,000					\$24,000
563013 - Assessment District - Streets	\$410,000	\$429,000	\$0			\$839,000
566013 - DeWitt Avenue Sidewalk Extension	\$40,000					\$40,000
Totals	\$2,771,000	\$1,182,000	\$753,000	\$753,000	\$753,000	\$6,212,000

5-Year Pro Forma within Fund 308

	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$2,782,267	\$1,193,270	\$764,272	\$764,275	\$764,278
CIP Expenditures		\$2,771,000	\$1,182,000	\$753,000	\$753,000	\$753,000
Other Expenditures		\$9,713	\$10,051	\$10,402	\$10,765	\$11,140
Balances	\$171,704	\$173,258	\$174,477	\$175,347	\$175,857	\$175,995

Fund 309 - Traffic Impact

Traffic Impact Fund revenues are received from developers if their projects have an adverse impact on traffic flows, street, etc. The funds collected may be expended on new streets, traffic signals, and improvements of existing street where they are impacted by new development. Fund is subject to the restrictions of AB1600.

How this Fund Generates Money for Capital Investment. Revenues result from the City's development impact fee program, through which new development pays the capital costs associated with growth. New development creates the need for City to expand its inventory of public facilities and build new - or add on to current - infrastructure to handle the demands of new services. The City imposes public facilities fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 86000 et seq. A City Council-adopted "Impact Fee Report" provides the necessary findings required by the Act for adoption of the fees presented in impact fee schedules.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$735,394	FY14/15	\$653,946
FY12/13	\$650,413	FY15/16	\$764,041
FY11/12	\$607,684	FY16/17	\$599,136
FY10/11	\$572,830	FY17/18	\$474,232
FY09/10	\$224,332	FY18/19	\$474,328
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. All development impact fee-funded capital projects are programmed through the City's 5-Year Capital Improvement Plan (CIP), by which the City identifies and directs its fee revenue to new public facilities/infrastructure projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City ensures a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act.

Goals for Capital Investment. The goals for this fund during this period are to expand transit and non-motorized travel opportunities, as needed to service anticipated future growth.

Projects within Fund 309

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
501F14 - Hale Avenue Plan Line	\$130,000					\$130,000
502000 - New Signal Construction	\$25,000		\$360,000	\$0	\$460,000	\$845,000
561012 - Monterey Road Medians	\$300,000	\$10,000				\$310,000
562012 - DeWitt Avenue "S" Curve Realignment	\$210,000	\$310,000				\$520,000
Totals	\$665,000	\$320,000	\$360,000	\$0	\$460,000	\$1,805,000

5-Year Pro Forma within Fund 309

	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$653,946	\$764,041	\$599,136	\$474,232	\$474,328
CIP Expenditures		\$665,000	\$320,000	\$360,000	\$0	\$460,000
Other Expenditures		\$158,896	\$172,644	\$187,751	\$204,353	\$222,599
Balances	\$3,857,800	\$3,687,850	\$3,959,247	\$4,010,632	\$4,280,511	\$4,072,240

Fund 346 - Public Facilities non-AB 1600 (CIP/Measure C Fees)

Public Facilities Fund (non-AB1600) revenues are received from developers of properties and the funds may be used for the design, construction, and maintenance of public facilities or to reimburse the City for funds advanced to construct such facilities. As part of the Residential Development Control System (RDCS), also known as Measure C, subdivision developments are required to compete to obtain building allocations. By scoring favorable scores in various categories, the highest aggregate scores of developments are awarded building allocations. Developers commit a certain amount per point per domestic unit of the proposed development towards construction of various improvements, or providing the cash in-lieu of the improvements.

How this Fund Generates Money for Capital Investment. Fees are paid by developers of properties.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$346,594	FY14/15	\$1,231,424
FY12/13	\$989,737	FY15/16	\$1,441,456
FY11/12	\$198,073	FY16/17	\$1,131,488
FY10/11	\$1,219,447	FY17/18	\$881,521
FY09/10	\$40,674	FY18/19	\$881,553
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. This dollar commitments made by developers are used specifically for design/construction of public off-site improvements.

Goals for Capital Investment. The goal of the use of this fund is to expand City facilities to accommodate growth, with an exception for Police and Fire. This fund is not intended for Police and Fire as they are funded by their own impact fees.

Projects within Fund 346

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
502000 - New Signal Construction	\$325,000					\$325,000
552008 - RDCS Miscellaneous Public Improvem	\$400,000	\$520,000	\$350,000	\$350,000	\$760,000	\$2,380,000
566013 - DeWitt Avenue Sidewalk Extension	\$42,000					\$42,000
568014 - Parking Lot Maintenance and Rehabilita	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
569014 - Fourth Street Reconstruction	\$1,265,000	\$25,000				\$1,290,000
Totals	\$2,072,000	\$585,000	\$390,000	\$390,000	\$800,000	\$4,237,000

5-Year Pro Forma within Fund 346

	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$1,231,424	\$1,441,456	\$1,131,488	\$881,521	\$881,553
CIP Expenditures		\$2,072,000	\$585,000	\$390,000	\$390,000	\$800,000
Other Expenditures		\$304,495	\$304,645	\$304,802	\$304,963	\$305,130
Balances	\$1,024,048	(\$121,023)	\$430,788	\$867,474	\$1,054,032	\$830,455

Fund 355 - School Pedestrian Safety

The fund accounts for resources and requirements for capital projects that support the City of Morgan Hill's school pedestrian safety needs. Projects utilizing these funds include street crossing safety improvements and warning notifications to motorists of school children presence.

How this Fund Generates Money for Capital Investment. This fund receives revenues from residential developers who make school pedestrian safety monetary commitments to score points under the Residential Development Control System (RDCS) program.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$285,026	FY14/15	\$623,061
FY12/13	\$483,143	FY15/16	\$728,101
FY11/12	\$123,340	FY16/17	\$573,142
FY10/11	\$317,118	FY17/18	\$448,182
FY09/10	\$38,297	FY18/19	\$448,223
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. These funds are to be expended on projects that enhance the safety of school children going to and from school.

Goals for Capital Investment. The goal for this use of this fund during this period is for the construction of school safety projects in collaboration with the Morgan Hill Unified School district.

Projects within Fund 355						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
551008 - RDCS School Safety Improvements	\$680,000	\$390,000	\$415,000	\$460,000	\$400,000	\$2,345,000
Totals	\$680,000	\$390,000	\$415,000	\$460,000	\$400,000	\$2,345,000

5-Year Pro Forma within Fund 355							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$623,061	\$728,101	\$573,142	\$448,182	\$448,223	
CIP Expenditures		\$680,000	\$390,000	\$415,000	\$460,000	\$400,000	
Other Expenditures		\$224,647	\$204,803	\$204,965	\$205,132	\$205,305	
Balances	\$1,408,422	\$1,126,836	\$1,260,134	\$1,213,311	\$996,361	\$839,279	

Fund 641 - Sewer Impact

The Sewer Impact Fund receives revenues from developer charges to cover the costs to construct sewer improvements required as a result of new development. Expenditures may only be made for the construction of the required improvements or to reimburse the City for funds advanced to construct such improvements. Fund is subject to the restrictions of AB1600.

How this Fund Generates Money for Capital Investment. New development creates the need for City to expand its inventory of public facilities and build new - or add on to current - infrastructure to handle the demands of new services. The City imposes public facilities fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 66000. A City Council-adopted "Impact Fee Report" provides the necessary findings required for adoption of the fees.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$2,757,205	FY14/15	\$4,227,987
FY12/13	\$3,028,007	FY15/16	\$4,491,342
FY11/12	\$1,814,176	FY16/17	\$4,149,699
FY10/11	\$1,437,312	FY17/18	\$3,163,057
FY09/10	\$622,559	FY18/19	\$3,163,417
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. All development impact fee-funded capital projects are programmed through the City's 5-Year Capital Improvement Plan (CIP), to build out new public facilities/infrastructure projects to accommodate future growth. By programming fee revenues to specific capital projects, the City ensures a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act.

Goals for Capital Investment. The goals are to bring improvements needed to service anticipated future growth.

Projects within Fund 641						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
302000 - Sanitary Sewer Rehabilitation	\$17,000	\$21,000	\$1,333,000	\$484,000	\$200,000	\$2,055,000
303093 - Sewer Plant Expansion Project	\$766,000	\$1,349,000	\$649,000	\$4,208,000	\$5,117,000	\$12,089,000
303A11 - Sewer Plant Improvement	\$9,600,000	\$416,000			\$4,700,000	\$14,716,000
304000 - Lift Station Rehabilitation	\$155,000	\$115,000	\$474,000	\$77,000	\$250,000	\$1,071,000
308A08 - New Trunk Line	\$1,378,000	\$1,885,000	\$77,000	\$100,000		\$3,440,000
308B13 - Trunk Line - Segments 19 & 20	\$1,355,000	\$0				\$1,355,000
315006 - New Sewer Mains	\$0	\$0	\$207,000		\$255,000	\$462,000
317012 - Update Sewer Master Plan	\$30,000					\$30,000
569014 - Fourth Street Reconstruction	\$50,000					\$50,000
Totals	\$13,351,000	\$3,786,000	\$2,740,000	\$4,869,000	\$10,522,000	\$35,268,000

5-Year Pro Forma within Fund 641						
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$4,227,987	\$4,491,342	\$4,149,699	\$3,163,057	\$3,163,417
CIP Expenditures		\$13,351,000	\$3,786,000	\$2,740,000	\$4,869,000	\$10,522,000
Other Expenditures		\$193,050	\$178,483	\$162,850	\$146,550	\$128,394
Balances	\$18,809,896	\$9,493,833	\$10,020,692	\$11,267,541	\$9,415,048	\$1,928,071

Fund 643 - Sewer System Replacement

This fund was established to avoid fluctuations in the sewer rates charged by providing reserve funding for future system replacements. The fund was initially funded with one-time revenues. The initial contribution to the System Replacement Fund was \$1,300,000 from the Sewer operations Fund. Future funding will come from transfers from the Operations Fund when available.

How this Fund Generates Money for Capital Investment. Funding comes from transfers from the Sewer Operations Fund, when available.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$411,422	FY14/15	\$8,617,849
FY12/13	\$533,721	FY15/16	\$617,938
FY11/12	\$1,089,853	FY16/17	\$818,028
FY10/11	\$1,788,076	FY17/18	\$918,118
FY09/10	\$424,006	FY18/19	\$1,018,209
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. The projects paid for through this fund are projects for the purpose of rehabilitation and replacement work for the City's water system.

Goals for Capital Investment. The goal for this fund for this period consists of improvements to enhance system reliability and to take care of existing system deficiencies.

Projects within Fund 643						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
302000 - Sanitary Sewer Rehabilitation	\$743,000	\$387,000	\$445,000	\$900,000	\$400,000	\$2,875,000
303A11 - Sewer Plant Improvement	\$0	\$1,248,000	\$149,000	\$156,000	\$200,000	\$1,753,000
304000 - Lift Station Rehabilitation	\$727,000	\$1,040,000	\$474,000	\$693,000	\$540,000	\$3,474,000
308A08 - New Trunk Line	\$0		\$231,000	\$335,000		\$566,000
308B13 - Trunk Line - Segments 19 & 20	\$407,000	\$0				\$407,000
315006 - New Sewer Mains	\$0		\$622,000		\$766,000	\$1,388,000
569014 - Fourth Street Reconstruction	\$150,000					\$150,000
Totals	\$2,027,000	\$2,675,000	\$1,921,000	\$2,084,000	\$1,906,000	\$10,613,000

5-Year Pro Forma within Fund 643							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$8,617,849	\$617,938	\$818,028	\$918,118	\$1,018,209	
CIP Expenditures		\$2,027,000	\$2,675,000	\$1,921,000	\$2,084,000	\$1,906,000	
Other Expenditures		\$6,629	\$6,762	\$6,899	\$7,042	\$7,189	
Balances	\$205,067	\$6,789,287	\$4,725,463	\$3,615,592	\$2,442,668	\$1,547,688	

Fund 651 - Water Impact Fund

The Impact Fund receives revenues from developer charges to cover the costs to construct water improvements required as a result of the new development. Expenditures may only be made for the construction of the required improvements or to reimburse the City for funds advanced to construct such improvements. Fund is subject to the restrictions of AB1600.

How this Fund Generates Money for Capital Investment. New development creates the need for City to expand its inventory of public facilities and build new - or add on to current - infrastructure to handle the demands of new services. The City imposes public facilities fees under authority granted by the Mitigation Fee Act, contained in California Government Code Sections 66000. A City Council-adopted "Impact Fee Report" provides the necessary findings required for adoption of the fees.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$4,791,087	FY14/15	\$1,274,518
FY12/13	\$966,906	FY15/16	\$1,489,641
FY11/12	\$568,052	FY16/17	\$1,169,764
FY10/11	\$356,412	FY17/18	\$914,888
FY09/10	\$104,883	FY18/19	\$915,012
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. All development impact fee-funded capital projects are programmed through the City's 5-Year Capital Improvement Plan (CIP), to build out new public facilities/infrastructure projects to accommodate future growth. By programming fee revenues to specific capital projects, the City ensures a reasonable relationship between new development and the use of fee revenues as required by the Mitigation Fee Act.

Goals for Capital Investment. The goal consists of improvements (new wells & water mains) to service future growth.

Projects within Fund 651						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
569014 - Fourth Street Reconstruction	\$50,000					\$50,000
601000 - New Well Property/Construction	\$1,470,000	\$1,540,000	\$1,540,000		\$0	\$4,550,000
602000 - New Water Reservoirs	\$444,000	\$0	\$118,000	\$285,000		\$847,000
603000 - New Water Mains	\$216,000	\$259,000	\$137,000	\$0	\$0	\$612,000
607000 - Booster Pump Rehabilitation	\$189,000	\$38,000	\$0	\$59,000		\$286,000
610000 - Water Main Replacement	\$253,000	\$0	\$0	\$0	\$82,000	\$335,000
620007 - Re-coat Water Reservoir/Tank	\$0	\$41,000				\$41,000
622012 - Update Water Master Plan	\$70,000					\$70,000
623014 - Recycled Water Master Plan Suppleme	\$17,000					\$17,000
Totals	\$2,709,000	\$1,878,000	\$1,795,000	\$344,000	\$82,000	\$6,808,000

5-Year Pro Forma within Fund 651						
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Revenues		\$1,274,518	\$1,489,641	\$1,169,764	\$914,888	\$915,012
CIP Expenditures		\$2,709,000	\$1,878,000	\$1,795,000	\$344,000	\$82,000
Other Expenditures		\$498,922	\$499,218	\$501,210	\$502,627	\$504,888
Balances	\$4,796,006	\$2,862,602	\$1,975,025	\$848,579	\$916,840	\$1,244,964

Fund 653 - Water System Replacement Fund

This fund was renamed and combined with the Water Capital Projects Fund. This fund was established to avoid fluctuations in water rates by providing reserve funding for future system replacements. The initial contribution to this fund was \$2,550,000 from the Water Operations Fund. Future contributions will come from transfers from the Operations Fund when available.

How this Fund Generates Money for Capital Investment. Funding comes from transfers from the Water Operations Fund, when available.

* Past 5 Years		* Next 5 Years - projected	
FY13/14 - estimated	\$9,496,684	FY14/15	\$28,903
FY12/13	\$109,005	FY15/16	\$479,048
FY11/12	\$371,375	FY16/17	\$929,193
FY10/11	\$508,041	FY17/18	\$1,129,339
FY09/10	\$23,641	FY18/19	\$1,229,485
* may include various grants, interest, internal transfers, reimbursements, etc.			

Limitations and Other Important Factors. The projects paid for through this fund are projects for the purpose of rehabilitation and replacement work for the City's water system.

Goals for Capital Investment. The goals for this fund during this period consist of improvements to enhance system reliability and to take care of existing system deficiencies by replacing deteriorated water main.

Projects within Fund 653						
	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Totals
569014 - Fourth Street Reconstruction	\$150,000					\$150,000
602000 - New Water Reservoirs	\$1,333,000	\$0	\$474,000	\$1,137,000		\$2,944,000
603000 - New Water Mains	\$867,000	\$1,038,000	\$413,000	\$0	\$0	\$2,318,000
607000 - Booster Pump Rehabilitation	\$758,000	\$139,000	\$0	\$237,000		\$1,134,000
608000 - Rehabilitate Water Wells	\$503,000	\$0	\$503,000	\$0	\$0	\$1,006,000
610000 - Water Main Replacement	\$1,014,000	\$0	\$0	\$0	\$746,000	\$1,760,000
620007 - Re-coat Water Reservoir/Tank	\$0	\$373,000	\$355,000	\$355,000	\$385,000	\$1,468,000
623014 - Recycled Water Master Plan Suppleme	\$18,000					\$18,000
624014 - San Pedro Well Solar System	\$444,000					\$444,000
Totals	\$5,087,000	\$1,550,000	\$1,745,000	\$1,729,000	\$1,131,000	\$11,242,000

5-Year Pro Forma within Fund 653							
	Fund Balance 6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	
Revenues		\$28,903	\$479,048	\$929,193	\$1,129,339	\$1,229,485	
CIP Expenditures		\$5,087,000	\$1,550,000	\$1,745,000	\$1,729,000	\$1,131,000	
Other Expenditures		\$110,122	\$110,282	\$110,447	\$110,618	\$110,795	
Balances	\$8,045,293	\$2,877,074	\$1,695,840	\$769,586	\$59,307	\$46,997	

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Needed-but-not-Funded Projects

Needed-but-not-funded CIP projects are those for which no funding sources are currently available, yet which are described as needed within the General Plan, within the Master Plans (for Storm Drainage, Sewer, and Water), and within other planning documents. The projects are listed so that they can be tracked in the event that funding does become available. This listing also keeps these projects visible as other alternative funding options and other competing projects are being considered.

(NOTE: List is not in priority order)

Item #	Project Type	Location
Park Facilities		
1	Parks Facilities	Butterfield Blvd Linear Park, Phase IV
2	Park Facilities	West Little Llagas Creek Trail, Phase V
3	Park Facilities	Parks Development / Land
Public Facilities		
4	Public Facilities	Civic Center, future phases
Sanitary Sewer		
5	Sanitary Sewer	
Storm Drainage		
6	Storm Drain	Burnett Ave. at Monterey Rd.
7	Storm Drain	Downtown Storm Drains
8	Storm Drain	Llagas Rd. between Castle Ridge Dr. & Glen Ayre Dr.
9	Storm Drain	Mission View Dr. & Half Rd.
10	Storm Drain	Sabini Ct.
11	Storm Drain	Spring St. & Bisceglia Ave.
12	Storm Drain	Trail Dr.
13	Storm Drain	Cochrane Circle
Streets & Roads		
14	Streets & Roads	LED Street Light Conversion
15	Streets & Roads	Pavement Rehabilitation Program
16	Streets & Roads	Underground Utilities - Citywide
17	Streets & Roads	Hale Avenue Extension
18	Streets & Roads	Butterfield Blvd. North Extension
Water		
19	Water	

5-YR FUND BALANCE SUMMARY

	Fund Bal 06/30/2013 YE last Year	Fund Bal 06/30/2014 Current Yr	Fund Bal 06/30/2015 Year 1	Fund Bal 06/30/2016 Year 2	Fund Bal 06/30/2017 Year 3	Fund Bal 06/30/2018 Year 4	Fund Bal 06/30/2019 Year 5
BASED ON CIPv-9.0							
215 CDBG Fund	(60,891)	(61,092)	(61,092)	(61,092)	(61,092)	(61,092)	(61,092)
250 RDA Bond Proceeds	26,721,644	6,347,126	(14,661,385)	(16,867,228)	(17,234,717)	(17,221,513)	(17,209,534)
301 Park Impact Fund	8,542,459	9,498,170	3,521,685	5,530,351	6,720,134	7,988,999	9,256,910
302 Park Maintenance Fund	4,183,376	4,657,630	4,525,298	4,642,931	4,585,796	4,389,616	4,177,393
303 Drainage Impact Fund	3,110,549	3,659,589	4,912,317	6,454,961	7,657,515	6,159,973	4,062,328
304 Drainage-Non AB1600 Fund	1,781,721	972,853	993,495	1,004,008	1,049,387	984,625	939,719
306 Open Space Fund	3,317,662	3,810,241	2,998,993	3,304,550	3,171,813	3,470,682	2,616,052
308 Street Fund	642,797	171,704	173,258	174,477	175,347	175,857	175,995
309 Traffic Impact Fund	3,371,885	3,857,800	3,987,850	4,269,247	4,320,632	4,590,511	4,382,240
346 Public Facilities (Non AB1600) Fund	1,457,020	1,024,048	1,143,977	1,720,788	2,157,474	2,344,032	2,120,455
355 Safe Routes to Schools Fund	1,489,454	1,408,422	1,376,836	1,510,134	1,463,311	1,246,361	1,089,279
641 Sewer Impact Fund	18,359,848	18,809,896	9,543,833	10,070,692	11,317,541	9,465,048	1,978,071
643 Sewer System Replacement Fund	500,022	205,067	6,939,287	4,875,463	3,765,592	2,592,668	1,697,688
651 Water Impact Fund	722,377	4,796,006	2,911,602	2,024,025	897,579	965,840	1,293,964
653 Water System Replacement Fund	(160,724)	8,045,293	3,027,074	1,845,840	919,586	209,307	196,997

BASED ON CIP v-9.0

CAPITAL IMPROVEMENT PROGRAM Funding Spread for FY14-15 Projects (in thousands)																	FY14-15 TOTAL	5-Year TOTAL
	CDBG Grant	Redevelopment	Park Impact	Park Maintenance Fund	Drainage Impact	Drainage Fund	Open Space	Streets	Traffic Impact	Pub Facil/Meas C	School Pedes Safety	Sewer Impact	Sewer Syst Replace	Water Impact	Water Syst Replace			
PROJECT TITLE	215	250	301	302	303	304	306	308	309	346	355	641	643	651	653			
Parks																		
106B09 Butterfield Blvd. Linear Park																	\$0	
110097 Parks Land Purchase																	\$6,284	
117001 West Little Llagas Creek Trail																	\$440	
120001 Community Park Improvements																	\$30	
125004 Open Space Acquisitions																	\$370	
132008 El Toro Trail																	\$1,030	
135013 Downtown Park																	\$1,000	
136014 Parks Master Plan Update																	\$225	
Total	\$0	\$0	\$7,819	\$0	\$0	\$0	\$1,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,939	
Public Facilities																		
247012 CDBG Funded Projects																	\$142	
249013 CCC Spray Feature Equipment																	\$115	
Total	\$142	\$0	\$0	\$115	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$257	
Sewer																		
302000 Sanitary Sewer Rehabilitation																	\$17	
303093 Sewer Plant Expansion Project																	\$743	
303A11 Sewer Plant Improvement																	\$766	
304000 Lift Station Rehabilitation																	\$9,600	
308A08 New Trunk Line																	\$155	
308B13 Trunk Line - Segments 19 & 20																	\$727	
315006 New Sewer Mains																	\$1,378	
317012 Update Sewer Master Plan																	\$1,355	
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,301	\$1,877	\$0	\$0	\$0	\$30	
Storm Drain																		
415097 Storm Pipe and Inlet Installation																	\$1762	
417099 West Little Llagas Local Drainage																	\$0	
423012 Update Storm Drain Master Plan																	\$1,850	
Total	\$0	\$0	\$0	\$0	\$80	\$115	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30	
Streets																		
501F14 Hale Avenue Plan Line																	\$130	
502000 Signal Construction/Modification																	\$130	
512093 Underground Monterey Utilities																	\$25	
519000 Pavement Rehabilitation Program																	\$325	
541005 Downtown Parking																	\$30	
541E12 Multi-Level Parking Structure																	\$30	
551008 RDCS School Safety Improvements																	\$2,297	
552008 RDCS Miscellaneous Public Improvements																	\$2,297	
560012 Monterey Rd Streetscape & Downtown Sidestreets																	\$5,309	
561012 Monterey Road Medians																	\$235	
562012 DeWitt Avenue "S" Curve Realignment																	\$235	
563013 Assessment District - Streets																	\$11,010	
566013 Dewitt Avenue Sidewalk Extension																	\$10,100	
568014 Parking Lot Maintenance and Rehabilitation																	\$680	
569014 Fourth Street Reconstruction																	\$2,345	
Total	\$0	\$16,179	\$0	\$0	\$0	\$0	\$0	\$0	\$2,771	\$665	\$2,072	\$680	\$50	\$150	\$50	\$150	\$400	
Water																		
601000 New Well Property/Construction																	\$400	
602000 New Water Reservoirs																	\$2,380	
603000 New Water Mains																	\$4,928	
607000 Booster Pump Rehabilitation																	\$5,263	
608093 Rehabilitate Water Wells																	\$300	
610000 Water Main Replacement																	\$300	
620007 Re-coat Water Reservoir/Tank																	\$210	
622012 Update Water Master Plan																	\$410	
623014 Recycled Water Master Plan Supplemental Study																	\$40	
624014 San Pedro Well Solar System																	\$42	
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40	
GRAND TOTAL	\$142	\$16,179	\$7,819	\$115	\$80	\$115	\$1,120	\$2,771	\$665	\$2,072	\$680	\$13,351	\$2,027	\$2,709	\$5,087	\$54,932	\$116,611	

CAPITAL IMPROVEMENT PROGRAM Funding Spread for FY15-16 Projects (in thousands)	CDBG Grant	Redevelopment	Park Impact	Park Maintenance Fund	Drainage Impact	Drainage Fund	Open Space	Streets	Traffic Impact	Pub Facil/Weas C	School Pedes Safety	Sewer Impact	Sewer Syst Replace	Water Impact	Water Syst Replace	FY15-16 TOTAL	5-Year TOTAL
	215	250	301	302	303	304	306	308	309	346	355	641	643	651	653		
PROJECT TITLE																	
Parks																	
106B09 Butterfield Blvd. Linear Park			\$132														\$132 \$2,772
110097 Parks Land Purchase																	\$0 \$7,434
117001 West Little Llagas Creek Trail			\$305														\$305 \$440
120001 Community Park Improvements																	\$0 \$30
125004 Open Space Acquisitions																	\$0 \$805
132008 El Toro Trail																	\$0 \$1,030
135013 Downtown Park																	\$0 \$1,000
136014 Parks Master Plan Update			\$40														\$40 \$265
Total	\$0	\$0	\$477	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$477	\$13,776
Public Facilities																	
247012 CDBG Funded Projects	\$71																\$71 \$426
249013 CCC Spray Feature Equipment																	\$0 \$115
Total	\$71	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71	\$541
Sewer																	
302000 Sanitary Sewer Rehabilitation												\$21	\$387			\$408	\$4,930
303093 Sewer Plant Expansion Project												\$1,349				\$1,349	\$12,089
303A11 Sewer Plant Improvement												\$416	\$1,248			\$1,664	\$16,469
304000 Lift Station Rehabilitation												\$115	\$1,040			\$1,155	\$4,545
308A08 New Trunk Line												\$1,885				\$1,885	\$4,006
308B13 Trunk Line - Segments 19 & 20																\$0	\$1,762
315006 New Sewer Mains																\$0	\$1,850
317012 Update Sewer Master Plan																\$0	\$30
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,786	\$2,675	\$0	\$0	\$6,461	\$45,681
Storm Drain																	
415097 Storm Pipe and Inlet Installation						\$105										\$105	\$540
417099 West Little Llagas Local Drainage					\$20											\$20	\$5,560
423012 Update Storm Drain Master Plan																\$0	\$60
Total	\$0	\$0	\$0	\$0	\$20	\$105	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125	\$6,160
Streets																	
501F14 Hale Avenue Plan Line																\$0	\$130
502000 Signal Construction/Modification																\$0	\$1,170
512093 Underground Monterey Utilities																\$0	\$30
519000 Pavement Rehabilitation Program								\$753								\$753	\$5,309
541005 Downtown Parking																\$0	\$235
541E12 Multi-Level Parking Structure		\$1,090														\$1,090	\$12,100
551008 RDCS School Safety Improvements											\$390					\$390	\$2,345
552008 RDCS Miscellaneous Public Improvements										\$520						\$520	\$2,380
560012 Monterey Rd Streetscape & Downtown Sidestreets		\$335														\$335	\$5,263
561012 Monterey Road Medians									\$10							\$10	\$310
562012 DeWitt Avenue "S" Curve Realignment									\$310							\$310	\$520
563013 Assessment District - Streets								\$429								\$429	\$839
566013 Dewitt Avenue Sidewalk Extension																\$0	\$82
568014 Parking Lot Maintenance and Rehabilitation										\$40						\$40	\$200
569014 Fourth Street Reconstruction									\$25							\$25	\$1,690
Total	\$0	\$1,425	\$0	\$0	\$0	\$0	\$0	\$1,182	\$320	\$585	\$390	\$0	\$0	\$0	\$0	\$3,902	\$32,603
Water																	
601000 New Well Property/Construction														\$1,540		\$1,540	\$4,550
602000 New Water Reservoirs																\$0	\$3,791
603000 New Water Mains													\$259	\$1,038		\$1,297	\$2,432
607000 Booster Pump Rehabilitation													\$38	\$139		\$177	\$1,420
608093 Rehabilitate Water Wells																\$0	\$1,006
610000 Water Main Replacement																\$0	\$2,593
620007 Re-coat Water Reservoir/Tank														\$41	\$373	\$414	\$1,509
622012 Update Water Master Plan																\$0	\$70
623014 Recycled Water Master Plan Supplemental Study																\$0	\$35
624014 San Pedro Well Solar System																\$0	\$444

CAPITAL IMPROVEMENT PROGRAM Funding Spread for FY16-17 Projects (in thousands)																FY16-17 TOTAL	5-Year TOTAL
	CDBG Grant	Redevelopment	Park Impact	Park Maintenance Fund	Drainage Impact	Drainage Fund	Open Space	Streets	Traffic Impact	Pub Facil/Weas C	School Pedes Safety	Sewer Impact	Sewer Syst Replace	Water Impact	Water Syst Replace		
PROJECT TITLE	215	250	301	302	303	304	306	308	309	346	355	641	643	651	653		
Parks																	
106B09 Butterfield Blvd. Linear Park			\$2,640														\$2,640
110097 Parks Land Purchase																	\$0
117001 West Little Llagas Creek Trail			\$135														\$135
120001 Community Park Improvements																	\$0
125004 Open Space Acquisitions							\$435										\$435
132008 El Toro Trail																	\$0
135013 Downtown Park																	\$0
136014 Parks Master Plan Update																	\$0
Total	\$0	\$0	\$2,775	\$0	\$0	\$0	\$435	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,210
Public Facilities																	
247012 CDBG Funded Projects	\$71																\$71
249013 CCC Spray Feature Equipment																	\$0
Total	\$71	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71
Sewer																	
302000 Sanitary Sewer Rehabilitation												\$1,333	\$445				\$1,778
303093 Sewer Plant Expansion Project												\$649					\$649
303A11 Sewer Plant Improvement													\$149				\$149
304000 Lift Station Rehabilitation												\$474	\$474				\$948
308A08 New Trunk Line												\$77	\$231				\$308
308B13 Trunk Line - Segments 19 & 20																	\$0
315006 New Sewer Mains												\$207	\$622				\$829
317012 Update Sewer Master Plan																	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,740	\$1,921	\$0	\$0	\$0	\$4,661
Storm Drain																	
415097 Storm Pipe and Inlet Installation							\$50										\$50
417099 West Little Llagas Local Drainage					\$20												\$20
423012 Update Storm Drain Master Plan																	\$0
Total	\$0	\$0	\$0	\$0	\$20	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70
Streets																	
501F14 Hale Avenue Plan Line																	\$0
502000 Signal Construction/Modification										\$360							\$360
512093 Underground Monterey Utilities																	\$0
519000 Pavement Rehabilitation Program								\$753									\$753
541005 Downtown Parking																	\$0
541E12 Multi-Level Parking Structure																	\$0
551008 RDCS School Safety Improvements												\$415					\$415
552008 RDCS Miscellaneous Public Improvements												\$350					\$350
560012 Monterey Rd Streetscape & Downtown Sidestreets																	\$0
561012 Monterey Road Medians																	\$0
562012 DeWitt Avenue "S" Curve Realignment																	\$0
563013 Assessment District - Streets																	\$0
566013 Dewitt Avenue Sidewalk Extension																	\$0
568014 Parking Lot Maintenance and Rehabilitation										\$40							\$40
569014 Fourth Street Reconstruction																	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$753	\$360	\$390	\$415	\$0	\$0	\$0	\$0	\$0	\$1,918
Water																	
601000 New Well Property/Construction														\$1,540			\$1,540
602000 New Water Reservoirs													\$118	\$474			\$592
603000 New Water Mains													\$137	\$413			\$550
607000 Booster Pump Rehabilitation																	\$0
608093 Rehabilitate Water Wells														\$503			\$503
610000 Water Main Replacement																	\$0
620007 Re-coat Water Reservoir/Tank															\$355		\$355
622012 Update Water Master Plan																	\$0
623014 Recycled Water Master Plan Supplemental Study																	\$0
624014 San Pedro Well Solar System																	\$0

CAPITAL IMPROVEMENT PROGRAM Funding Spread for FY17-18 Projects (in thousands)		CDBG Grant	Redevelopment	Park Impact	Park Maintenance Fund	Drainage Impact	Drainage Fund	Open Space	Streets	Traffic Impact	Pub Facil/Weas C	School Pedes Safety	Sewer Impact	Sewer Syst Replace	Water Impact	Water Syst Replace	FY17-18 TOTAL	5-Year TOTAL
PROJECT TITLE		215	250	301	302	303	304	306	308	309	346	355	641	643	651	653		
Parks																		
106B09	Butterfield Blvd. Linear Park																\$0	\$2,772
110097	Parks Land Purchase																\$0	\$7,434
117001	West Little Llagas Creek Trail																\$0	\$440
120001	Community Park Improvements																\$0	\$30
125004	Open Space Acquisitions																\$0	\$805
132008	El Toro Trail																\$0	\$1,030
135013	Downtown Park																\$0	\$1,000
136014	Parks Master Plan Update																\$0	\$265
	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,776
Public Facilities																		
247012	CDBG Funded Projects	\$71															\$71	\$426
249013	CCC Spray Feature Equipment																\$0	\$115
	Total	\$71	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71	\$541
Sewer																		
302000	Sanitary Sewer Rehabilitation												\$484	\$900			\$1,384	\$4,930
303093	Sewer Plant Expansion Project											\$4,208					\$4,208	\$12,089
303A11	Sewer Plant Improvement													\$156			\$156	\$16,469
304000	Lift Station Rehabilitation												\$77	\$693			\$770	\$4,545
308A08	New Trunk Line												\$100	\$335			\$435	\$4,006
308B13	Trunk Line - Segments 19 & 20																\$0	\$1,762
315006	New Sewer Mains																\$0	\$1,850
317012	Update Sewer Master Plan																\$0	\$30
	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,869	\$2,084	\$0	\$0	\$6,953	\$45,681
Storm Drain																		
415097	Storm Pipe and Inlet Installation							\$150									\$150	\$540
417099	West Little Llagas Local Drainage					\$2,450											\$2,450	\$5,560
423012	Update Storm Drain Master Plan																\$0	\$60
	Total	\$0	\$0	\$0	\$0	\$2,450	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,600	\$6,160
Streets																		
501F14	Hale Avenue Plan Line																\$0	\$130
502000	Signal Construction/Modification																\$0	\$1,170
512093	Underground Monterey Utilities																\$0	\$30
519000	Pavement Rehabilitation Program								\$753								\$753	\$5,309
541005	Downtown Parking																\$0	\$235
541E12	Multi-Level Parking Structure																\$0	\$12,100
551008	RDCS School Safety Improvements											\$460					\$460	\$2,345
552008	RDCS Miscellaneous Public Improvements										\$350						\$350	\$2,380
560012	Monterey Rd Streetscape & Downtown Sidestreets																\$0	\$5,263
561012	Monterey Road Medians																\$0	\$310
562012	DeWitt Avenue "S" Curve Realignment																\$0	\$520
563013	Assessment District - Streets																\$0	\$839
566013	Dewitt Avenue Sidewalk Extension																\$0	\$82
568014	Parking Lot Maintenance and Rehabilitation										\$40						\$40	\$200
569014	Fourth Street Reconstruction																\$0	\$1,690
	Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$753	\$0	\$390	\$460	\$0	\$0	\$0	\$0	\$1,603	\$32,603
Water																		
601000	New Well Property/Construction																\$0	\$4,550
602000	New Water Reservoirs														\$285	\$1,137	\$1,422	\$3,791
603000	New Water Mains																\$0	\$2,432
607000	Booster Pump Rehabilitation														\$59	\$237	\$296	\$1,420
608093	Rehabilitate Water Wells																\$0	\$1,006
610000	Water Main Replacement																\$0	\$2,593
620007	Re-coat Water Reservoir/Tank															\$355	\$355	\$1,509
622012	Update Water Master Plan																\$0	\$70
623014	Recycled Water Master Plan Supplemental Study																\$0	\$35
624014	San Pedro Well Solar System																\$0	\$444

CAPITAL IMPROVEMENT PROGRAM Funding Spread for FY18-19 Projects (in thousands)																FY18-19 TOTAL	5-Year TOTAL	
	CDBG Grant	Redevelopment	Park Impact	Park Maintenance Fund	Drainage Impact	Drainage Fund	Open Space	Streets	Traffic Impact	Pub Facil/Weas C	School Pedes Safety	Sewer Impact	Sewer Syst Replace	Water Impact	Water Syst Replace			
PROJECT TITLE	215	250	301	302	303	304	306	308	309	346	355	641	643	651	653			
Parks																		
106B09 Butterfield Blvd. Linear Park																	\$0	\$2,772
110097 Parks Land Purchase							\$1,150										\$1,150	\$7,434
117001 West Little Llagas Creek Trail																	\$0	\$440
120001 Community Park Improvements																	\$0	\$30
125004 Open Space Acquisitions																	\$0	\$805
132008 El Toro Trail																	\$0	\$1,030
135013 Downtown Park																	\$0	\$1,000
136014 Parks Master Plan Update																	\$0	\$265
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$1,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,150	\$13,776
Public Facilities																		
247012 CDBG Funded Projects	\$71																\$71	\$426
249013 CCC Spray Feature Equipment																	\$0	\$115
Total	\$71	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71	\$541
Sewer																		
302000 Sanitary Sewer Rehabilitation												\$200	\$400				\$600	\$4,930
303093 Sewer Plant Expansion Project												\$5,117					\$5,117	\$12,089
303A11 Sewer Plant Improvement												\$4,700	\$200				\$4,900	\$16,469
304000 Lift Station Rehabilitation												\$250	\$540				\$790	\$4,545
308A08 New Trunk Line																	\$0	\$4,006
308B13 Trunk Line - Segments 19 & 20																	\$0	\$1,762
315006 New Sewer Mains												\$255	\$766				\$1,021	\$1,850
317012 Update Sewer Master Plan																	\$0	\$30
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,522	\$1,906	\$0	\$0	\$0	\$12,428	\$45,681
Storm Drain																		
415097 Storm Pipe and Inlet Installation							\$120										\$120	\$540
417099 West Little Llagas Local Drainage					\$3,050												\$3,050	\$5,560
423012 Update Storm Drain Master Plan																	\$0	\$60
Total	\$0	\$0	\$0	\$0	\$3,050	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,170	\$6,160
Streets																		
501F14 Hale Avenue Plan Line																	\$0	\$130
502000 Signal Construction/Modification										\$460							\$460	\$1,170
512093 Underground Monterey Utilities																	\$0	\$30
519000 Pavement Rehabilitation Program								\$753									\$753	\$5,309
541005 Downtown Parking																	\$0	\$235
541E12 Multi-Level Parking Structure																	\$0	\$12,100
551008 RDCS School Safety Improvements												\$400					\$400	\$2,345
552008 RDCS Miscellaneous Public Improvements											\$760						\$760	\$2,380
560012 Monterey Rd Streetscape & Downtown Sidestreets																	\$0	\$5,263
561012 Monterey Road Medians																	\$0	\$310
562012 DeWitt Avenue "S" Curve Realignment																	\$0	\$520
563013 Assessment District - Streets																	\$0	\$839
566013 Dewitt Avenue Sidewalk Extension																	\$0	\$82
568014 Parking Lot Maintenance and Rehabilitation										\$40							\$40	\$200
569014 Fourth Street Reconstruction																	\$0	\$1,690
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$753	\$460	\$800	\$400	\$0	\$0	\$0	\$0	\$0	\$2,413	\$32,603
Water																		
601000 New Well Property/Construction																	\$0	\$4,550
602000 New Water Reservoirs																	\$0	\$3,791
603000 New Water Mains																	\$0	\$2,432
607000 Booster Pump Rehabilitation																	\$0	\$1,420
608093 Rehabilitate Water Wells																	\$0	\$1,006
610000 Water Main Replacement															\$82	\$746	\$828	\$2,593
620007 Re-coat Water Reservoir/Tank																\$385	\$385	\$1,509
622012 Update Water Master Plan																	\$0	\$70
623014 Recycled Water Master Plan Supplemental Study																	\$0	\$35
624014 San Pedro Well Solar System																	\$0	\$444