



Engage Morgan Hill

Infrastructure – Traffic – Recreation

September 28, 2019



Operational Areas



Engineering

Capital Improvement Program

Traffic

Pavement Rehab

Utilities

Water Distribution System

Wastewater Distribution System

Maintenance

Streets
Sidewalks
Parks

Buildings
Open Spaces
Storm System

Recreation

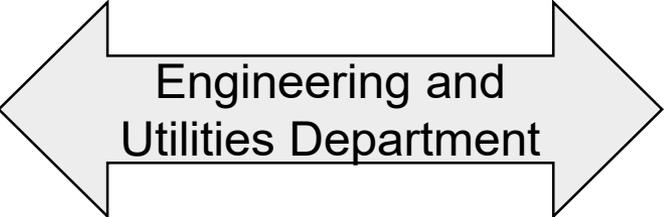
Recreation Facility Management

Recreation and Social Service Programs

Environmental Services

Water Conservation
Storm Water Pollution Prevention

Solid Waste



Engineering and Utilities Department



Community Services Department

Today's Overview



- Funding & Budget Review for Today's Topic Areas
- Recreation
- Infrastructure Maintenance
- Traffic

General Fund

Special Revenue Funds

Capital Project Funds

Enterprise Funds

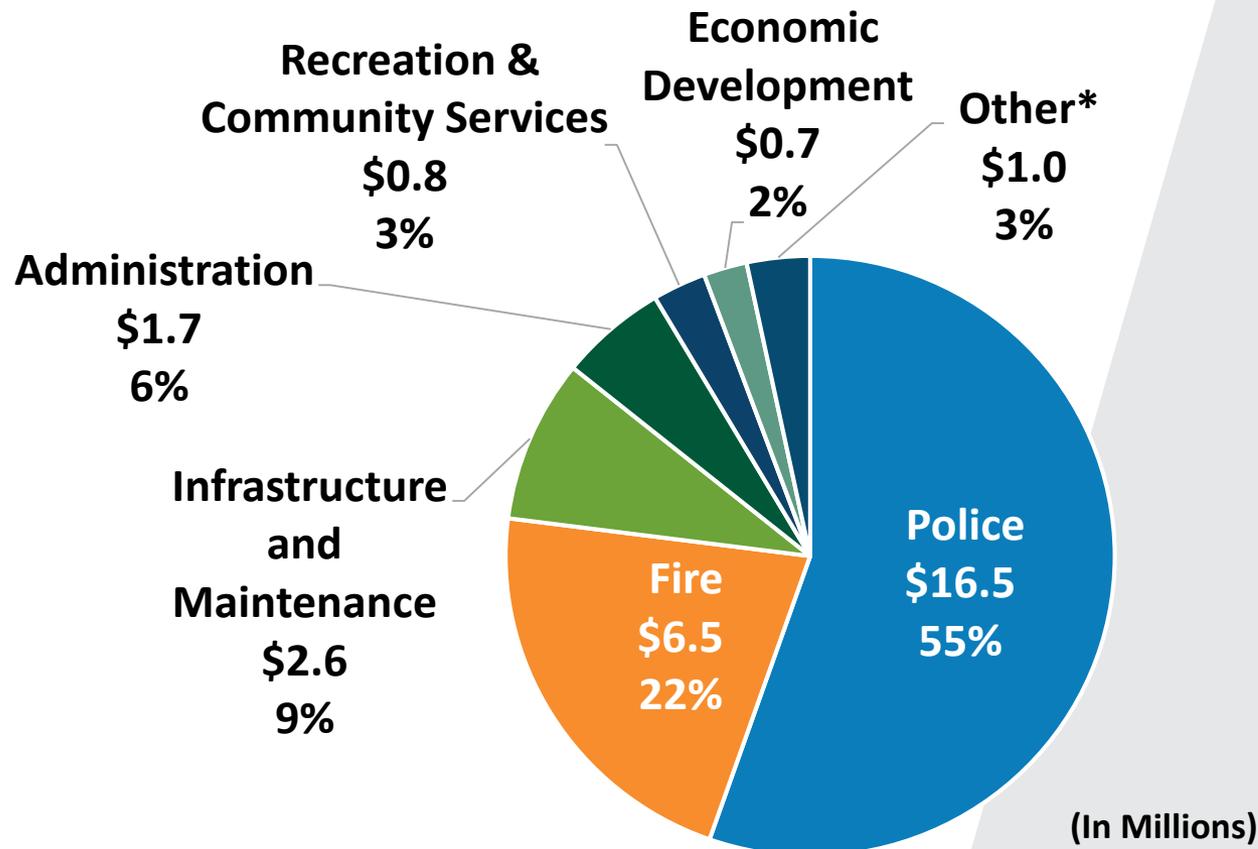
Internal Service Funds

Agency Funds

Fund Types

General Fund – Discretionary Expenditures

FY 2019-20 = \$29.8M, 69% of GF

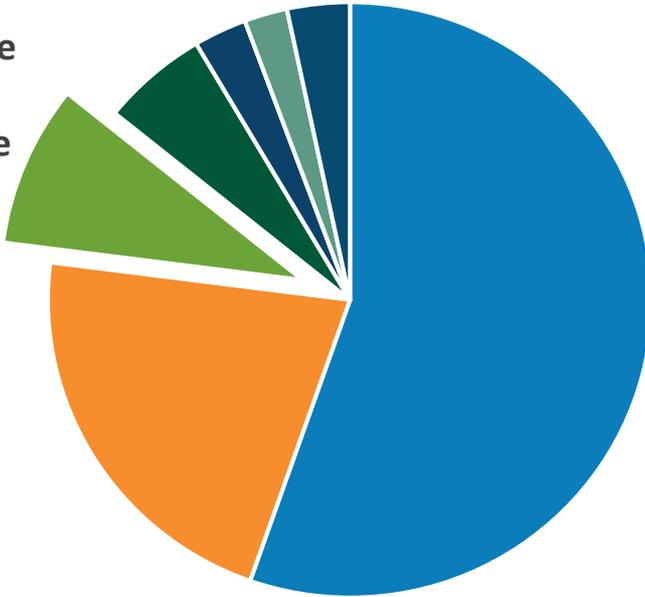


*Other: Community Promotions, Environmental Programs, OPEB, Code Compliance, and GF support for Long Range Planning and Pedestrian Safety

GF Discretionary –Infrastructure and Maintenance

FY 2019-20 = \$2.6M, 9% of GF

Infrastructure
and
Maintenance
\$2.6
9%

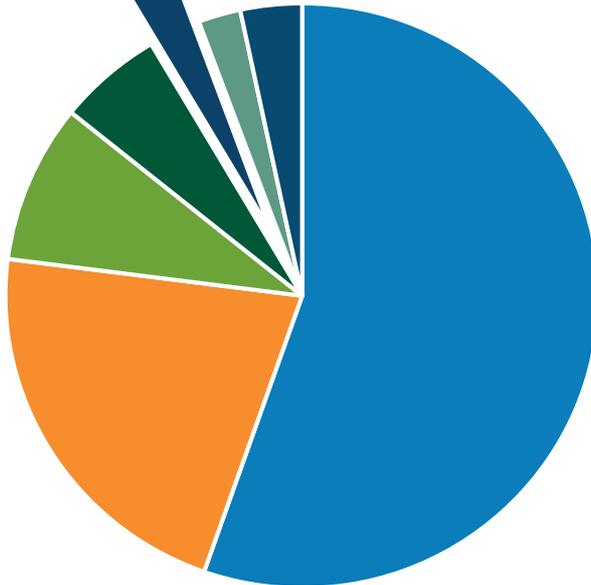


- Park, Downtown, and Street Maintenance
- Pavement Rehab/CIP
- Building Replacement

GF Discretionary –Recreation

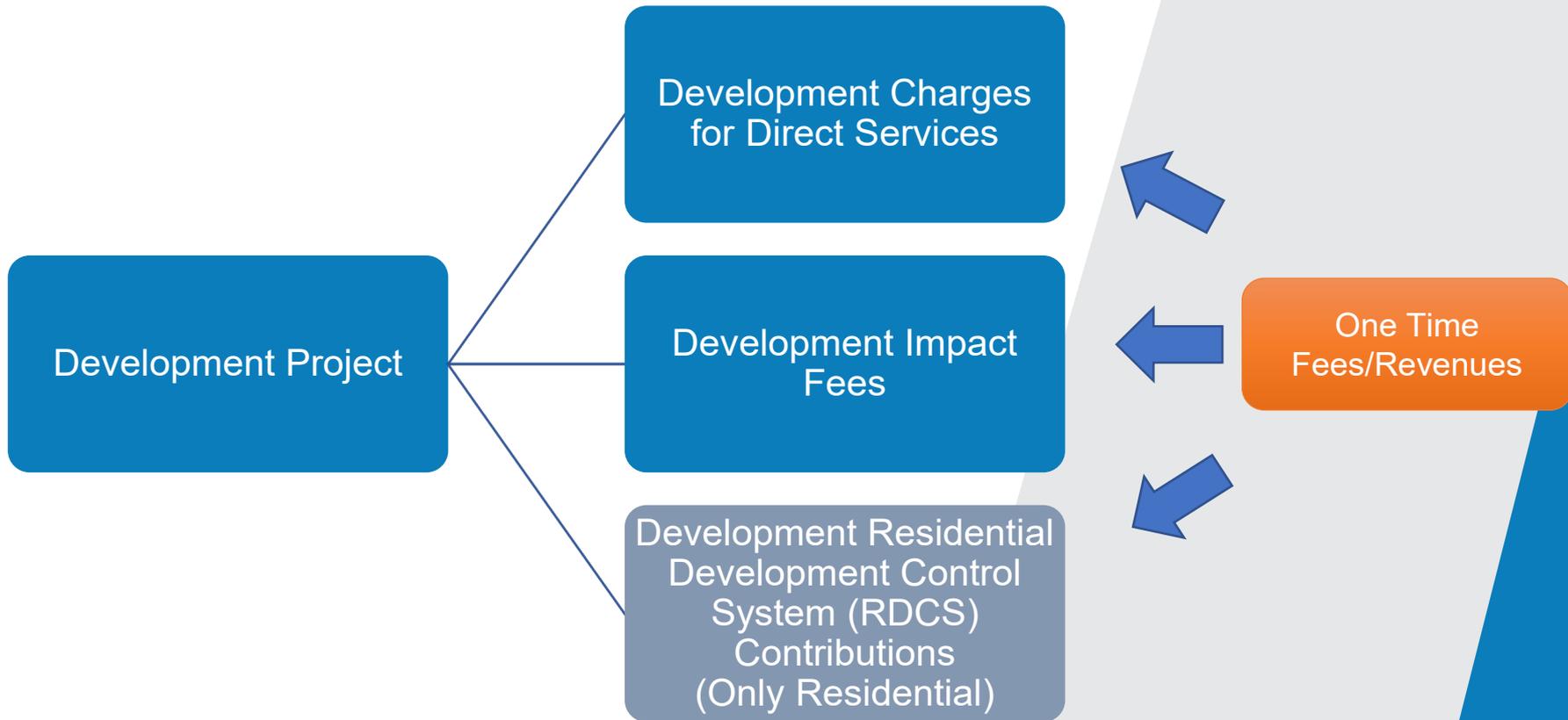
FY 2019-20 = \$0.8M, 3% of GF

Recreation &
Community
Services
\$0.8
3%



- Membership & Program Services
- Community Services
- Facility Services

Development Revenue Sources



Development Related Funding



Development Charges for Direct Services

- Development Services
 - Planning, Building & Engineering
- Wastewater Connection
- Water Meter Connection



Development Impact Fees

- Park Impact
- Traffic Impact
- Fire Impact
- Public Facilities
- Library Impact
- Rec. Center Impact
- Storm Drain Impact
- Wastewater Impact
- Water Impact



RDCS Development Contributions

- Park Maintenance
- School Pedestrian & Traffic Safety
- Public Facilities
- Agricultural and Open Space Preservation
- Local Drainage
- Undergrounding
- Housing

RECREATION



Recreation

Recreation and Community Services Division

- Manage and Operate the City's Recreation Facilities
- Recreation and Social Service Programs
- Events and Event Management for the City
- Balance Cost Recovery with Community Access



Recreation

Facilities

- Aquatics Center
- Centennial Recreation Center
- Community and Cultural Center
- Outdoor Sports Center

- Friendly Inn (Boys and Girls Club)
- El Toro Youth Center Building

Recreation



Cost Recovery

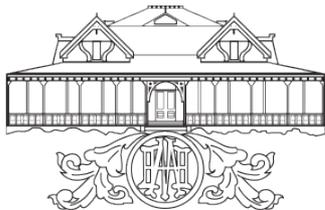
- Required to recover significant costs due to limited general fund revenues
- Cost recovery is much higher than other communities

Recreation Division	14-15	15-16	16-17	17-18	18-19	19-20
Cost Recovery	Actual	Actual	Actual	Actual	Projected	Budget
RCSD Revenue	6,224,569	6,649,365	6,690,174	7,026,655	7,331,764	7,574,531
RCSD Expenditure	6,331,958	6,602,791	7,339,808	7,690,260	8,135,229	8,376,021
Transfers In (Park Planning)	50,000	60,000	75,000	75,000	75,000	75,000
RCSD GF Net Impact	(57,389)	106,574	(574,634)	(588,604)	(728,465)	(726,490)
Cost Recovery	99.1%	101.6%	92.2%	92.5%	91.0%	91.3%

Recreation

Unique Operations

- Innovation and Strong Team
- Hybrid Public Agency/Business Model
- Significant Investment in City Infrastructure
- Unique Partnerships



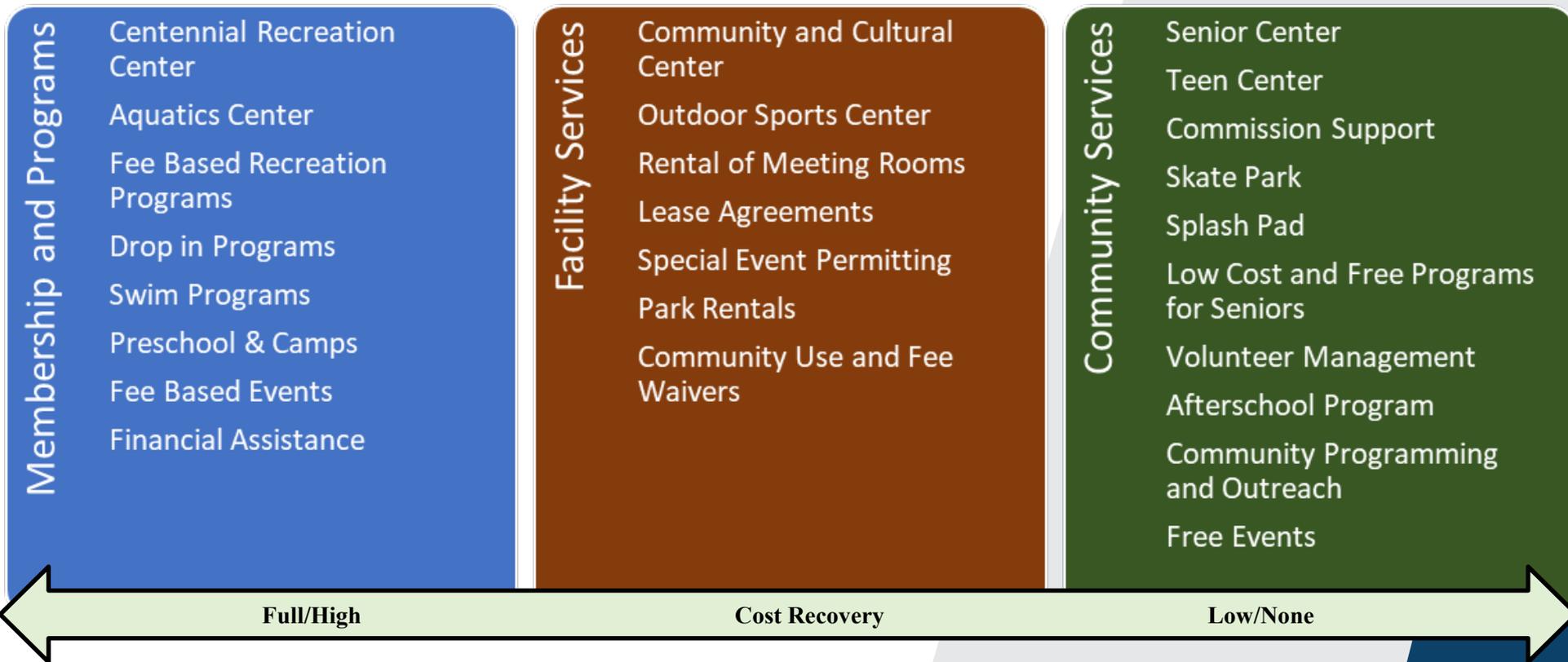
Morgan Hill Historical Society



Recreation

Balancing Cost Recovery with Community Access

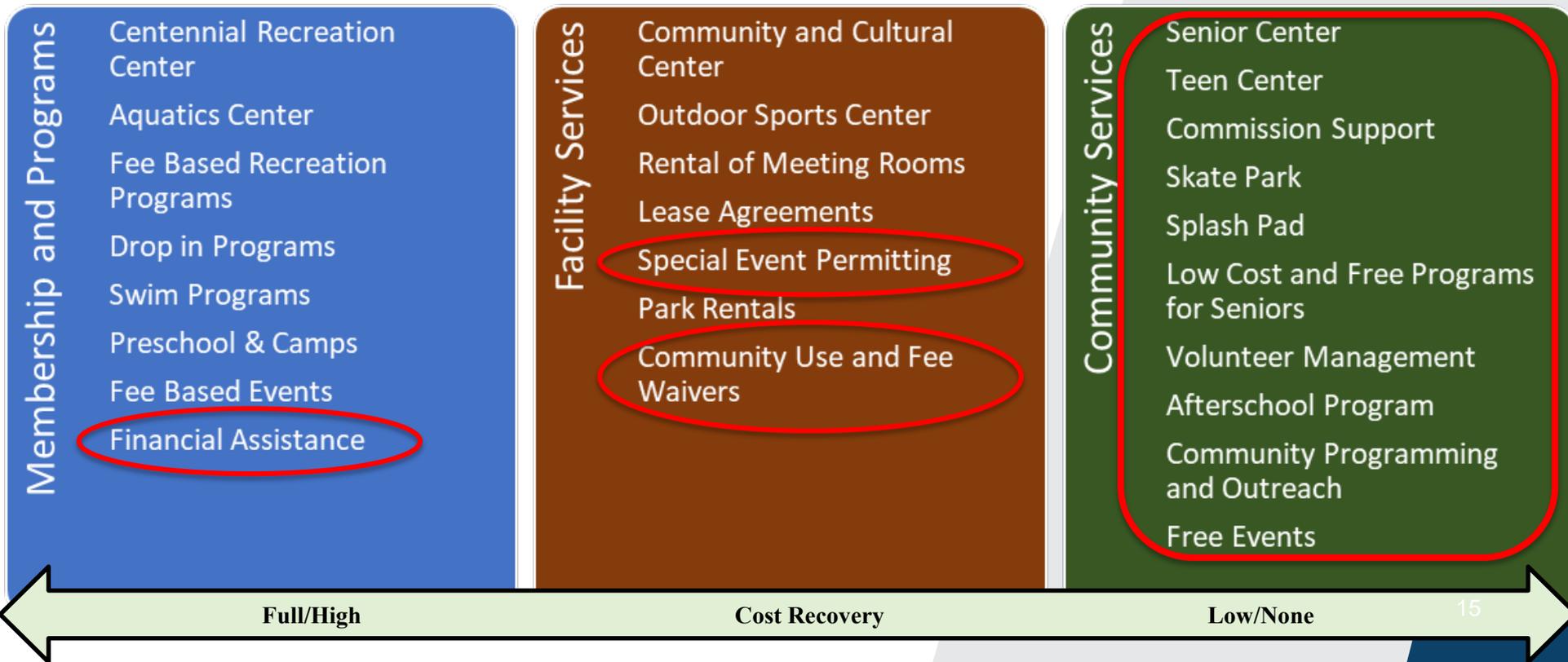
- Limited low/no-fee programs
- Financial Assistance



Recreation

Balancing Cost Recovery with Community Access

Is Full Cost Recovery Possible?



Recreation

Creating Community

- Community Health
- Community Gathering
- Supporting Thriving Youth and Older Adults
- Water Safety

Supporting Economic Development

- Sports Tourism
- Outdoor Sports Center
- Aquatics Center
- Facilitating Major Events

Recreation

What's not Funded

- Limited Senior Services and Needs for:
 - Transportation
 - Case Management
 - Programs in the Community
 - Support Services
- Historical Preservation and Programming
- Limited Free Programs for Youth
- Full Financial Assistance
 - Support is received from the Aquatics Foundation and Kiwanis

Questions?



INFRASTRUCTURE



Infrastructure

Areas of Infrastructure

- Utilities – Water/Wastewater
- Streets, Sidewalks & Storm Drains
- Parks, Trails & Open Space
- Downtown
- Special Maintenance Districts
- Building and Facility Maintenance

Utilities – Water/Wastewater

Primary Funding Sources

- Customer Fees
- Impact Fees (expansion)

Infrastructure Status

- System is well maintained
- Wastewater System has significant capital projects funded and scheduled
 - Treatment Plant Expansion
 - Second Trunk Line to Treatment Plant
 - Significant repair projects to existing system
- Water System Needs will increase with potential increased development



Streets, Sidewalks & Storm Drains

Streets and Sidewalks

- 129 Miles of Local Streets
- Fully 3,700 Street Lights
- 43 Traffic Signals
- Median ROW Landscaping/
Fire Prevention
- Over 10,000 Street Trees

Storm Drain System

- Channels & Basins
- Storm Drain Pipes
- Storm Pumps



Streets, Sidewalks & Storm Drains



Operational Funding Sources - Annual

- General Fund Discretionary Revenue - \$1.6M
- Gas Tax (Including New SB1 Revenue) - \$739,000
- RDCS Funding - **\$340,000**
 - Storm Drain Repairs
 - Sidewalk Repairs
 - Parking Lot Surfacing

Capital Pavement Rehab Funding Sources - Annual

- Non-City Taxes - \$2.3 Million
 - Gas Tax (includes SB 1)
 - VTA Funds (Measure B and other)
 - Grant Funds –One Bay Area Grant (not annual)
- City General Fund - \$250,000 Going Forward
 - Down from \$1M Annually

Streets, Sidewalks & Storm Drains



Responsible Departments

- **Community Services Maintenance Division**
 - Day to Day Operations including Potholes
 - Small Improvement Projects
 - Emergency Response & Support
 - Ongoing Contract Management

- **Engineering Division**
 - Pavement Improvement Program
 - Capital Repair Projects
 - Oversight of Traffic Improvements

Streets, Sidewalks & Storm Drains

Maintenance: Hybrid Service Delivery Model

- Internal Full Time Staff (Combined with Parks)
- Contract Services
 - Streetlights, Tree Trimming, Specialized Services
- Significant Use of Overtime to Meet Minimum Maintenance Requirements

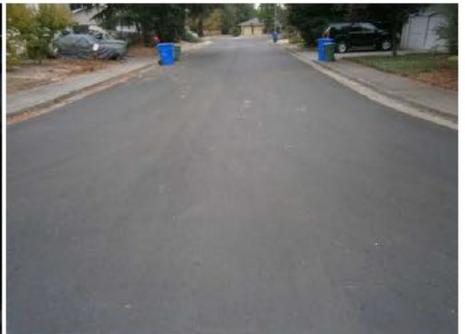


Streets, Sidewalks & Storm Drains

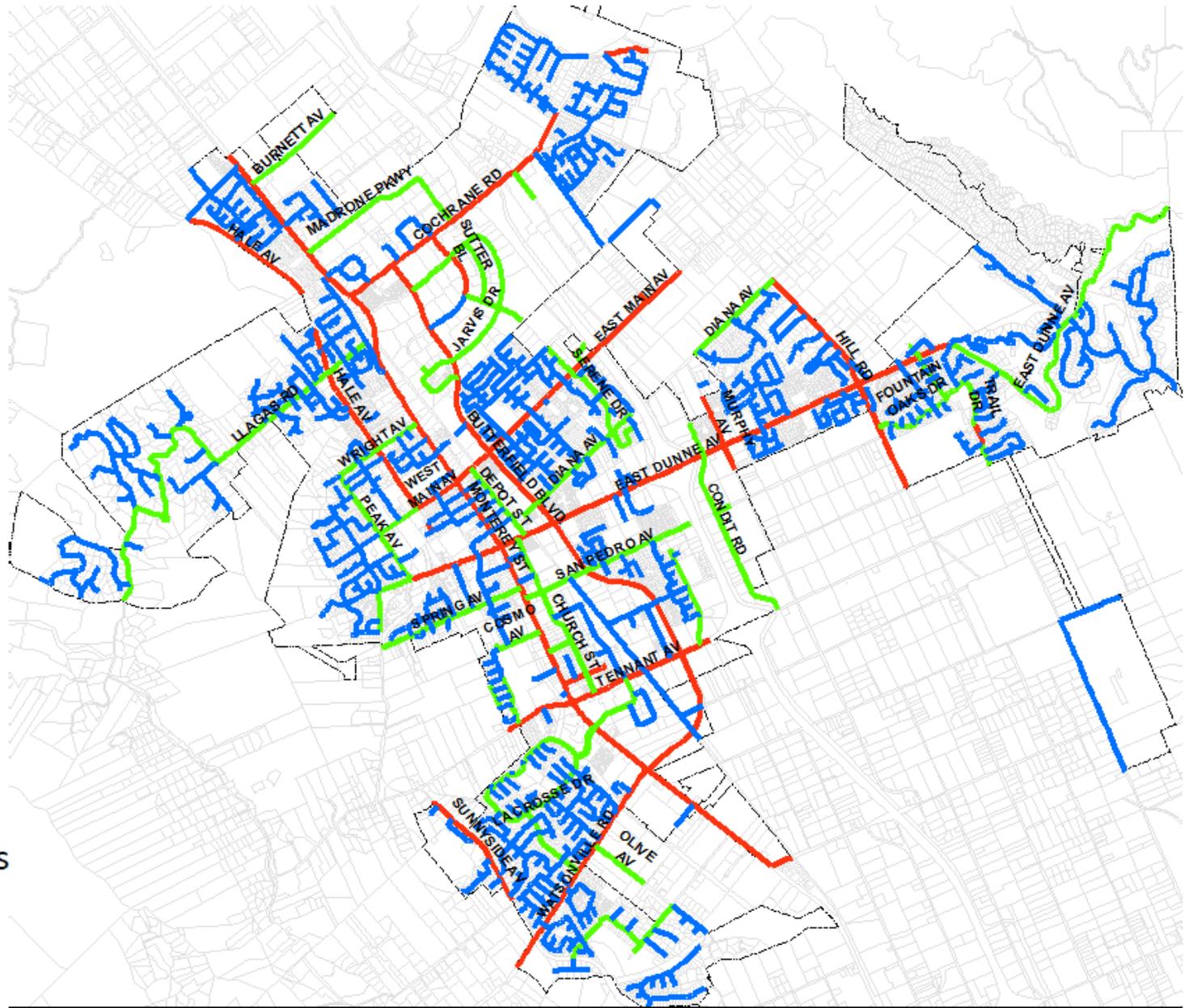
Capital Pavement Rehabilitation

- Typically one pavement project annually
- Utilize Pavement Condition Index as a guide
- Pavement Project Priorities
 - Arterial Streets
 - Collector Streets
 - Residential Streets

Pavement Condition Index (PCI) Scale



Streets, Sidewalks & Storm Drains

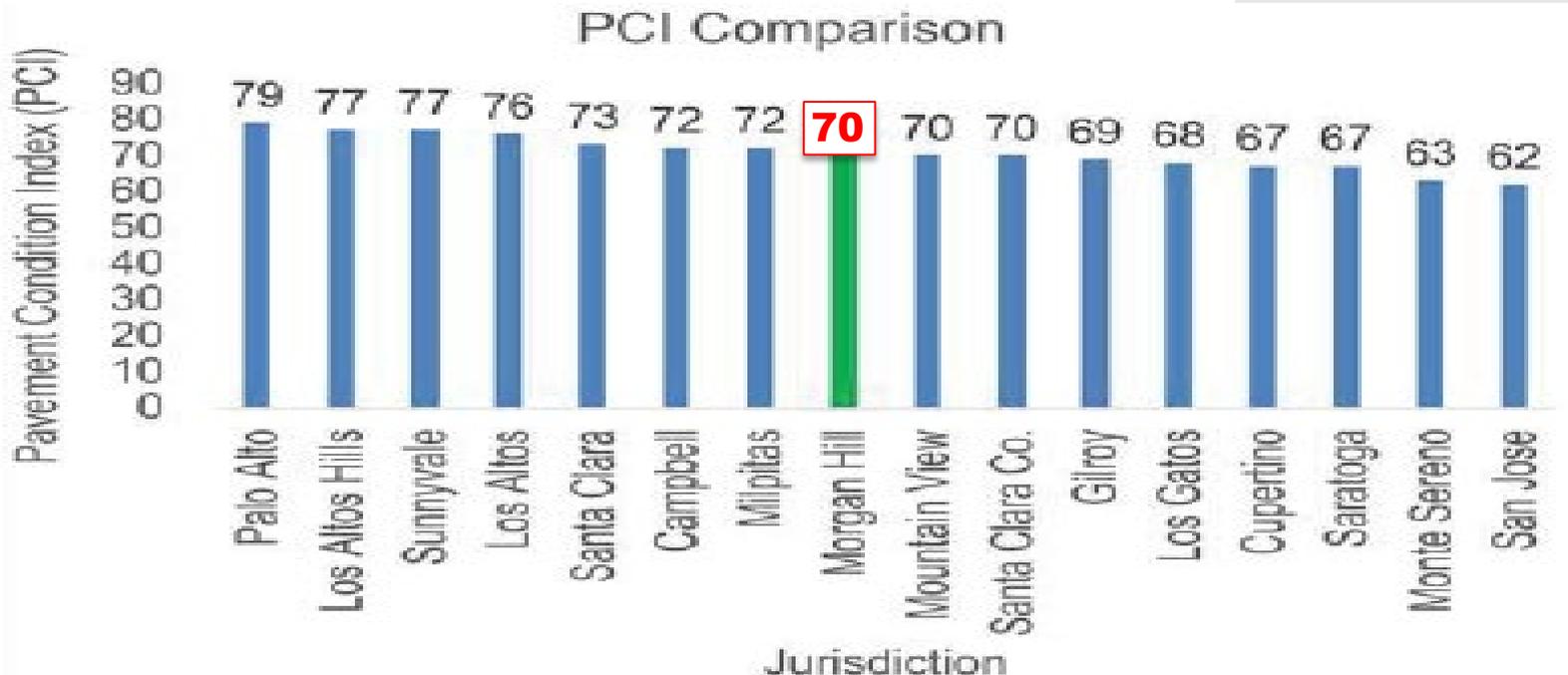


- Arterials
- Collectors
- Residentials

Streets, Sidewalks & Storm Drains

Current Street Infrastructure Status

- City Streets are maintained
 - Arterial Streets are maintained well
 - Residential and Collector Streets are not maintained as well

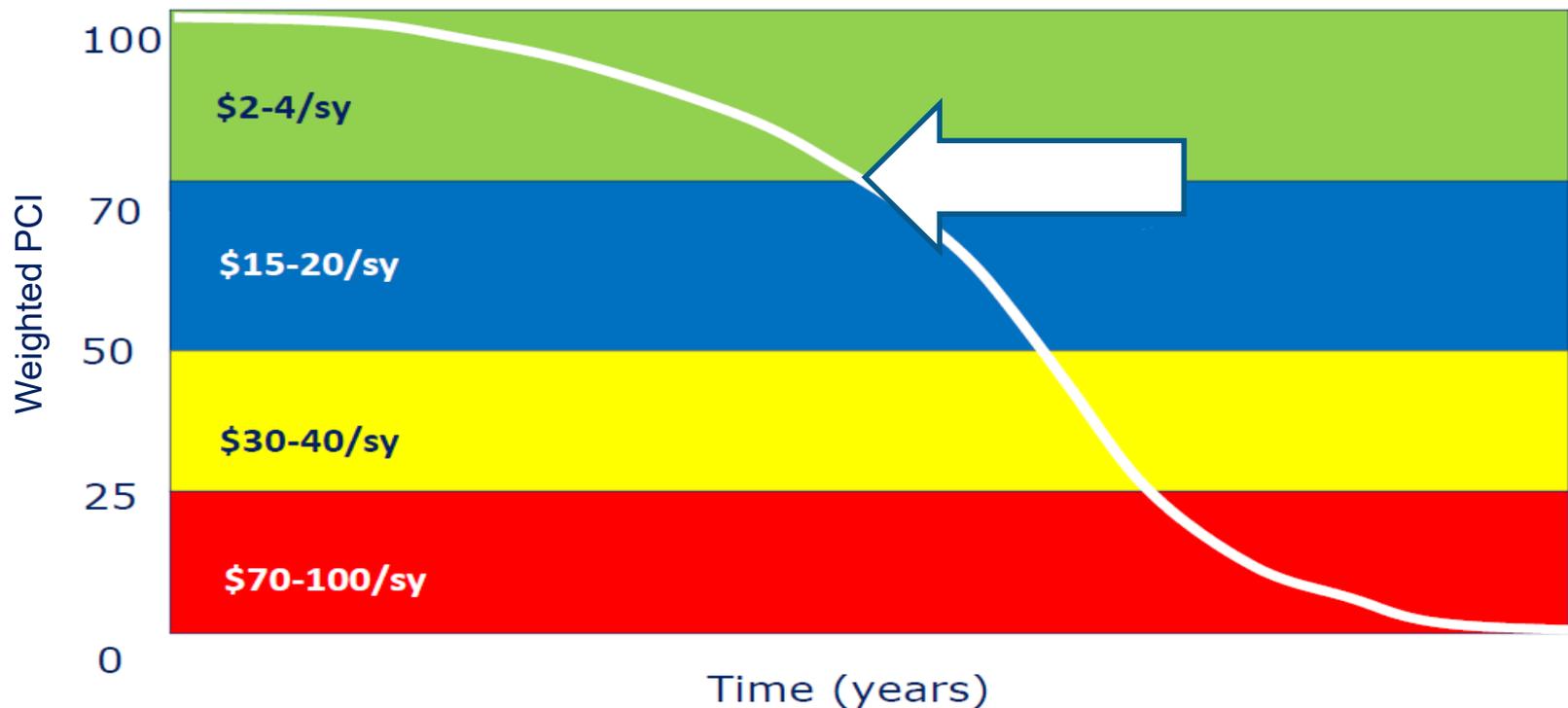


Streets, Sidewalks & Storm Drains



Current Street Infrastructure Status

- Citywide weighted average Pavement Condition Index (PCI) estimated at "very good" at 70



Streets, Sidewalks & Storm Drains



Current Street Infrastructure Status

- Next comprehensive PCI update will be in Spring 2020
- \$2.3 million annually in unfunded capital street repair – to stabilize PCI
- \$23 Million plus backlog
- \$193,000 in unfunded operational needs

Streets, Sidewalks & Storm Drains



Sidewalk Infrastructure Status

- Facilities are currently well maintained
- Responses to repairs are all report based

Current Storm System Infrastructure Status

- Facilities are maintained
- No identified funding for future capital needs
- Funding available (Impact fees) to connect to Water District Flood Control Project
- **New State regulations may require millions in capital investment over the next decade**

Parks, Trails & Open Space

22 Parks

- 65 Acres
- Fully Improved

Trails

- 10.4 Acres
- Limited Improvements
- Partner Property

Open Space

- Over 300 Acres
- Unimproved
- Fire Prevention Maintenance



Parks, Trails & Open Space

Hybrid Service Delivery Model

- Internal Full Time Staff (Combined with Streets)
- Contract Services
 - Mowing and Specialized Services
- Part-time staff
 - Previously Seasonal now year-round



Parks, Trails & Open Space



Primary Funding Sources

- Park Maintenance Fund – (RDCS) - \$789,000
- General Fund Discretionary - \$350,000

Infrastructure Status

- Facilities are maintained in average condition
- Additional annual investment of an undetermined amount would be necessary to maintain the parks in above average condition
- Base Level Operations Funding is in jeopardy due to reliance on RDCS revenues (Increased GF Contribution in 2018/19 Budget)
- \$585,771 in annual future replacement needs are unfunded

Special Maintenance Districts

Two Special Districts within the City

- Landscape Assessment District
- Maintenance of Parks, Landscaping, and weed abatement for fire prevention in 19 sub areas

- Community Facilities District
- Maintenance of one creek area



Special Maintenance Districts



Primary Funding Sources

- Property Tax Assessments for those within District
- No General Fund Discretionary Funding

Infrastructure Status

- Maintenance levels vary by subarea:
 - 10 areas are well maintained
 - 5 areas are average
 - 4 areas maintained below average or poorly
- \$41,990 in unfunded maintenance needs
- Possible future impacts on the General Fund

Downtown Maintenance

Maintenance of all Downtown Infrastructure owned by the City

- Parking Structure
- Streetscape
- Public Parking Lots
- Downtown Parks
- Third Street Plaza



Downtown Maintenance



Primary Funding Sources

- General Fund Discretionary - \$320,000
- Public Facilities Fund - Developer Contributions

Infrastructure Status

- Facilities are well maintained
- Base Level Operations are fully funded, but maintenance needs are increasing
 - Increased expectations
 - Increased use

Buildings & Facilities

Maintenance of City owned buildings and facilities.

- Council Chambers
- 6 Recreation Facilities
- Corporation Yard
- Police Station
- City Hall
- Library
- 2 Fire Stations



Buildings & Facilities



Primary Funding Sources

- General Fund Non-discretionary
- General Fund Discretionary (Recreation)
- Other funds based on % use of facilities
- Partner Organizations

Infrastructure Status

- Facilities are well maintained
- Base Level Operations are fully funded
- \$257,100 annually in unfunded future capital replacement costs (Down from 2018)

Infrastructure Funding



Current Considerations

- Decline in prior revenues and funding options for the City
- New requirements and regulations
- Local construction costs
- Increased Fire Protection Demands
- Alternatives to herbicides

Infrastructure Funding



Current Annual Unfunded Infrastructure Needs

- Buildings and Facilities \$257,100
- Parks, Trails, Open Space \$586,000
- Street Operations \$193,000
- Capital Pavement \$2.3M
- **TOTAL Unfunded Need \$3.3 Million**

Infrastructure Funding



Loss of RDCS Funding for Infrastructure Annual Operations

• Park Maintenance	\$732,000
• Storm Drain Repairs	\$150,000
• Sidewalk Repairs	\$150,000
• Parking Lot Maintenance	\$40,000
• Open Space Maintenance	\$56,000
• TOTAL Projected Loss	\$1.13 Million

Infrastructure Funding



Loss of RDCS Funding for Infrastructure Future Capital Improvement Projects

- Pedestrian Safety Projects
 - New Crosswalks
 - Enhanced Crosswalks
 - Bike Lane Improvements
 - School Improvements
- Intersection and Traffic Related Improvements
- Unforeseen Capital Repairs for Streets, Sidewalks and Parks

Infrastructure Funding



Prior Discussions on Infrastructure Funding

- General Fund Discretionary Revenue
 - Used for temporary increases in pavement rehabilitation funding
- Development of Financing Mechanisms
 - Community Facilities District
 - Lighting and Landscape Districts
- Alternate Funding Options
 - Conversion back to Quimby Fees
- Partner Organizations
- Grants
- Shifting Sidewalk Maintenance responsibility to adjacent property owners

Questions?



TRAFFIC



Congestion Management



City Management of Traffic Congestion

- Very limited City resources dedicated to
- No active traffic management program or division within the City
- No comprehensive management or coordination of traffic signals
- The City actively advocates and coordinates on regional traffic issues and for improvements that benefit Morgan Hill
- City staff respond to issues and resident concerns on a case by case basis
- Engineering staff coordinate with the Police Department to review issues and accident data regularly
- The City identifies and makes improvements to traffic on a project by project basis through the Capital Improvement Program

Cut Through Traffic Study



Hexagon Consultants

Conducted an Analysis to:

- Estimate the amount of regional cut-through traffic on major roadways within the City
- Identify major cut-through routes
- Estimate the potential effects of local roadway improvements on cut-through traffic

Data:

- Mobile phone application data
- Anonymous

Cut Through Traffic Study



Findings

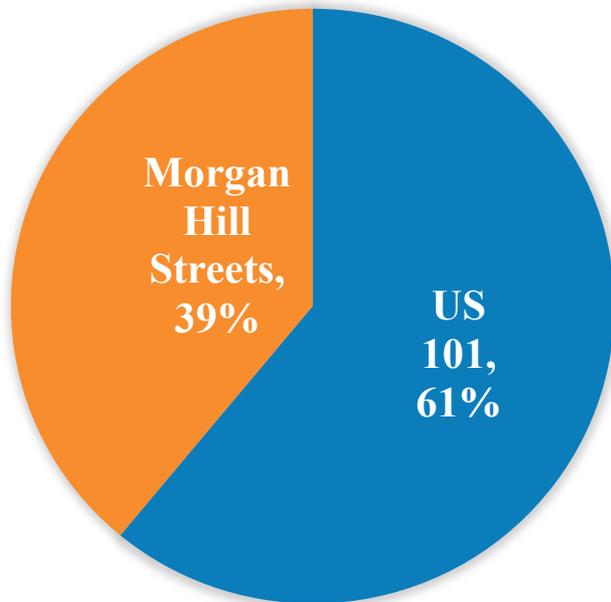
- There is significant cut-through traffic on City streets, but majority is still local
- There is an opportunity to improve local traffic through investment in infrastructure
- **Off Highway Cut-through Traffic**
 - 39% of southbound traffic in PM
 - 31% of northbound traffic in AM

Cut Through Traffic Study

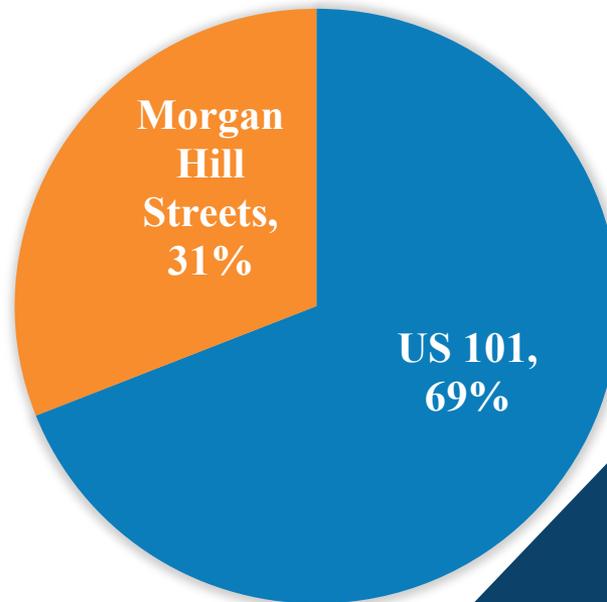
Findings

- Off Highway Cut-through Traffic

PM TRAFFIC

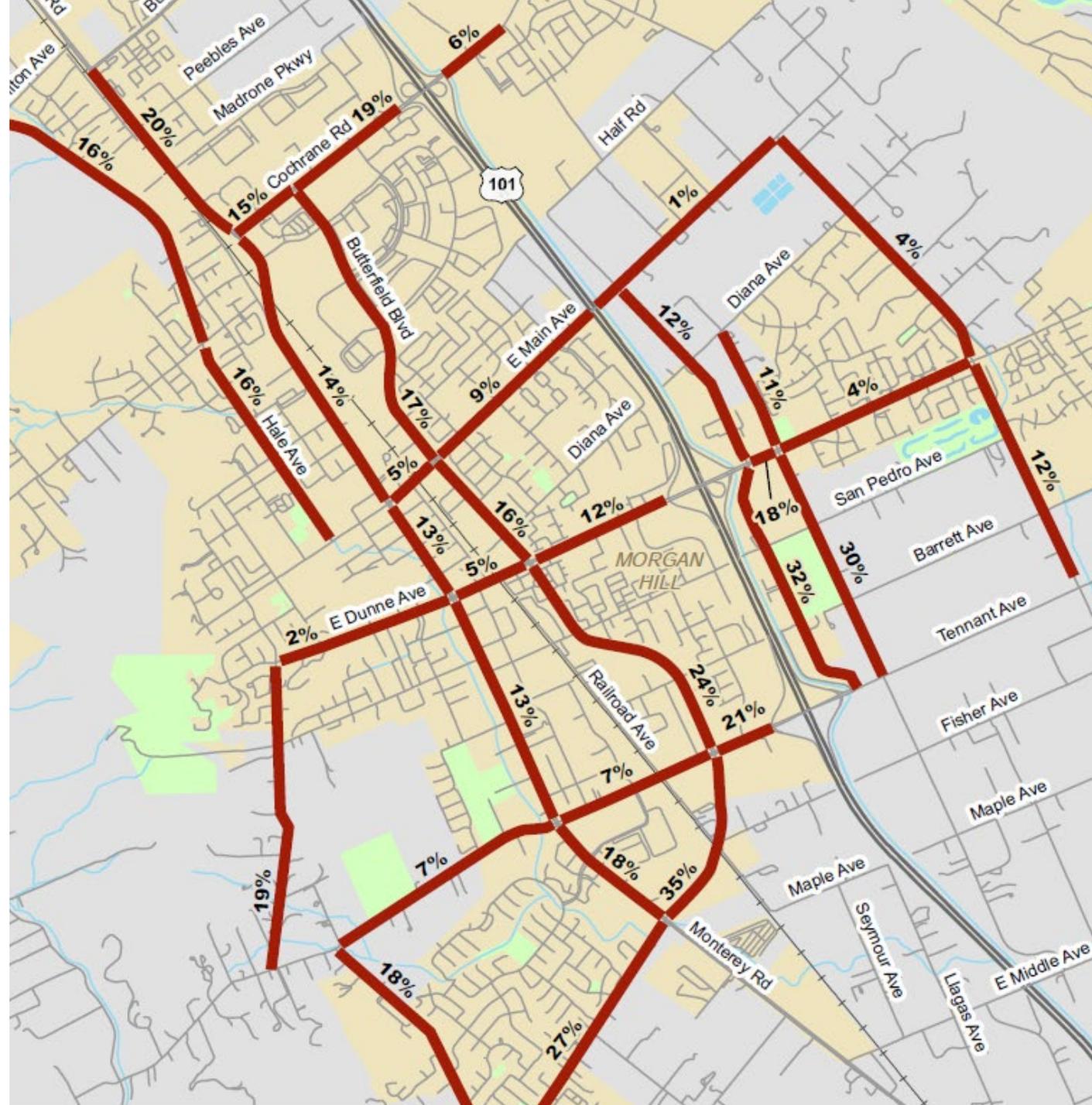


AM TRAFFIC



AM Cut Through

- Butterfield (south end)
- Condit
- Murphy
- Watsonville
- Tennant
- Monterey



Cut Through Traffic Study



Findings

- Highway 101 congestion is a significant cause for the City's cut-through traffic
- Local roadways improvements could have a positive impact on local traffic and not just pull more traffic off Highway 101

Congestion Management Projects



Current Focus

Hale Santa Teresa Corridor

1. Complete Hale Avenue Phase 1
2. Advocate and work to identify funding for Hale Avenue Phase 2
3. Intersections Improvements
 - Current Funding Limitations

Other City Improvements

- Reviewed case by case
- Work to improve issues with limited funding resources

Traffic Safety, Pedestrian and Bicycle Improvements

Multiple City Projects

Guiding Principles

- Vision Zero
- Bikeways, Trails, Parks and Recreation Master Plan
- Safe Routes to Schools
- Support for alternate transportation

Primary Project Funding

- RDCS Contributions

Traffic Safety, Pedestrian and Bicycle Improvements

Current Projects

- Pedestrian Improvements at Intersections
- Enhanced Downtown Crosswalks
- Main Avenue Bike Lanes and Pedestrian Improvements
- Enhanced Crosswalk at Wright and Del Monte
- Enhanced Crosswalks at La Crosse and WLLCT
- Watsonville Road Improvements and Concept
- Signal Improvements
 - Butterfield and Jarvis/Digital
 - Monterey and Spring
- Britton Frontage Improvements

Other Traffic Related Activities



- Speed limits
- VTA Education and Encouragement Funding
\$30,000 annually
- Waze data sharing
- Traffic calming efforts
- Community Based Transportation Plan
- Highway 101 widening
 - Caltrans US 101 South Comprehensive Corridor Plan

Future Traffic Planning

Considering resource limitations, City Staff will continue focus on the following areas:

1. Identify alternate funding due to loss of RDCS
2. Prioritize ped safety projects over congestion management with discretionary funds
3. Develop a strategy to regionally advocate for improvements, coordination and funding for the South County transportation corridor
4. Actively pursue grant opportunities
5. Support VTA in completing the CBTP
6. Construct Hale Avenue Phase 1 and advocate for Phase 2
7. Schedule a Council Workshop in Spring of 2020

Questions?

