

# ***MEMORANDUM***

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**DATE:** April 23, 2007

**TO:** Mayor and Members of the City Council

**FROM:** Lydia E. Du Borg, City Manager

**SUBJECT:** **Transmittal Letter for the Proposed 10-Year Capital Improvement Program (CIP) and Transportation Improvement Program (TIP) for the Period of FY 2007-08 to FY 2016-17**

## **Introduction**

This transmittal letter presents the recommended FY 2007-08 Capital and Transportation Improvement Program (CIP and TIP) for City Council review. Given the number and range of properties and public facilities the City is responsible to maintain, and to keep City facilities and infrastructure in high quality condition, our CIP and TIP represent a varied program. Demands on the City's General Fund to support on-going service costs continue to restrict the availability of this funding source for capital needs. For FY 2007-08 Ten-Year Plan for Street Maintenance, Attachment A, the impact of the soaring cost of materials used in street maintenance stemming from the continued rise in crude oil and the increasing demand for materials in such countries as China and India is a key challenge that the City needs to address. The infusion of one time funds from Proposition 1B and AB 2928 has helped, but does not fully address funding issues. The proposed 10-Year plan is balanced. However, the City needs to implement strategies, short term and long term to address the rising cost of street maintenance. This message discusses a number of strategies that focuses on reducing current expenditures, increasing revenue, and assessing our future maintenance burden.

While the City has been successful in obtaining grants for capital projects, lack of matching funds may curtail this effort. We continue to focus on selecting what we refer to as "smart" grants, or grants that don't incur unforeseen future costs for the City, and we continue to be cognizant of added operating or on-going maintenance costs associated with grant funded projects. Attachment B provides an update on current grant funded projects and the FY 2007-08 grant funded projects.

## **Economic Assumptions**

The U.S and California economic expansions slowed over the first three quarters of 2006 due to the declining real estate market and soaring fuel prices. The State of California Legislative Analyst's (LAO) Office forecasts a sluggish economic growth through mid-2007 before stabilizing real estate markets provide support for an upturn beginning in the second half of the year. This forecast is based on economic and revenue trends through November 2006. The LAO cautions that the current economic expansion has lasted five

years and, thus, is relatively old by historical standards. Further, past experience indicates that predicting economic turning points is very difficult and expansions do not last forever. The LAO shares most of the economists' view that the economic expansion will continue in 2007 and 2008, and that the odds of a pronounced slowdown or outright downturn are relatively low.

The State's fiscal condition has improved. However, the LAO considers the State's projected revenues to be overly aggressive due to slower growth in the State's current revenues reflecting a more moderate economic expansion and a dip in income from capital gains. The LAO predicts that State revenues will fall below the budget forecast for the current and future budget years due to weaker personal income tax projections. Revenue volatility could return the State to a structural deficit, and with it, create uncertainties for local governments.

### **Revenue Assumptions**

As with all City revenue funds and in keeping with Budget and Fiscal Policies (Attachment C), the CIP/TIP revenues and costs are balanced over the 10-Year period. All 10-Year revenue allocations and balances are shown in the FY 2006-07 Operating Budget. The revenue assumptions and the 10-Year balancing of the Gas Tax (Fund 260), Proposition 111 (Fund 261), Measure C (Fund 472), Measure J (Fund 475), AB2928 (Fund 476), OSIP (Fund 420), and all the Park Land Funds (Funds 450, 451 and 452) are also incorporated into the annual CIP/TIP process and will be discussed here. The 10-Year fund balance for these funds is shown behind Tab "**Fund Allocation-Balances**" in this binder. All fund allocations are shown separately behind the same Tab.

**Gas Tax (Fund 260)** – The adopted FY 2006-07 Ten-Year plan projected \$1.59 M revenue for FY 2007-08 and an annual escalation rate of 1.5%. The past 5-year trend indicates a flat revenue. For the first year of the proposed plan, staff decreased the actual revenue for FY 2006-07 by 1% resulting in a revenue projection of \$1.48 M. For the remaining 9 years of the proposed plan, staff used the actual revenue for FY 2006-07 due to the noted flat 5-year revenue trend.

**Proposition 111 (Fund 261)** – The adopted FY 2006-07 Ten-Year plan projected \$819 M revenue for FY 2007-08. Similar to the gas tax, staff noted a flat revenue trend from the last five years. The proposed Ten-Year plan used the actual revenue of \$0.76 M for FY 2006-07 as the projected revenue for all of the ten years.

**Measure C/Measure J (Fund 472/Fund 475)** – This is a Contra Costa County ½ sales tax which finance transportation and road construction programs throughout the County. The revenue refers to the 18% return source component of the Measure, which is distributed by formula. Measure C will sunset in FY 2008-09 and will be succeeded by Measure J. Because the Measure revenue is tied to sales tax revenues, the same assumptions were used to forecast Measure C/J as were used in the Operating Budget to forecast sales tax, which is an annual escalation rate of 3.5%.

**Proposition 1B** – The Transportation Bond Act passed by the voters in 2006. It provides \$19.9 billion to relieve traffic congestion, facilitate movement of goods, improve air quality, and enhance safety and security of transportation system. The \$2 billion Local Streets and Roads component of Proposition 1B will be allocated to local governments on a per capita basis with a minimum guarantee of \$400,000 for small cities. Concord is projected to receive one-time amount of about \$4 million. However, the Legislative Analyst's Office indicated that there is a potential for reducing the amounts (particularly in the early years) if the transit tax revenue does not meet the projections. For planning purposes, staff has assumed 80% of the anticipated revenue and will adjust the amount next fiscal year when updated information becomes available. Therefore, the proposed Ten-Year plan allocates \$3.2 million spread over 9 years based on the Governor's January budget proposal.

**AB 2928** – This bill provides \$1 billion directly to cities and counties for the maintenance of local streets and roads. With its passage, the funds were to be distributed over a five year period based on population. The City received its initial allocation of \$816,000 in FY 2000-01. However, due to the State's budget deficit, it reduced the distribution to the cities and counties in FY 2002-03 (Concord received \$138,000) and cutoff the payments thereafter. The Governor's proposed budget for FY 2007-08 fully funds AB 2928 by repaying the outstanding loans.

**Park Land Fee** – The slowdown in development resulted in \$2.5 million shortfall from this revenue source in FY 2006-07. The shortfall amount included \$1.5 million from Palmero Condominiums (Enea Circle), which has been placed in the unscheduled category and, thus, deleted from the proposed 10-Year plan. Esplanade (DeNova, \$1.5 million) has been moved to FY 2008-09. The proposed plan adds a number of new developments that includes two large developments in FY 2008-09 – Rite Aid/Evans Condominiums (\$1.6 million) and Big 5/Mattheson Condominiums (\$1.1 million).

**Off-site Street Improvement Program (OSIP) Fee** or traffic mitigation fee – This revenue source also experienced a substantial shortfall (\$5 million) in FY 2006-07 due to the slow down in development. The shortfall included the Winton/Jones Site (Lowe's/WalMart, \$2.1 million) and Esplanade (DeNova, \$0.45 million). Both of these developments have been moved to FY 2008-09. New developments in the proposed plan, which are scheduled for FY 2008-09 – Rite Aid/ Evans Commercial Space (\$0.2 million), Rite Aid/Evans Condominiums (\$0.4 million), and Solano Gateway (\$0.75 million).

### **Current Fiscal Issues**

#### **Proposition 1B**

In 2006, the California voters overwhelmingly passed Proposition 1B, the Transportation Bond Act. Proposition 1B, \$19.9 billion 30-Year General Obligation Bond, is a one time infusion of funds that will not fully address traffic congestion and maintenance of transportation infrastructure even when matched with current sources of transportation

funds. The \$2 billion Local Streets and Roads component of Proposition 1B will allocate about \$4 million to Concord, which staff estimates will be distributed over a 9-year period beginning FY 2007-08 based on the Governor's January 2007 Budget Proposal. However, SB 286 (Dutton) sponsored by the League of California Cities accelerates the distribution of the funds. Under SB 286, the State Controller will make payments to local governments in two cycles (2 year per cycle), with payments for the first cycle to be made by January 1, 2008 and the second cycle by January 1, 2010. If a local government can demonstrate that it can spend more than one-half of its share of funds on eligible projects in the first cycle, the Controller will allocate up to the full amount to the local agency.

**AB 2928 (Proposition 42)** – The State raided this revenue source beginning in FY 2002-03 to balance its budget. The Governor's proposed budget repays the outstanding loans. The proposed 10-Year plan includes \$1.1 million in FY 2007-08 (carryover from prior year) and \$1.3 million in FY 2008-09 for a total of \$2.4 million.

### **Street Maintenance Program**

The rising crude oil price resulted in substantial increase in the price of asphalt related material such as asphalt concrete and asphalt emulsion (material used in surface seal), thus substantially increasing the cost of street maintenance. The initial 10 -Year Plan for the street maintenance draft (Draft 1, Attachment D ) based on the current rate of expenditure and the adopted CIP revenue projection for Gas Tax, Proposition 111, Measure C, and Measure J projected a deficit of about \$188,000 in FY 2008-09 and escalating to \$9.5 million in FY 2016-17.

The proposed 10 -Year plan for the street maintenance includes a one-time infusion of funds from Proposition 1B (State Infrastructure Bond) and AB 2928 (Proposition 42) that will supplement Gas Tax, Prop 111, Measure C and Measure J funds. The \$2 billion Local Streets and Roads component of Proposition 1B funds is allocated to local governments based on a per capita formula; Concord's allocation is estimated at about \$4 million. For planning purposes, the proposed 10-Year plan assumes \$3.2 million distributed over a 9-year period as discussed under Revenue Assumptions. The proposed plan also includes \$2.4 million in AB 2928 funding.

The \$3.2 million from Proposition 1B and \$2.4 million from AB 2928 provides a total of \$5.6 million in one-time funds for the proposed Ten-Year plan. Even with this one time infusion of funds, the 10-Year Plan (Draft 2, Attachment E) would have a deficit of \$480,000 in FY 2012-13 and escalating to \$4.7 million in FY 2016-17. To address the deficit and achieve a balanced 10-year plan, staff considered a number of strategies that focused on revenues and expenditures. Staff recommends the following strategies:

- Implement pavement overlay or rehabilitation contingent on receipt of grant funding - Over the years, the City has received State Transportation Improvement Program (STIP) grant funds to rehabilitate arterial streets such as Kirker Pass Road, Ygnacio Valley Road, Treat Boulevard and Clayton Road. This is a short

term recommendation that would allow staff, at a later time, to reevaluate funding availability and the need to implement the right preventative maintenance measure at the right time.

- Reduce sidewalk funding by providing funding every other year instead of every year - Over the past decade, the City has invested heavily on its sidewalk program. The City has also been very successful in obtaining grants for sidewalk projects, thus leveraging the City's resources. The reduction of funding to alternate years reflects the significant level of past investment.

The proposed 10-Year plan (Draft 3 Attachment F) combines the infusion of the Proposition 1B and AB 2928 one time funds (\$5.6 million) and implementation of the above strategies, which results in a balance 10-Year plan. The proposed plan appropriates an average of \$4.7 million per year to street related projects. The 10<sup>th</sup> year balance of about \$150,000 (barely 1/3 of 1% of the average annual appropriation of \$4.7 million) and the infusion of one-time funds along with the receipt of grants for the street overlay and rehabilitation program indicate that funding problems will continue. It is important for the City to implement long term strategies to address the escalating street maintenance cost and lack of available funding. Along this line, staff recommends that the Council consider the following long term strategies:

1. Reduce or limit the future maintenance burden to the City – Staff recommends that the City encourage private streets in new developments when appropriate. For example, the City could require future residential developments to include Homeowners Associations that have the financial ability to maintain the streets. It may be necessary for the City to transition the cost of sidewalk maintenance over time to the abutting property owners as some cities already do.
2. Increase the City's maintenance fund revenue – Staff recommends that the City support the Strategic Plan developed by MTC's Local Streets & Roads Committee, which provides a number of initiatives that could potentially increase the maintenance funding for local agencies. At the City level, staff recommends that the City collect cash or deposits for Deferred Improvement Agreements (DIA) associated with frontage improvements related to developments. Staff believes that the developer is in a much better financial position to secure the obligation when compared to individual property owners who have not budgeted for the cost if the City activates the DIA in the future.
3. Follow the maintenance schedule per MTC's Pavement Management System (PMS) - Implement the appropriate pavement preventative maintenance measure at the right time to ensure that the City is maintaining its streets in a cost-effective manner. This is a case of "pay me now or pay me later" scenario. As previously discussed, deferred maintenance is costly. For every dollar expended at the right time could cost the City about \$10 if the maintenance is deferred.

If infusion of further maintenance funds such as Proposition 1B and AB 2928 and receipt of grants do not materialize in the future, the street maintenance program will be curtailed and a backlog will build up to the point that costly rehabilitation projects will be required to make local streets and roads passable. The Council may recall that these conditions existed in Concord in the mid-1990s when inefficient operations and declining revenues reduced many City programs, including street maintenance. As the local economy generated additional income and the City implemented performance measures to improve the efficiency of all operations, a determined effort was made to address the backlog of deferred street maintenance. This effort included an infusion from the City's General Fund since it was impossible to rely solely on existing street maintenance funding sources.

By 2000, the backlog was addressed and the required level of street maintenance could be achieved by utilizing the present sources of funds. As the Council is aware with the City's current situation, the General Fund cannot be used to support street maintenance unless other services are significantly reduced. Staff believes it is critical to avoid any slippage back to the point that a backlog of deferred maintenance occurs. Deferred maintenance is costly. In Concord, every \$1 expended in preventative maintenance means avoiding \$10 worth of expenditure to reconstruct a pavement. This is a simple case of invest now or pay a much higher price later.

### **Development Fees**

Two development fee revenues, the Park Land in lieu fee and Off-site Street Improvement Program fee were severely impacted by the slow down in development in FY 2006-07.

Park Land in lieu fee – For FY 2006-07, the adopted CIP estimated the revenue at about \$3 million while the actual revenue is tracking at about \$0.5 million or \$2.5 million short. Due to this revenue shortfall, a number of ongoing Park Land fee funded projects require a loan totaling \$871,000 from the General Fund (GF). The projects include Park Restroom Renovation (PJ 1105), Hillcrest Park Playground (PJ 2043), and Park Infrastructure Improvements (PJ 2045). An additional GF \$100,000 loan is required for FY 2008-09 to balance the 10-Year plan. This brings the total GF loan to \$900,000, which the Park Land fee revenue will repay with interest in five years, beginning with FY 2008-09.

Off-site Street Improvement Program (OSIP) fee or traffic mitigation fee – For FY 2006-07, the adopted CIP estimated the revenue at about \$7 million while the actual revenue is tracking at about \$2 million or \$5 million short. A combination of using the prior year balance of the holding account project for Citywide Traffic Improvements, delaying some projects, and projected substantial increased in revenues in the next three fiscal years (beginning with FY 2007-08) made it possible to balance the 10-Year plan without a loan from the GF.

## **New NPDES Permit Requirements**

In 2003, the San Francisco Bay Regional Water Quality Control Board (SFBRWQB) added the C.3 requirements to the Contra Costa Clean Water Program's NPDES permit. Concord is a co-permittee of the Program and, therefore, is subject to the Program's permit requirements. While the C.3 requirements are stringent, more onerous requirements may be forthcoming when the Program renews its 5-year permit. Total Maximum Daily Load (TMDL) will be included with the new municipal regional permit under development. Section 303(d) of the federal Clean Water Act requires the State Water Board to identify water bodies that do not meet water quality standards, examine the water quality problems, identify the sources of pollutants, and specify corrective actions. In total, the SFBRWQB is developing more than 30 TMDLs to address more than 160 Section 303(d) listings for water bodies impaired by specific pollutants. TMDLs must consider future developments that could increase pollutant levels. The new permit requirements potentially could discourage developments of certain properties due to the added financial burden will add financial burden to cities and developers. It will impose onerous conditions on public and private developments.

**ADA Transition Plan Update** – In 1992, the City completed its ADA Transition Plan as mandated by the ADA Title II Federal Regulation. Transition Plan is a plan for making the City's programs accessible per the ADA accessibility guidelines. In mid-1990s, the City completed the improvements contemplated in the Transition Plan. In 2002, the 9<sup>th</sup> Circuit Court of Appeals, in *Barden v. City of Sacramento*, ruled that public sidewalk is a program of government. As such, it is subject to the Self Evaluation and Transition Plan requirements of ADA Title II. Based on this ruling, last fiscal year, the Council approved funding to update the City's Transition Plan to include public sidewalks. The Transition Plan update also includes reviewing existing program facilities due to changes in the City's programs over the years (new leased buildings, relocation of programs, consolidations, etc.). Current schedule calls for completing the Draft Transition Plan towards the end of calendar year 2007, at which time, staff will present the Plan to the Council for its consideration. The proposed 10-Year Plan does not include any costs associated with improvements that may be required to implement the updated ADA Transition Plan.

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## **Project Prioritization Criteria**

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In all budgetary processes, projects-needs compete for finite resources. In order to recommend the effective allocation of these funds, staff relies on priorities for funding established in the CIP/TIP. These prioritization criteria, in keeping with our stated Mission, Vision, Values, include (1) public safety, (2) neighborhood vitality, (3) revenue enhancement, and (4) infrastructure preservation-enhancement. In our review and recommendation on projects this year, we have also considered those projects that require an inordinate amount of City matching funds and those projects with high incremental operating cost increases. Too much of a General Fund commitment in Operating Costs could make a project ineligible at this time.

## **CIP/TIP Process**

As with other fiscal programs and policies within the City of Concord, (e.g., Performance Based Budgeting, Pay for Performance, and the Operating Budget itself), the CIP/TIP is recognized statewide as an excellent and innovative program. Once again, the California Society of Municipal Finance Officers (CSMFO) recognized the City of Concord's CIP/TIP through their Award of Excellence in Capital Budgeting (Attachment G) for our FY 2006/07 CIP/TIP submittal. The City of Concord achieved this award due to the policies that the Council has implemented over the past several years. Two of the specific policies/practices which lead to the award are 1) 10-Year planning and 2) the inclusion of incremental operating costs associated with project proposals (i.e., fully loaded cost). These policies have clearly proven their effectiveness more than ever during the current constrained budget situation.

The CIP/TIP Process began in early October with the drafting of the CIP/TIP Process Schedule (See Attachment H). Engineering Services staff coordinated this schedule with the Operating Budget Process Schedule prepared by Finance Department staff. Community and Recreation Services staff reviewed the schedule for coordination with the Parks, Recreation and Open Space Commission schedule. This Commission annually reviews parks-related projects. In addition, Planning and Economic Development staff reviewed the schedule for coordination with the Planning Commission schedule. This Commission annually reviews the CIP/TIP for consistency with the General Plan, as mandated by State law.

Engineering Services staff held a kick-off meeting in early November to bring the CIP/TIP Committee together and lay out the plan. The CIP/TIP Committee consists of the City Manager, all Department Heads, and key program managers from all departments. The Committee members were given all the forms and information necessary to submit their Capital and Transportation project proposals. Changes or updates to Council policy or direction are also discussed at the meeting.

The project data were submitted and entered into the CIP/TIP database. After each draft was completed, the CIP/TIP Committee met to discuss the proposed 10-Year Plan. By the time the second draft was completed, committee members had given significant time and effort searching for alternate funding sources to relieve the General Fund and support maintenance operations.

## **CIP/TIP Binder Organization**

This CIP/TIP binder contains a great deal of information about the two programs. In order to facilitate its use, it may be helpful to know where to look for various data. The following Tab references may be of special interest:

- "Project Appropriations" contains a summary of each project by category and contains project number, project name, year(s) of funding, and source(s) of funding. It

provides a subtotal of each category cost, as well as individual CIP and TIP totals. It provides the best “snapshot” of the 10-Year Plan projects.

- “Fund Allocation-Balances” has two parts. The first is a summary of all funding source totals for the entire 10-Year Plan. The second shows the revenue allocation, allocations and fund balances of the major capital funding sources over the 10-Year Plan.
- “Completed Projects” shows all the projects completed in FY 2006/07
- “CIP” and “TIP” sections are divided into their respective sections-tabs based upon the City’s identification of Major Categories of Capital Improvement. These categories are as follows:

### **CIP Categories**

- Building and Grounds
- Community Block Grant
- Drainage and Stormwater
- Golf Course Enterprise
- Miscellaneous Projects
- Parks and Recreation
- Pavilion Enterprise
- Redevelopment Agency

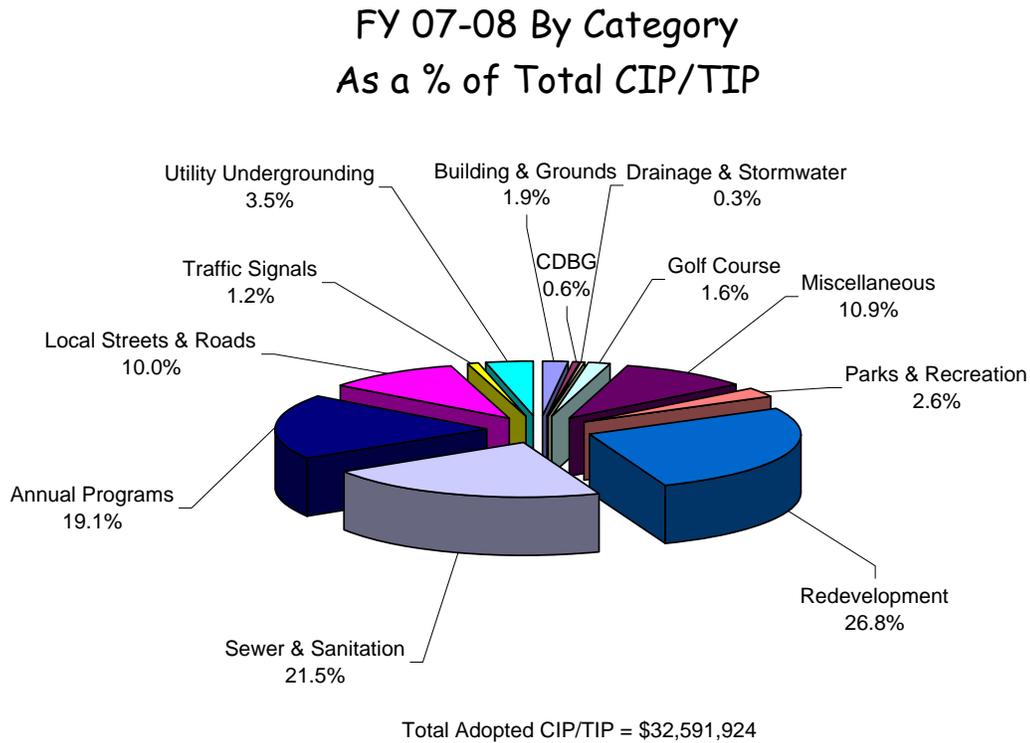
### **TIP Categories**

- Annual Programs
  - Local Streets and Roads
  - Traffic Signals
  - Undergrounding
- A separate category of “Unfunded Projects” contains those projects which were removed from the capital budget in 2003-04 in order to balance the 10-Year Plan, or projects that have since been identified as community needs for which no funding is currently available.
  - “Appendices” contains several sections of information helpful to understanding and using this document. Included are:
    - “Glossary” of acronyms, terms, and some of the major funding sources used throughout this document.
    - “Index to Projects” where the projects are listed in both project name order (green pages) and in project number order (blue pages) to make it easier to locate specific projects.

- “CDBG Zone Map” and “Parkland Districts Map” each provide a map of the City divided into the appropriate sections for the respective map.
- “Revenue Assumptions” which provides the details for the proposed 10-Year revenue forecast for the following funding sources: Measure C, Measure J, Gas Tax, Proposition 111, OSIP, Parkland, Proposition 1 A (AB2928) and Proposition 1 B.

**Discussion of the 2007/08 CIP/TIP**

The major improvement categories for the CIP/TIP are listed under the “CIP/TIP Binder Organization” section of this transmittal. Requests for FY2007-08 project funding are shown in graphical representation in Figure 1 and as total dollars in Figure 2.



**Figure 1**

<i>Category</i>	<b>In \$000's</b>
CIP-Building and Grounds	\$ 614
CIP-Community Development Block Grant	\$ 180
CIP-Drainage and Stormwater	\$ 90

CIP-Golf Course	\$ 537
CIP-Miscellaneous	\$ 3,550
CIP-Parks and Recreation	\$ 847
CIP-Redevelopment Agency	\$ 8,738
CIP-Sewer and Sanitation	\$ 7,023
TIP-Annual Programs	\$ 6,215
TIP-Local Streets and Roads	\$ 3,259
TIP-Traffic Signals	\$ 407
TIP-Utility Undergrounding	\$ 1,132
<b>TOTAL</b>	<b>\$ 32,591</b>

**Figure 2**

Within the above categories are the following new projects for FY 2007/08:

- **Project 2072 Implementation of Urban Design Plan for Monument Boulevard Corridor:** The project will construct pedestrian improvements at three intersections along Monument Boulevard at Victory Lane, Reganti Drive and Mi Casa Court, and will install additional pedestrian level lighting along Monument Boulevard between Victory Lane and Oak Grove Road. The project will also construct a pedestrian plaza along Monument Boulevard within the project limits. Project scope will be refined and augmented based on the recommendations incorporated in the Monument Blvd. Urban Design Study.
- **Project 2076 OPEB Study:** The project will study and develop a plan to modify the benefit. It will provide the funds necessary to hire the legal, actuarial, and financial expertise necessary to recommend the best possible resolution to this issue. It is intended that all employee groups – bargaining units, management, unrepresented employees – work collaboratively to seek a solution to reduce the long-term cost of the benefit. All parties realize that not to modify this benefit and not to limit its costs will seriously impact the ability of the City to continue to provide quality services to the citizens at current levels, much less to respond to increased demand for services.
- **Project 2078 Pavilion Debt Service:** An amendment to the Pavilion Management Agreement approved by the City Council on April 11, 2006 reduced the annual bond debt service payment by BGP from \$1.778 million to \$1.4 million. This reduction generated the need for the City to cover the shortfall. The expenditure by the City to cover the shortfall will maintain the operation of the Pavilion as a performing arts facility.
- **Project 2079 Naval Weapons History:** Project will allow the City to publish a local history of the Concord Naval Weapons Station dating from the early beginning of the base to the U.S. Government's decision to close the Inland

portion and to make the property available for civilian use under a reuse plan being prepared by the City of Concord.

- **Project 2080 Replace Clubhouse Roof at Diablo Creek Golf Course** The project will repair the roof and gutters of the clubhouse. Numerous leaks currently exist and have resulted in damage to restaurant equipment, citations written during health department inspections, and a poor appearance to customers utilizing the clubhouse and restaurant.
- **Project 2081 Pave Loop Road at Camp Concord:** Project will pave approximately 1600 feet of existing dirt road and three parking areas at Camp Concord as well as install required number of drainage structures. The paved road will reduce dust and erosion levels in the Lake Tahoe watershed.
- **Project 2082 Park Signage:** The project will provide uniform, identifiable park signage. Reduce maintenance costs by replacing current signs with signs made of a more durable material.
- **Project 2088 Strategic Plan Update:** The updated Strategic Plan will provide clear vision, goals, and objectives for the City of Concord's redevelopment program and will provide a context for future redevelopment decisions and a focus for activities. It will also incorporate a guide for implementing the strategies and will identify catalyst projects, specific actions, and include an implementation schedule.
- **Project 2089 Network Cable Infrastructure Repairs** proposes repairs to the existing data network cable to address computer performance and resulting staff productivity loss.
- **Project 2090 Concrete Trunk Sewer Main Rehab/Replace-Phase II & Gravity Connection in Lieu of Pumping to CCCSD:** In order to provide funds for this work a bond issue will have to be sold to raise \$12,000,000. The City is contracting with CCCSD for construction of the City's project to connect the Sewer Pump Station to CCCSD's new A-line. This work is anticipated to be completed in 2008/09.

## **Conclusion**

I would like to thank Alex Pascual (Director of Building, Engineering, and Neighborhood Services), Dana Gemmell (Senior Civil Engineer), Mark Deven (Assistant City Manager), Peggy Lefebvre (Director of Finance), Cecilia Skuza (Accountant II) and the entire CIP/TIP Committee for their hard work and efforts in producing this document. They have identified every resource available to the City to enable us to reinvest in and maintain the quality of our valuable community infrastructure and facility assets.

The City Council has provided us with the clear direction that we need to prioritize and develop the projects contained in this document. We will continue to refine and improve the CIP/TIP process and implementation of projects to enhance the usefulness and purpose of the CIP/TIP for the City.

**City Of Concord  
Street Maintenance Program  
Ten Year Projection  
For the Year Ending June 30, 2008**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Fund Balance 7/01	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129	\$ 744,129
Revenue	\$ 3,429,566	\$ 3,536,782	\$ 3,670,485	\$ 3,762,656	\$ 3,873,542	\$ 4,015,835	\$ 4,136,023	\$ 4,258,964	\$ 4,385,786	\$ 4,509,721
Less Appropriations:										
Transportation Operating	\$ 43,710	\$ 45,021	\$ 46,372	\$ 47,763	\$ 49,196	\$ 50,672	\$ 52,192	\$ 53,758	\$ 55,371	\$ 57,032
Surface Seal	1,220,814	1,258,357	1,326,184	1,346,256	1,382,648	1,450,684	1,491,450	1,532,410	1,575,215	1,613,178
Patch Pave	980,228	1,009,855	1,040,033	1,071,354	1,103,621	1,136,711	1,170,955	1,206,235	1,242,578	1,280,023
Crack Sealing	317,277	327,617	336,736	347,219	358,048	368,521	380,050	391,954	404,249	416,216
Miscellaneous Street Maint.	653,745	673,883	692,479	713,139	734,556	755,836	778,812	802,556	826,494	851,198
Curb, Gutters and Sidewalks	213,792	222,049	228,681	236,925	245,473	253,411	262,564	272,051	281,879	292,074
	<u>\$ 3,429,566</u>	<u>\$ 3,536,782</u>	<u>\$ 3,670,485</u>	<u>\$ 3,762,656</u>	<u>\$ 3,873,542</u>	<u>\$ 4,015,835</u>	<u>\$ 4,136,023</u>	<u>\$ 4,258,964</u>	<u>\$ 4,385,786</u>	<u>\$ 4,509,721</u>
Excess (Deficiency)	-	-	-	-	-	-	-	-	-	-
Contingency	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Fund Balance 6/30	<u>\$ 544,129</u>									



## ATTACHMENT B

During Fiscal Year 2006/07 the City was awarded grants for the following projects:

- **Project 1285.3 San Miguel Sidewalk Improvements.** The City received a grant from TDA in the amount of \$100,000. The project will provide truncated domes at existing curb ramps and approximately 1,100 feet of curb, gutter, sidewalk, bicycle route, and curb paint on the westerly side of San Miguel Road from Cowell Road to Systron Drive. Council awarded construction contract on March 27, 2007. Total project budget \$185,130.
- **Project 1761 Commerce Avenue Bridge at Pine Creek.** FHWA has awarded the City \$1,360,000 for this project. The project will extend Commerce Avenue from its current terminus south across a new bridge over Pine Creek and extend the roadway to the west to connect it to Waterworld Parkway. Widen Waterworld Parkway at its northern end; install a path and pedestrian bridge south of the new road. This project is in the final design stage with construction scheduled for August, 2007. The project budget is \$6,816,937. The approved Transportation Bill included \$1.6 million Earmark for the Commerce Avenue Bridge Project. The guidelines for High Priority Projects (earmarks) allow for 15% to be taken off the top by the State and FHWA for administration costs. Therefore, only \$1,360,000 has been allocated to the project. The administration fee amount will be revisited by FHWA in 2009 which would allow an increase to the allocation. OSIP funds were used to backfill a \$1,020,000 reduction in Measure C I-680 funds which is being transferred by CCTA to Project 2034, Ygnacio Valley Road Landslide Repair to serve as the 20% match for the FHWA funding.
- **Project 2012 Concord Boulevard Sidewalk (Farm Bureau Road and Sattler Drive).** The City has been awarded \$572,000 from the Regional Bicycle and Pedestrian Grant Program. The project will improve pedestrian connectivity to five schools, provide access to the local transit system and enhance pedestrian safety for the school children. Estimated bid opening for construction is May, 2007. Construction anticipated date, July 2007. Total project budget \$800,000.
- **Project 2015 Treat Boulevard Oakgrove Plaza Signal.** The City has received a \$360,000 grant from HES. Project will design and construct a traffic signal on Treat Boulevard, approximately 600' west of Oak Grove Road to control access to and from the adjacent shopping center and Fire Station. Estimated bid opening for construction May, 2007. Construction anticipated date, July 2007. Total project budget \$508,000.
- **Project 2023 Landana Sidewalk Improvements.** The City has been awarded a Safe Route to Schools grant in the amount of \$328,702. This project will improve pedestrian connectivity to two schools and enhance pedestrian safety for school children. Original bid and construction dates are being revised pending negotiations with Mount Diablo Unified School District. Total project budget \$430,224.

## ATTACHMENT B

- **Project 2034 Ygnacio Valley Landslide Repair.** The city was awarded \$5,757,957 from FHWA and staff will pursue the remaining 20% funding from the Office of Emergency Services (OES). In the interim, staff secured matching funds from CCTA in an agreement to use Project 1761, Commerce Avenue funds in exchange for OSIP funds. The project will restore the damaged roadway through interim repairs to enable its re-opening (Phase 1) and construct a permanent restoration of the roadway and repair the adjacent hillside upslope of the road (Phase2). The total budget for this project is \$6,885,197
  - **Phase I:** The City was awarded a grant from FHWA of \$1,353,962. As part of the Emergency Opening (EO) work; the City installed an auxiliary lane in the median at a cost of \$1,353,962. Repair Emergency Opening-Winterization work has been completed.
  - **Phase II:** For this phase the City has been awarded a grant from FHWA of \$4,403,995. Plans are being processed for \$5.53 million Permanent Restoration Project. Environmental Review for Caltrans is underway. Plan is to advertise for bids in April/May 2007, with construction start scheduled for July, 2007, with construction completed in early October, 2007.
- **Project 2060 Bridge Maintenance Preventive Program.** The City received a Bridge Preventive Maintenance Program (BPMP) Grant in the amount of \$24,345. The grant funds will be used to develop a preventive maintenance plan for the 31 bridges in the city limits. The project will evaluate 22 of 31 local bridges identified in the Bridge Preventive Maintenance Plan submitted to Caltrans in October 2006.
- **Project 2061 Green Trees Grant.** The City has received a \$13,350 Proposition 12 Urban and Community Forest Program Grant from the California Department of Forestry and Fire Protection. Project proposes planting 133 trees at five City Parks. This tree planting project will assist the City in maintaining its urban forest and will provide shade along pathways at local parks. Total budget \$19,868.

The City has been granted, has applied and/or is pursuing final approval for the following Proposed Fiscal Year 07/08 CIP/TIP projects:

- **Project 1854 Seismic Retrofit of the Marsh Drive Bridge over Walnut Creek Channel.** The bridge borders the City-County limits, Contra Costa County has committed a new grant of \$180,000 as their portion of the 20% local match. The project will bring the existing Marsh Drive Bridge to current seismic standards. Current schedule calls for going to construction in 2008. Total project budget \$1,529,200. The project has an existing Federal Seismic Fund grant of \$1,179,200.

## ATTACHMENT B

- **Project 2024 Mesa Street Trail Improvements.** Staff applied for a \$130,000 Transportation Development Act grant in December 2006 for FY 2007-08. The Safe Routes to Transit Grant application, submitted on July 29, 2005 was unsuccessful; however the grantor encouraged Concord to reapply. Staff applied for the second cycle Safe Routes to Transit grant in April 2007. If both grants are successful, the project scope will be expanded to include street lights and sidewalk repairs along the east side of Mesa Street. The proposed base project will construct approximately 950 linear ft. of a new trail along Mesa Street from Mount Diablo Street to Cowell Road. Total project budget \$400,000. This project is contingent upon receipt of grant funds.
- **Project 2052 Concord Boulevard Sidewalk (Farm Bureau Road to Sixth Street).** The Regional Bicycle and Pedestrian Program Grant Application of \$800,000 was submitted on January 13, 2006. The project will construct a 6-foot wide sidewalk with curb, gutter and pavement widening between existing improved segments on both sides of Concord Boulevard between Farm Bureau Road and Sixth Street. The pavement will be widened to accommodate on-street parking and bicycle lanes. Total project budget \$1,200,000. The project requires review and authorization by CALTRANS. Therefore it is expected to be bid in Fiscal Year 2007/08 completion in spring 2008.
- **Project 2064 Monument Boulevard and Meadow Lane Pedestrian Infrastructure Improvements.** The City has been awarded a Transportation for Livable Communities grant of \$1,200,000. This project will improve pedestrian connectivity, provide access to local transit system, enhance pedestrian safety and revitalize the Monument Corridor. Total project budget \$1,734,000. The TLC Grant will construct pedestrian improvements at three intersections along Monument Blvd. at Victory Lane, Reganti Drive and Mi Casa Court, and will install additional pedestrian level lighting along Monument Blvd. between Victory Lane and Oak Grove Road. Additional project scope will be determined based on the results of Project 2068, Urban Design Study Guidelines.
- **Project 2072 Implementation of Urban Design Plan for Monument Boulevard Corridor.** On March 27, 2007 Council approved Resolution 07-18 authorizing the City Manager to execute the application for Transportation for Livable Communities grant in the amount of \$1,000,000. This grant will complement the improvements constructed with Project 2064, Monument Boulevard and Meadow Lane Pedestrian Infrastructure Improvements. The project will improve pedestrian and bicycle access to BART, commercial centers and residential areas along Monument Boulevard. Monument Boulevard Corridor suffers from circulation, landscaping and streetscape deficiencies that prevent the area from reaching its full potential. Total project budget \$2,300,000.
- **Project 2363 Arterial/Collector Street Overlay/Pavement Management System Implementation Project.** Clayton Road (Latour Lane to Wilcrest Drive) will be designed with construction scheduled for FY07/08 as part of \$540,000

## **ATTACHMENT B**

funded STP program. Project No. 1363 is the holding account for the Arterial/Collector Street Overlay /Pavement Management System Program and managed by Public Works. As projects are prioritized and scheduled they are spun-out into Project No. 2363 and managed by Engineering Services per Administrative Directive No. 100. The total project budget of \$2,216,965 includes a \$600,000 MTC grant and a \$22,132 Pavement Management Technical Assistance Program (P-TAP) Round 8 grant. Grant Street (Revere to Solano Way) has been designed with construction underway with prior years' grant funds.



## CITY OF CONCORD

Number:	129
Authority:	Res. 06-47
Effective:	6/23/98
Revised:	6/27/06
Reviewed:	2006
Initiating Dept.:	CM

## BUDGET AND FISCAL POLICIES

### 1. PURPOSE

To guide City budget decisions toward maintaining long-term financial stability, to ensure that basic City services are delivered, and to protect past and future investments in the City's infrastructure and facilities.

### 2. ADOPTION AND REVIEW

A set of policies were originally adopted in 1995 with the initiation of long-term financial planning for the City. The policies set a course to achieve financial stability. With implementation of the original policies, financial stability for the City has been attained and this document revised to establish a more comprehensive approach to budget and fiscal policies to ensure that the City maintains its financial stability long into the future. Each year at the time the City budget is considered, the City Council shall review the Budget and Fiscal Policies and conduct a review of the proposed budget for consistency with these Budget and Fiscal Policies.

### 3. POLICIES

#### 3.1 10-Year Financial Planning

- 3.11 City Manager will present a budget (Capital and Operating) that is balanced over the 10-year planning period for all funds.
- 3.12 Utilize the 10-Year Plan as the basis for making long-range financial planning decisions.
- 3.13 Maintain contingency reserves equal to 10% of designated operating expenses for the General Fund and the Enterprise funds.
- 3.14 Maintain a capital and operational fund to address unforecasted needs.
- 3.15 Develop and maintain a revenue monitoring and forecasting system to assist in trend analysis and revenue forecasting for the 10-year planning period.
- 3.16 Document all assumptions for revenue and expenditure forecasts each year.
- 3.17 Establish a financial plan for the Redevelopment Agency that ensures a positive cash balance at the end of the life of the Agency.
- 3.18 Seek reimbursement for State and Federal mandated programs and projects.
- 3.19 Conduct periodic audits for sales tax (point-of-sale), franchises and concessions, and transient occupancy tax (TOT).
- 3.110 Carefully review and discourage grants that may expand or add services without reliable replacement revenue after the grant period ends.
- 3.111 Maintain an aggressive collection system for all accounts receivable.

- 3.112 Be alert to potential development of new revenue sources.
- 3.2 Performance-Based Budgeting (PBB)
  - 3.21 Establish the PBB as the City Council's service delivery policy document.
  - 3.22 Establish a PBB that measures service levels, efficiency and effectiveness.
  - 3.23 Follow the principles of outcome management in utilizing the PBB.
  - 3.24 Ensure all costs (direct and indirect) are charged against each program budget.
  - 3.25 Measure work efficiency and effectiveness to ensure an optimal allocation of human and fiscal resources to budget approved services and programs.
  - 3.26 Ensure all operating programs have measurable performance objectives which identify the service and level of service, and the resources required to accomplish the objectives.
  - 3.27 Complete year-end reports and audits to measure the work accomplished against what was planned at the beginning of the fiscal year and evaluate future service levels.
- 3.3 Capital Improvement Program (CIP)
  - 3.31 Develop a 10-year plan for CIP.
  - 3.32 Seek grants for needed capital projects which can offset use of other City funds, which can then be utilized for other needed projects.
  - 3.33 Maintain capital improvements to the level required to adequately protect the City's capital investment and to minimize future maintenance and replacement costs.
  - 3.34 Include resources required to maintain and operate new capital improvements commencing the year the project is completed and continuing through the balance of the 10-Year Plan.
  - 3.35 Ensure capital budgets contain all costs to complete the project (design, right-of-way, construction, inspection, contract management, contingency).
  - 3.36 Ensure all proposed projects in the 10-Year Plan have a viable source of funding for both construction and maintenance.
  - 3.37 Fund projects proposed for Enterprise programs by revenues derived from user fees.
  - 3.37 Encourage pay-as-you-go financing of capital improvements where feasible.
- 3.4 Internal Service Funds
  - 3.41 Maintain Internal Service Funds for Workers' Compensation, Risk Management, Storm Water, Fleet Maintenance and Replacement, Technology Maintenance and Replacement (including all computer/software and communications equipment), Building Maintenance and Replacement and Miscellaneous/Office Equipment Maintenance and Replacement.
  - 3.42 Maintain a 10-year financial plan for all Internal Service Funds.
  - 3.43 Include cost of operation, maintenance and replacement in the 10-year financial plans.

- 3.44 All costs (operation, maintenance and replacement) associated with each Internal Service Fund will be charged to the appropriate user department.
  - 3.45 Maintain equipment and facilities to the level required to adequately protect the City's investment and to minimize future maintenance and replacement costs.
- 3.5 Enterprise Funds
- 3.51 Maintain a 10-year financial plan for all Enterprise Funds.
  - 3.52 All costs associated with providing administrative support (finance, personnel, legal, etc.) shall be charged to the appropriate Enterprise Fund.
  - 3.53 Periodically review market driven enterprise operations for partnerships, sponsorships and other mutually beneficial business development opportunities.
  - 3.54 The cost of each enterprise shall be completely offset by user charges and fees derived from the enterprise activity. Costs shall include operating, maintenance, capital, debt service, contingency and administrative costs.
  - 3.55 Periodically review and adjust user fees in order to avoid large one-time fee increases. For Golf the review should include the market established for similar services.
  - 3.56 Periodically review concession agreements, lease agreements and all other revenue generating agreements in order to determine if the City is receiving a return that reflects the market for similar agreements.
- 3.6 Investment Policies/Financial Practices
- 3.61 Maintain an Investment Policy consistent with established regulations and guidelines. Said policy is to be reviewed each year by the City Council.
  - 3.62 The Investment Policy shall address safety, liquidity and yield.
  - 3.63 Limit use of debt to minimize future commitment of the fiscal resources of the City and its taxpayers.
  - 3.64 Debt payment should not exceed the anticipated useful life of an improvement, and in no case should it exceed 30 years.
  - 3.65 Maintain accounting systems and financial management practices in accordance with generally accepted accounting principles, so as to result in an unqualified opinion from the City's independent auditor.
- 3.7 Review and Adopt a Performance Based Budget
- 3.71 The budget will be adopted as shown in the operating and Performance Based Budget document annually.
  - 3.72 Full review of revenue and expenditures assumptions and preparation of the Capital Improvement Program and Ten-Year Plans on all funds will be done annually.
  - 3.73 The City Council will hold public hearings and formally approve a budget for the City annually.

### 3.8 Reserve Funds

- 3.81 An aggregate reserve, in addition to the 10% operating contingency, will be established and maintained at a level not less than equal to 20% of the General Fund total operating budget. The reserve shall be determined to be fully funded when 20% of the General Fund operating budget can be maintained as the reserve projected balance at the end of each fiscal year and funded within the approved General Fund Ten-Year Plan.
- 3.82 Reserve funds will have four sub-accounts: the Economic Contingency Reserve, the Unforecasted Reserve, the Capital/Maintenance Reserve, and the Benefits Reserve.
- 3.83 Reserve funds will be built and replenished as necessary to maintain full funding of the minimum reserve through regular annual contributions at least equal to 4% of the General Fund operating budget. The City Council will annually review and approve the distribution of reserve contributions among the four sub-accounts as part of the budget process.
- 3.84 The City Council may act to override the individual purposes of some or all of the four sub-account reserves in the face of a major economic crisis of calamitous dimensions and draw on reserves to maintain the City's fiscal stability. In such a case the Council will take formal action determining that multiple adverse factors exist that warrant this exceptional use of one or more of the sub-account reserve funds.
- 3.85 The Economic Contingency Reserve is to be made available by Council appropriation to meet unanticipated needs caused by State or Federal redirection of City resources, general economic downturns, or reductions in operating revenues.
- 3.86 The Unforecasted Reserve is to be made available by Council appropriation to continue services if State, Federal or other grant funding sources are lost, and to offset the costs of unanticipated, unfunded governmental mandates.
- 3.87 The Capital/Maintenance Reserve is to be made available by Council appropriation to meet unanticipated, unscheduled and or unprogrammed capital and maintenance needs of City infrastructure and facilities. This reserve is intended to be used for major capital repair where facility failure, unexpected hazards, or destruction of City property has occurred and where repair or replacement is not planned within the established capital, operations or internal replacement funds. The threshold for work meeting this intent will be the same dollar amount as the threshold set for inclusion of projects in the City Capital Improvement Program.

In exceptional circumstances and where adequate funding sources are not available, the City Council may consider appropriation of Capital/Maintenance Reserve funds for a new capital improvement. When making such an appropriation, the City Council will first determine that the maintenance and operating costs of the new project can be fully supported in the Ten-Year Plan in accordance with Policy 3.33.

- 3.88 The Benefits Reserve Fund is available to support unplanned costs and obligations of existing employment benefits. The Benefits Reserve is not intended for use to enhance benefits negotiated through the collective bargaining process that require City Council approval.

## Street Maintenance Operations & Capital - Draft 1

### 10 Year Deficit

<b>Beginning Fund Balance</b>	928,196	826,563	(188,384)	(1,052,410)	(2,153,914)	(3,283,173)	(4,244,493)	(5,368,735)	(6,659,292)	(7,968,614)	928,196
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<b>Revenue</b>	<b><u>2007-08</u></b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>Total</u></b>
Gas Tax	1,499,000	1,477,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	15,152,000
Prop. 111	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	7,600,000
Measure C	1,544,000	1,598,040	0	0	0	0	0	0	0	0	3,142,040
Measure J	0	0	1,653,971	1,711,860	1,771,776	1,833,788	1,897,970	1,964,399	2,033,153	2,104,314	14,971,231
Interest	54,000	40,000	18,000	13,000	4,000	4,000	4,000	4,000	4,000	0	145,000
<b>Total Revenue</b>	<b>3,857,000</b>	<b>3,875,040</b>	<b>3,953,971</b>	<b>4,006,860</b>	<b>4,057,776</b>	<b>4,119,788</b>	<b>4,183,970</b>	<b>4,250,399</b>	<b>4,319,153</b>	<b>4,386,314</b>	<b>41,010,271</b>

<b>Appropriations</b>	<b>Program/PJ</b>	<b><u>2007-08</u></b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>Total</u></b>
Street Maintenance	Operating	1,469,712	1,547,098	1,586,355	1,628,949	1,684,525	1,732,072	1,787,273	1,842,706	1,900,059	1,958,590	17,137,339
Patch Paving Contracts	1A01	931,250	959,188	987,963	1,017,602	1,048,130	1,079,574	1,111,961	1,145,320	1,179,680	1,215,070	10,675,738
Seal Program Contracts	1A03 1A05	981,867	1,010,667	1,071,082	1,082,330	1,109,586	1,168,933	1,199,933	1,230,786	1,263,135	1,290,266	11,408,585
Monument Blvd	2064	20,000	0	0	0	0	0	0	0	0	0	20,000
Annual CIP/TIP Mgmt Pgr	1024	32,980	32,619	32,248	31,865	31,471	31,065	30,647	30,217	29,773	30,217	313,102
Traffic Calming	1028	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,200,000
LED Replacement	1037	50,000	98,538	159,176	215,351	221,812	228,466	117,660	121,191	124,826	128,571	1,465,591
Congestion Management	1531	16,883	17,389	17,911	0	0	0	0	0	0	0	52,183
Sidewalk Annual Program ( <i>Capital BENS</i> )	1173	115,928	119,405	122,988	126,678	130,478	134,392	138,424	142,577	146,854	151,260	1,328,984
Transpac Work Program	1361	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,354	767,506
Pavement Mgmt System	1363	0	760,000	490,000	650,000	600,000	340,000	550,000	650,000	600,000	820,000	5,460,000
Traffic Maintenance Mater	1623	153,063	156,124	159,247	162,432	165,680	168,992	172,372	175,820	179,338	182,926	1,675,994
<b>Total Appropriations</b>		<b>3,958,633</b>	<b>4,889,987</b>	<b>4,817,997</b>	<b>5,108,365</b>	<b>5,187,035</b>	<b>5,081,107</b>	<b>5,308,212</b>	<b>5,540,957</b>	<b>5,628,475</b>	<b>5,984,254</b>	<b>51,505,022</b>

Excess (Deficiency) Rev/Exp	(101,633)	(1,014,947)	(864,026)	(1,101,504)	(1,129,259)	(961,320)	(1,124,242)	(1,290,558)	(1,309,322)	(1,597,940)	(10,494,751)
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<b>End Fund Balance</b>	826,563	(188,384)	(1,052,410)	(2,153,914)	(3,283,173)	(4,244,493)	(5,368,735)	(6,659,292)	(7,968,614)	(9,566,555)	(9,566,555)
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ATTACHMENT D

## Street Maintenance Operations & Capital - Draft 2

### 10 Year Deficit

<b>Beginning Fund Balance</b>	928,196	824,229	2,083,597	1,770,828	989,727	177,245	(480,043)	(1,303,275)	(2,304,774)	(3,333,345)	928,196
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<b>Revenue</b>	<u><b>2007-08</b></u>	<u><b>2008-09</b></u>	<u><b>2009-10</b></u>	<u><b>2010-11</b></u>	<u><b>2011-12</b></u>	<u><b>2012-13</b></u>	<u><b>2013-14</b></u>	<u><b>2014-15</b></u>	<u><b>2015-16</b></u>	<u><b>2016-17</b></u>	<u><b>Total</b></u>
Gas Tax	1,499,000	1,477,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	#####
Prop. 111	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	7,600,000
Measure C	1,544,000	1,598,040	0	0	0	0	0	0	0	0	3,142,040
Measure J	0	0	1,653,971	1,711,860	1,771,776	1,833,788	1,897,970	1,964,399	2,033,153	2,104,314	#####
AB2928 (Prop. 42)	0	1,277,938	0	0	0	0	0	0	0	0	1,277,938
Prop. 1B LSR	0	960,000	480,000	251,400	251,400	251,400	251,400	251,400	251,400	251,600	3,200,000
Interest	51,666	76,377	89,257	82,003	69,377	56,632	53,610	41,658	33,351	14,004	567,935
<b>Total Revenue</b>	<b>3,854,666</b>	<b>6,149,355</b>	<b>4,505,228</b>	<b>4,327,263</b>	<b>4,374,553</b>	<b>4,423,820</b>	<b>4,484,980</b>	<b>4,539,457</b>	<b>4,599,904</b>	<b>4,651,918</b>	<b>#####</b>

<b>Appropriations</b>	<b>Program/PJ</b>	<u><b>2007-08</b></u>	<u><b>2008-09</b></u>	<u><b>2009-10</b></u>	<u><b>2010-11</b></u>	<u><b>2011-12</b></u>	<u><b>2012-13</b></u>	<u><b>2013-14</b></u>	<u><b>2014-15</b></u>	<u><b>2015-16</b></u>	<u><b>2016-17</b></u>	<u><b>Total</b></u>
Street Maintenance	Operating	1,469,712	1,547,098	1,586,355	1,628,949	1,684,525	1,732,072	1,787,273	1,842,706	1,900,059	1,958,590	#####
Patch Paving Contracts	1A01	931,250	959,188	987,963	1,017,602	1,048,130	1,079,574	1,111,961	1,145,320	1,179,680	1,215,070	#####
Seal Program Contracts	1A03 1A05	981,867	1,010,667	1,071,082	1,082,330	1,109,586	1,168,933	1,199,933	1,230,786	1,263,135	1,290,266	#####
Monument Blvd	2064	20,000	0	0	0	0	0	0	0	0	0	20,000
Annual CIP/TIP Mgmt Pgr	1024	32,980	32,619	32,248	31,865	31,471	31,065	30,647	30,217	29,773	30,217	313,102
Traffic Calming	1028	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,200,000
LED Replacement	1037	50,000	98,538	159,176	215,351	221,812	228,466	117,660	121,191	124,826	128,571	1,465,591
Congestion Management	1531	16,883	17,389	17,911	0	0	0	0	0	0	0	52,183
Sidewalk Annual Program ( <i>Capital BENS</i> )	1173	115,928	119,405	122,988	126,678	130,478	134,392	138,424	142,577	146,854	151,260	1,328,984
Transpac Work Program	1361	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,354	767,506
Pavement Mgmt System	1363	0	760,000	490,000	650,000	600,000	340,000	550,000	650,000	600,000	820,000	5,460,000
Traffic Maintenance Mater	1623	153,063	156,124	159,247	162,432	165,680	168,992	172,372	175,820	179,338	182,926	1,675,994
<b>Total Appropriations</b>		<b>3,958,633</b>	<b>4,889,987</b>	<b>4,817,997</b>	<b>5,108,365</b>	<b>5,187,035</b>	<b>5,081,107</b>	<b>5,308,212</b>	<b>5,540,957</b>	<b>5,628,475</b>	<b>5,984,254</b>	<b>#####</b>

Excess (Deficiency) Rev/Exp	(103,967)	1,259,368	(312,769)	(781,101)	(812,482)	(657,288)	(823,232)	(1,001,500)	(1,028,571)	(1,332,336)	(5,593,878)
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<b>End Fund Balance</b>	824,229	2,083,597	1,770,828	989,727	177,245	(480,043)	(1,303,275)	(2,304,774)	(3,333,345)	(4,665,682)	(4,665,682)
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ATTACHMENT

## Street Maintenance Operations & Capital - Draft 3

### 10 Year Deficit

<b>Beginning Fund Balance</b>		1,827,942	897,407	2,072,795	2,403,641	2,194,138	1,798,467	1,445,886	1,385,403	986,169	775,229	1,827,942
<b>Revenue</b>		<b><u>2007-08</u></b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>	<b><u>2013-14</u></b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b>Total</b>
Gas Tax		1,499,000	1,477,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	1,522,000	15,152,000
Prop. 111		760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	7,600,000
Measure C		1,544,000	1,598,040	0	0	0	0	0	0	0	0	3,142,040
Measure J		0	0	1,653,971	1,711,860	1,771,776	1,833,788	1,897,970	1,964,399	2,033,153	2,104,314	14,971,231
AB2928 (Prop. 42)		0	1,277,938	0	0	0	0	0	0	0	0	1,277,938
Proposition 1B (LSR Fund)		0	960,000	480,000	251,400	251,400	251,400	251,400	251,400	251,400	251,600	3,200,000
Interest		51,666	76,377	89,257	82,003	69,377	56,632	53,610	41,658	33,351	14,004	567,935
<b>Total Revenue</b>		<b>3,854,666</b>	<b>6,149,355</b>	<b>4,505,228</b>	<b>4,327,263</b>	<b>4,374,553</b>	<b>4,423,820</b>	<b>4,484,980</b>	<b>4,539,457</b>	<b>4,599,904</b>	<b>4,651,918</b>	<b>45,911,144</b>
<b>Appropriations</b>	<b>Program/PJ</b>											
Street Maintenance	Operating	1,516,449	1,566,927	1,611,440	1,662,724	1,715,826	1,767,328	1,824,129	1,882,858	1,942,971	2,004,385	17,495,037
Patch Paving Contracts	1A01	931,250	959,188	987,963	1,017,602	1,048,130	1,079,574	1,111,961	1,145,320	1,179,680	1,215,070	10,675,738
Seal Program Contracts	1A03 1A05	981,867	1,010,667	1,071,082	1,082,330	1,109,586	1,168,933	1,199,933	1,230,786	1,263,135	1,290,266	11,408,585
Monument Blvd	2064	20,000	0	0	0	0	0	0	0	0	0	20,000
Bridge Maintenance	2060	0	400,000	0	0	0	0	0	0	0	0	400,000
Annual CIP/TIP Mgmt Pgr	1024	32,980	32,619	32,248	31,865	31,471	31,065	30,647	30,217	29,773	30,217	313,102
Traffic Calming	1028	120,000	120,000	120,000	120,000	80,000	80,000	50,000	50,000	50,000	50,000	840,000
LED Replacement	1037	32,500	64,050	103,464	139,978	144,178	148,503	76,479	78,774	81,137	83,571	952,634
Congestion Management Sidewalk Annual Program	1531	16,883	17,389	17,911	0	0	0	0	0	0	0	52,183
( Capital BENS )	1173	0	119,405	0	126,678	0	134,392	0	142,577	0	212,700	735,752
Transpac Work Program	1361	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,354	767,506
Pavement Mgmt System	1363	0	120,000	0	120,000	400,000	120,000	0	120,000	0	120,000	1,000,000
PMS Commerce	1363	0	221,000	0	0	0	0	0	0	0	0	221,000
PMS Commerce	1363	513,259	117,639	0	0	0	0	0	0	0	0	630,898
PMS Imp Grant St	2363	200,000	0	0	0	0	0	0	0	0	0	200,000
PMS Imp Wilcrest	2363	200,000	0	0	0	0	0	0	0	0	0	200,000
Traffic Maintenance Mater	1623	153,063	156,124	159,247	162,432	165,680	168,992	172,372	175,820	179,338	182,926	1,675,994
<b>Total Appropriations</b>		<b>4,785,201</b>	<b>4,973,967</b>	<b>4,174,382</b>	<b>4,536,767</b>	<b>4,770,224</b>	<b>4,776,400</b>	<b>4,545,463</b>	<b>4,938,692</b>	<b>4,810,844</b>	<b>5,276,489</b>	<b>47,588,429</b>
Excess (Deficiency) Rev/Exp		(930,535)	1,175,388	330,846	(209,503)	(395,671)	(352,581)	(60,483)	(399,235)	(210,940)	(624,571)	(1,677,285)
<b>End Fund Balance</b>		<b>897,407</b>	<b>2,072,795</b>	<b>2,403,641</b>	<b>2,194,138</b>	<b>1,798,467</b>	<b>1,445,886</b>	<b>1,385,403</b>	<b>986,169</b>	<b>775,229</b>	<b>150,657</b>	<b>150,657</b>

ATTACHMENT F

California Society of  
Municipal Finance Officers

Certificate of Award

*Excellence in Capital Budgeting 2006-07*

Presented to

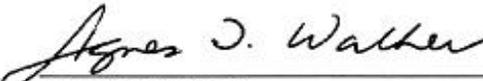
*City of Concord*

*This certificate recognizes the achievement of Excellence in Capital Budgeting and reflects an outstanding budget document and the underlying budgeting process through which the budget is implemented.*

March 6, 2007



  
Mark Alvarado  
CSMFO President

  
Agnes Walker, Chair  
Budgeting & Financial Management

*Dedicated to Excellence in Municipal Financial Management*

ACTION ITEM NUMBER	DATE	DESCRIPTION	STATUS
1	10/11/06	BE&NS and Finance draft Budget/CIP process schedule.	
2	11/01/06	CM and BE&NS & Finance hold Kick-Off Meeting with Department Heads and Project proponents to provide guidance (CM) and instructions on schedule and process (BE&NS & Finance).	
3	11/09/06	BE&NS transmits CIP memos and CIP Schedule to Parks, Recreation & Open Space Commission and Planning Commission.	
4	11/15/06	BE&NS, PW, P&ED, and Finance meet to update revenue assumptions.	
5	11/27/06	Draft 1 inputs due, including updates and new project proposals. Carry-over projects should show any changes/additions to funding. Be sure to identify those projects you are certain will be completed by June 30, 2006 (which will be removed from the Draft Binder).	
6	12/08/06	Draft 1 CIP/TIP binder to CIP Committee	
7	12/15/06	CM/CIP/TIP Committee meets to review Draft 1 of the CIP.	
8	1/03/07	BE&NS, PW, P&ED, and Finance meet to finalize revenue assumptions).	
9	1/10/07	Draft 2 inputs due. <b>(Project proponents to obtain CM concurrence for new projects after this date prior to BE&amp;NS accepting the proposal for consideration by the CIP Committee).</b>	
10	01/19/07	Draft 2 of CIP/TIP binder, <b>including preliminary fund balances</b> , to CM/CIP Committee. <b>NOTE: This draft is due at this time in order to give Finance an opportunity to include the CIP info in their 10-Year Plans for Departmental Meetings.</b>	
11	01/25/07	CM/CIP/TIP Committee meets to review Draft 2 of the CIP.	

ACTION ITEM NUMBER	DATE	DESCRIPTION	STATUS
12	Coordinate with CDBG Redevelopment and Operating Budget Calendars.	CIP cash-flows are coordinated with Operating Budget, Redevelopment and CDBG budgets (Ongoing with budget process). Any changes from the Draft 2 meeting will be coordinated with Finance and final numbers will be given to Finance on or before March 9 <sup>th</sup> .	
13	02/09/07	Draft 3 inputs due.	
14	02/23/07	Draft 3 to CIP/TIP Committee.	
15	02/28/07	Staff report for Parks and Recreation Commission hearing	
16	03/14/07	Parks, Recreation & Open Space Commission hearing/final review.	
17	04/04/07	Prepare agenda report for Planning Commission study session.	
18	04/11/07	Final Changes for the Proposed Draft due. Database will be locked out after this date and no more changes will be made.	
19	04/17/07	Proposed CIP to CM/CIP Committee, City Council, and Planning Commission.	
20	04/18/07	Planning Commission Study Session.	
21	05/08/07 05/09/07	Council Budget Workshop (5/09/07 if necessary)	
22	05/10/07	Begin follow-up actions per Council and CM direction. Redraft as needed for next public hearings.	
23	05/16/07	Planning Commission hearing/findings.	
24	06/12/07	Council Hearing CIP/TIP, 1 <sup>st</sup> Public Hearing	
25	06/26/07	Council Hearing. 2 <sup>nd</sup> Public Hearing, CIP/TIP Adoption	
26	08/01/07	Publish, distribute, Adopted CIP/TIP	