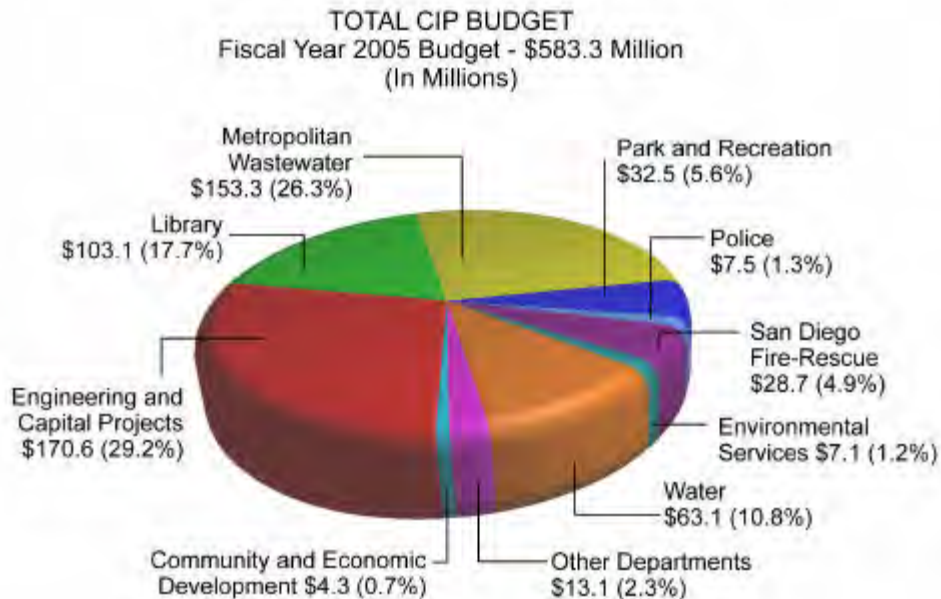


# Capital Improvements Program

## Fiscal Year 2005 Capital Improvements Program Summary

The Capital Improvements Program (CIP) Budget supports construction projects such as the development of parkland, the construction of a sewer pump plant, the acquisition of land for City use, the installation of a traffic signal and street lighting system, or the construction or remodeling of a City facility. These monies are derived from sources such as sewer and water fees, a half-cent local sales tax for transportation improvements (TransNet), development impact fees, state and federal grants, and/or the issuance of bonds for very large projects.



The Annual Fiscal Year 2005 Capital Improvements Program (CIP) Budget totals \$583.3 million, which represents an increase of \$115.7 million or 24.8% from the Fiscal Year 2004 Annual Capital Improvements Program Budget of \$467.6 million. Decreases occurred in the Transportation, Community & Economic Development and Water Capital Improvements Programs, while increases occurred in the Park and Recreation, Engineering and Capital Projects, and Metropolitan Wastewater Capital Improvements Programs. Sewer and water projects comprise over 37% of the total CIP Budget.

Several of the larger projects within the City's Capital Improvements Program are phase funded, which is a means whereby large projects may be budgeted, appropriated, and contracted for in an efficient manner that maximizes the City's use of available funds. This has allowed the City to better match revenue flows with actual expenditure plans.

The majority of the City's Capital Improvements Program projects include a component to meet the requirements for the Americans with Disabilities Act (ADA). ADA compliance requirements are included in several projects such as water and sewer pipeline replacements, pump stations, street resurfacing, architectural barrier removal (such as curb cuts), sidewalk improvements, and tot lots.

## Capital Improvements Program

### Fiscal Year 2005 Capital Improvements Program Summary

The major CIP components are summarized as follows:

<b>SUMMARY OF THE CAPITAL IMPROVEMENTS PROGRAM BY DEPARTMENT</b>				
	<b>Fiscal Year 2004 Annual Budget</b>	<b>Annual Fiscal Year 2005 Budget</b>	<b>Change Between Fiscal Years 2004- 2005</b>	<b>Fiscal Year 2005 Percent of Total</b>
<b>Community and Economic Development</b>	\$7,018,794	\$4,303,380	(\$2,715,414)	0.74%
<b>Development Services</b>	\$179,400	\$60,000	(\$119,400)	0.01%
<b>Engineering and Capital Projects</b>	\$38,250,782	\$170,545,990	\$132,295,208	29.24%
<b>Environmental Services</b>	\$5,663,000	\$7,080,000	\$1,417,000	1.21%
<b>General Services</b>	\$2,341,937	\$3,066,643	\$724,706	0.53%
<b>Information Technology and Communications</b>	\$1,900,000	\$9,000,000	\$7,100,000	1.54%
<b>Library</b>	\$90,117,453	\$103,124,344	\$13,006,891	17.68%
<b>Metropolitan Wastewater</b>	\$117,420,162	\$153,356,199	\$35,936,037	26.29%
<b>Park and Recreation</b>	\$15,611,000	\$32,471,784	\$16,860,784	5.57%
<b>Planning</b>	\$38,000	\$ -	(\$38,000)	0.00%
<b>Police</b>	\$8,011,093	\$7,504,814	(\$506,279)	1.29%
<b>QUALCOMM Stadium</b>	\$625,400	\$500,000	(\$125,400)	0.09%
<b>Real Estate Assets:</b>				
<b>Airports</b>	\$490,000	\$490,000	\$ -	0.08%
<b>San Diego Fire-Rescue</b>	\$8,730,807	\$28,678,680	\$19,947,873	4.92%
<b>Special Projects</b>	\$ -	\$ -	\$ -	0.00%
<b>Transportation</b>	\$103,214,663	\$ -	(\$103,214,663)	0.00%
<b>Water</b>	\$67,954,745	\$63,110,517	(\$4,844,228)	10.81%
<b>TOTAL</b>	<b>\$ 467,567,236</b>	<b>\$ 583,292,351</b>	<b>\$ 115,725,115</b>	<b>100.00%</b>

## **Capital Improvements Program**

### **Fiscal Year 2005 Capital Improvements Program Summary**

Due to a Managerial decision, the Transportation Department and the Engineering and Capital Projects Department were restructured in Fiscal Year 2003. The changes to the departments became effective in Fiscal Year 2004. As a result of restructuring, most projects which were previously budgeted within the Transportation Department are now budgeted within the Engineering and Capital Projects Department, while those related to storm drains, streets and sidewalks are budgeted in the General Services Department CIP.

Highlights of the Annual Fiscal Year 2005 Capital Improvements Program budget are as follows for each department:

### **Community and Economic Development**

The Annual Fiscal Year 2005 CIP budget for the Community and Economic Development Department is \$4.3 million, of which \$1.5 million is Parking Meter District One revenues for funding downtown parking projects and \$1.5 million is Community Development Block Grant funding for citywide architectural barrier removal.

### **Engineering and Capital Projects**

The Annual Fiscal Year 2005 CIP budget for the Engineering and Capital Projects Department is \$170.6 million. The \$132 million increase from Fiscal Year 2004 to Fiscal Year 2005 can be attributed in large part to the transfer of multiple CIP projects from the Transportation Department. There is also a substantial increase in the Undergrounding of City Utilities project, which provides for underground conversion projects to augment the California Public Utilities Commission (CPUC) Rule 20A projects as well as providing for the necessary administrative expenses, conversion of City-owned street lighting and resurfacing of roadways associated with the undergrounding of utilities. The \$64.5 million annual allocation is entirely funded by the Undergrounding Surcharge Fund. Other significant allocations include:

- \$13.1 million in Facilities Benefit Assessments for the construction of the Camino Santa Fe and State Route 56 interchange
- \$6.2 million in Surface Transportation Program funding for the construction of a four lane collector street from Sorrento Valley Road to Scranton Road
- \$6.0 million in State grant funding for Balboa Avenue improvements
- \$2.8 million in Highway Bridge Replacement/Repair funding for improvement to the First Avenue bridge over Maple Canyon
- \$1.3 million in Facilities Benefit Assessments and donations for the construction of the central section of Del Sol Boulevard

### **Environmental Services**

## Capital Improvements Program

### Fiscal Year 2005 Capital Improvements Program Summary

The Annual Fiscal Year 2005 CIP budget for the Environmental Services Department is \$7.08 million. This amount includes:

- \$2.2 million funded by the Refuse Disposal Enterprise Fund for Phase II of the West Miramar Refuse Disposal Facility project
- \$1.0 million funded by the Refuse Disposal Enterprise Fund for the Future Landfill and Transfer Facility project
- \$500,000 funded by the Refuse Disposal Enterprise Fund for generation of up to one megawatt of power from solar photovoltaic panels at the South Chollas Landfill.

### General Services

The Annual Fiscal Year 2005 CIP budget for the General Services Department is \$3.1 million. \$1.3 million is Storm Drain revenue for funding emergency drainage projects, and \$1.3 million is allocated for street resurfacing and sidewalk repairs.

### Library

The Annual Fiscal Year 2005 CIP budget for the Library Department is \$103.1 million, including anticipated State, federal, local, and private funding. The majority of the projects in the Library Department's CIP are part of the Mayor's 21<sup>st</sup> Century Library System/Library Department Facility Improvements Program, which is estimated at \$312.3 million, and includes funding from City bond proceeds, Redevelopment Agency contributions, Development Impact Fees and Facilities Benefit Assessment Fees, State and federal grants, City funds, and a variety of other grants and private donations.

Many of the projects included in the Library System Improvements Program have continuing appropriations of the interim funding that was advanced in order to meet the Library System funding needs prior to the first bond issuance scheduled to occur in June 2004. However, due to construction bids on two projects that far exceeded the estimates used to develop the financing plan, some of the interim funding has been reallocated. The following changes to project budgets were made as a result of Council action during Fiscal Year 2004:

- City Council Resolution R-298894 authorized the transfer of \$500,000 in Library Interim Funds from CIP 35-088.0, San Carlos Branch Library Expansion, and \$250,000 from CIP 35-100.0, Ocean Beach Branch Library, for the purpose of funding the construction of CIP 35-087.0, Otay Mesa/Nestor Branch Library. Per the resolution, transferred funds are to be replenished when the first library bond issuance occurs.
- In addition to the Library Interim Funds, City Council Resolution R-298894 also authorized the application for and acceptance of \$750,000 in Housing and Urban Development Section 108 loans for CIP 35-087.0, Otay Mesa/Nestor Branch Library.

## Capital Improvements Program

### Fiscal Year 2005 Capital Improvements Program Summary

- City Council Resolution R-298877 authorized the transfer of \$500,000 in Library Interim Funds from CIP 35-104.0, North Park Branch Library, and \$1,500,000 from CIP 35-106.0, Paradise Hills Branch Library, for the purpose of funding the construction of CIP 35-071.0, College Heights/Rolando Branch Library. Per the resolution, transferred funds are to be replenished when the first library bond issuance occurs.

### Metropolitan Wastewater

The Annual Fiscal Year 2005 CIP budget for the Metropolitan Wastewater Department is \$153.8 million, funded by the Sewer Enterprise Fund. This amount includes several key allocations, including:

- \$50.4 million for the annual allocation for sewer main replacements
- \$11.3 million for the replacement and improvements at Lake Murray Trunk Sewer
- \$8.4 million for Pipeline Rehabilitation in the right-of-way
- \$3.2 million for the annual allocation for sewer pump stations restorations
- \$2.6 million for the annual allocation for trunk sewer rehabilitations
- \$1.4 million for the second phase of improvements to the Metropolitan Operations Center

In addition, \$37.7 million is planned for phase-funded contracts within existing projects. These contracts are not included in the Fiscal Year 2005 Annual CIP Budget, but are planned to be appropriated during Fiscal Year 2005 as part of the Metropolitan Wastewater Department's cash management process:

- \$9.9 million for construction of various Sewer Main Replacements
- \$9.7 million for upgrades at Point Loma Digester S1 and S2
- \$8.8 million for construction at Otay Mesa Trunk Sewer
- \$4.7 million for construction of the Carmel Valley Trunk Sewer east of Interstate 5
- \$4.7 million for various sewer pump stations restorations
- \$2.8 million for construction of Sewer Pump Station 45
- \$1 million for a variety of other construction and design contracts
- \$8.9 million for Sorrento Valley Trunk Sewer Relocation

# Capital Improvements Program

## Fiscal Year 2005 Capital Improvements Program Summary

- \$36,000 for South Mission Valley Trunk Sewer

### **Park and Recreation**

The Annual Fiscal Year 2005 CIP Budget for the Park and Recreation Department is \$32.5 million. Some of the projects to receive funding in Fiscal Year 2005 are:

- \$4.15 million funded by Facilities Benefit Assessments for the Ocean View Hills Community Park
- \$1.0 million funded by Facilities Benefit Assessments for the Del Mar Mesa Neighborhood Park number ten
- \$2.0 million funded by Facilities Benefit Assessments for the Nobel Athletic Area development
- \$3.1 million funded by Golf Course Enterprise Funds for the reconstruction of the North Course at Torrey Pines Golf Course
- \$958,000 funded by the State and federal grants for a six-acre park at Park de la Cruz and 38th Street Canyon

### **Police**

The Fiscal Year 2005 Proposed CIP budget for the Police Department is \$7.5 million, of which \$5.0 million is comprised of Police Decentralization funding, \$.7 million is Sorrento Hills Planned Urbanizing Area Development Impact Fees for the Northwestern Area station, and the remaining \$1.8 million is for the relocation of the Central Police Garage and Motorcycle shop.

### **Real Estate Assets**

The Annual Fiscal Year 2005 CIP budget for the Real Estate Assets Department is \$490,000, funded entirely by the Airports Enterprise Fund, for improvements at Montgomery Field and Brown Field Airports.

### **San Diego Fire-Rescue**

The Annual Fiscal Year 2005 CIP Budget for the Fire-Rescue Department is \$28.7 million, most of which is funded through the Fire and Lifeguard Facility Improvement Program. The City Council approved Ordinance O-19054 and Resolution R-296359 in April 2002, which authorized a joint financing plan for Fire and Lifeguard facilities. The total project cost of the Fire and Lifeguard Facility Improvement Program increased as a result of compliance with the Leadership in Energy Environmental Design (LEED) "Silver" standard, additional Americans with Disabilities Act (ADA) requirements, and other total project cost adjustments. These

## **Capital Improvements Program**

### **Fiscal Year 2005 Capital Improvements Program Summary**

actions also authorized the use of bond proceeds to fund the Fire and Lifeguard Facility Improvement Program.

The cost of the Program is currently estimated at \$45.2 million, of which \$34.3 million is for Fire projects and \$10.9 million is for Lifeguard projects. However, for many of these projects, only planning and other preliminary activities have been performed to date. The total project cost for each Fire and Lifeguard facility will be set and the schedule for the design and construction will be established, once the full scope of work is finalized.

### **Transportation**

All CIP projects for the Transportation Department have been transferred to either the Engineering and Capital Projects or General Services Department as the result of restructuring.

### **Water**

The Annual Fiscal Year 2005 CIP budget for the Water Department is \$63.1 million and is funded entirely by the Water Enterprise Fund. The following projects are programmed for Fiscal Year 2005:

- \$15.0 million for replacing water mains Citywide
- \$4.9 million for a reclaimed water pipeline system within the northern areas of the City
- \$4.0 million for replacement of the Torrey Pines Road/La Jolla Boulevard Water Main
- \$3.3 million for the replacement for the Rancho Bernardo Reservoir

In addition, \$64.4 million is planned for phase-funded contracts within existing projects. These contracts are not included in the proposed annual budget, but are planned to be appropriated during Fiscal Year 2005 as part of the Water Department's cash management process:

- \$37.3 million for the Miramar Water Treatment Plant upgrade and expansion
- \$10.8 million for Phase II of the Alvarado Water Treatment Plant upgrade and expansion
- \$5.5 million for the Earl Thomas Reservoir at the Alvarado Water Treatment Plant

\$2.1 million for upgrades at the Otay Water Treatment Plant

# **Capital Improvements Program**

## **Fiscal Year 2005 Capital Improvements Program Summary**