



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Climate Action Plan: Development of an Initial Five-Year Financial Outlook

OVERVIEW

During last year's public budget hearings discussing the proposed FY 2018 Budget, several stakeholders requested the development of a short-term implementation plan for planned CAP actions/expenditures. While the CAP matches proposed goals/actions to achieve specified targets/outcomes by 2020 and 2035, it does not provide specific implementation detail (timing/cost) on an annual basis. Subsequent to the budget hearings, our Office received a request from Councilmember Alvarez to develop a short-term financial outlook for the CAP (Outlook) to project planned implementation costs over the next five years. The Outlook would serve as a strategic planning tool to inform decision makers of the potential future costs of implementing CAP strategies and actions. This report was prepared to respond to the request from Councilmember Alvarez.

BACKGROUND

In an effort to develop a long-term approach to address climate change, Governor Arnold Schwarzenegger signed an Executive Order in 2005 requiring the State to reduce greenhouse gas (GHG) emissions to 1990 levels by the year 2020, and to 80 percent below 1990 levels by year 2050. In support of the Governor's emission reduction targets, the California Legislature passed the California Global Warming Solutions Act of 2006 (Assembly Bill 32). Assembly Bill 32 (AB 32) identified the California Air Resources Board (CARB) as the lead agency for the development and implementation of measures to achieve the established State emission goals.

CARB was charged with developing a "Scoping Plan¹" describing the approach California would take to achieve its GHG emission targets. The initial Scoping Plan was approved in 2008 and was required to be updated every five years thereafter to consider technical developments and other changes. The 2008 Scoping Plan recommended local governments establish municipal and communitywide GHG reduction

¹ Scoping Plan to include development and implementation of multiple measures such as Advanced Clear Car standards and Low Carbon Fuel Standard.

targets of 15% below then-current levels by 2020. CARB subsequently updated their Scoping Plan in 2014 to establish a statewide “mid-term” emission reduction target of 40% below 1990 emission levels by 2030 to assist in the achievement of the 80% emission reduction target in 2050. Similarly, CARB recommended local governments calculate “mid-term” emission reduction targets to ensure they would meet or exceed the emission reduction trajectory created by the statewide goals.

In 2010, the City initiated the development of strategies and potential measures to meet State emission reduction requirements. In 2015, the City adopted the Climate Action Plan (CAP) which identified five overarching strategies and multiple actions to support the City achieving the established State emission targets. In keeping with the CARB recommendation that local governments establish a 15 percent emission reduction target from current levels, the City selected 2010 to be the base year against which future emission reductions would be evaluated. The City selected 2010 as the base year because it was the year the City initiated development of its CAP and also had the best emission information available to the City at the time. The CAP establishes GHG reduction targets of 15% by 2020, 40% by 2030, and 50% by 2035 below the 2010 base year emission level.

The actions identified within the CAP are slated for implementation across three phases to support the achievement of short-term goals (Phase 1 was to have been implemented by 2017), mid-term goals (Phase 2 to be implemented by 2020), and longer-term goals (Phase 3 to be achieved by 2035) of the CAP. The City’s CAP can be found on the City’s website at <https://www.sandiego.gov/sustainability/climate-action-plan>.

The City issues an annual report on the CAP which includes updates on emission reduction program achievements from the prior calendar year and items the City strives to accomplish in the future. In addition to the annual progress report, the City includes discussion of new funding for CAP related projects in the annual budget documents. This discussion provides the total amount of funding proposed and ultimately approved for the upcoming fiscal year. While the City has developed an annual progress report for past accomplishments and provides funding information for CAP related items for the upcoming fiscal year, the City has not developed a forward-looking fiscal planning document to project the future costs of implementing the actions necessary to meet CAP targets.

FISCAL POLICY/DISCUSSION

CAP EMISSION REDUCTION TARGETS

As shown in Table 1, there are two ways to evaluate the projected effectiveness of CAP actions in reducing GHG emissions. The first method compares projected City emission levels (after implementing CAP actions) against emission targets established by the City and State for years 2020, 2030, and 2035. The City’s 2010 baseline is the reference amount against which the targeted reduction levels (15% by 2020; 40% by 2030; and 50% by 2035) can be applied. For example, a 15% reduction from the 2010 Baseline emission amount of 12,984,993 MT CO₂e would be 1,947,749 MT CO₂e². This would result in a 2020 target emission level of 11,037,244 MT CO₂e. It should be noted that a 2010 Baseline comparison does not account for growth in GHG emissions over time attributable to expected changes in population or economic activity.

² MT CO₂e = Metric Tons of Carbon dioxide equivalent (CO₂e is a term for describing Greenhouse Gases (GHG) in a common unit.).

The second method of evaluating projected GHG emission levels is to compare them to the projected emission levels had the City not implemented its CAP - the Business as Usual (BAU) projections. The BAU figures: 1) assume emission policies remain unchanged from the 2010 base year; and 2) project emission levels into the future using expected changes in population and economic activity. As a result, projected BAU emission levels increase significantly over time. Projected emission amounts after CAP actions can be compared with the BAU figures in Table 1 to illustrate the tremendous difference between action and inaction over time.

Table 1 - State/City Emission Targets and CAP Implementation Projections

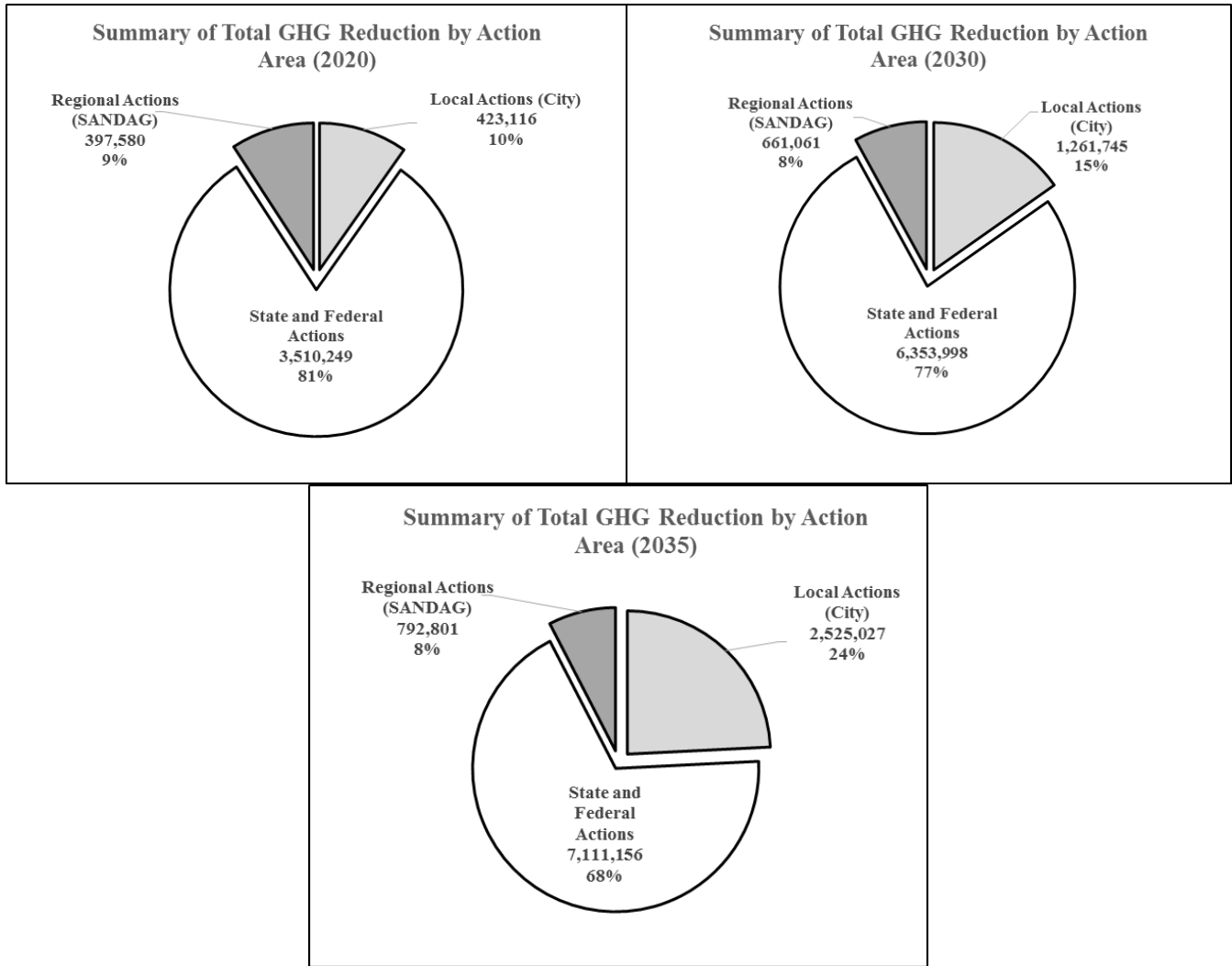
GHG Emissions Reduction Targets (MT CO ₂ e)					
	State/City Emission Targets		CAP Implementation Projections		
Timetable	State/City % Emission Reduction Targets	Resulting Emission Target Levels	BAU Projections (if no CAP actions taken)	Projected City Emission Reductions due to CAP Actions	Projected City Emission Levels After CAP Actions
2010 Baseline	N/A	12,984,993	12,984,993	N/A	12,984,993
2020	15%	11,037,244	14,124,690	4,330,946	9,793,744
2030*	40%	7,790,996	15,856,604	8,276,804	7,579,800
2035*	50%	6,492,497	16,716,020	10,428,926	6,287,094

(*) Emission reduction targets for 2030 and 2035 established by the City for the CAP.

The CAP identifies multiple actions projected to be undertaken by local (City), regional (SANDAG), and state and federal agencies in order to achieve established reduced GHG emission levels.³ Potential actions to reach the 2050 State established goals will be identified in a future planning document. It should be noted that actions to be implemented by State and Federal agencies are projected to result in a majority of the targeted emission reductions (more than two-thirds), particularly for the early target dates. Several of the City actions require in-depth planning and lengthy implementation periods, resulting in City actions having larger contributions to GHG reductions during the later phases of the CAP. The following charts illustrate projected emission reductions attributable to the agencies identified in the CAP for the 2020, 2030, and 2035 target dates⁴.

³ All actions from local, regional, state and federal agencies are listed in the CAP document.

⁴ Projected reductions in emissions based on information presented in the CAP document.



Based on projected emission reductions from the CAP, actions credited to the State and Federal agencies are responsible for 81% of overall emission reductions in 2020, with City and SANDAG actions contributing 10% and 9% respectively to the emission reduction. However, as City actions are developed and implemented over time, the City’s contributions increase to 24% of the overall emission reductions by 2035 with the State and Federal actions still contributing a majority (68%) of the resulting emission reductions and SANDAG actions contributing 8%.

For the State and Federal agencies’ actions, the City will continue to support the State and Federal efforts through the Mayor’s Office and the City’s professional lobbyists. For the City’s contribution to the reduced emission levels, the CAP serves as the primary guide for City actions.

CAP OVERVIEW

The CAP is an organized plan of identified actions that contribute directly or indirectly to the reduction of GHG emission levels. These actions are categorized into five key overarching strategies. These strategies and the goals of each strategy are as follows:

- Strategy 1: Energy & Water Efficient Buildings
Goals: Reduce residential building consumption, establish a residential energy conservation ordinance, and reduce water consumption.
- Strategy 2: Clean & Renewable Energy
Goals: Achieve 100% renewable energy by 2035, convert City passenger fleet to zero emission, convert municipal packers/vehicles to low emission fuel (compressed natural gas).
- Strategy 3: Bicycling, Walking, Transit & Land Use
Goals: Increase mass transit, commuter walking, and bicycling; and reduce miles traveled by vehicle.
- Strategy 4: Zero Waste
Goals: Divert solid waste from the landfills and capture methane from Wastewater Treatment.
- Strategy 5: Climate Resiliency
Goal: Increase urban tree canopy coverage

The actions within the CAP call for leveraging existing City programs and the development of new programs/projects. Many of the actions involve multiple City departments. For example, Strategy 1 (Energy & Water Efficient Buildings) involves the Environmental Services, Planning, Public Utilities, and Development departments. The CAP has three implementation phases (2016-2017, 2018-2020, and 2021-2035) and three emission reduction target dates (2020, 2030, and 2035). Implementation actions identified in Phase 1 were to have been implemented by 2017, while Phase 2 actions are planned to be implemented by 2020, and Phase 3 actions are to be implemented by 2035.

While the CAP does identify key strategies and potential actions for the City, it does not include potential costs or funding mechanisms for the proposed actions. Currently, the City develops annual budgets for each department within the City, with CAP related programs/projects being included in the proposed departmental requests. This process allows the City Council to consider the funding of CAP related projects/programs on an annual basis; however the City currently does not have a forward-looking planning document that projects the future annual costs of implementing actions identified within the CAP.

CAP OUTLOOK

In response to the request from Councilmember Alvarez, our Office has endeavored to develop an initial five-year financial outlook for the CAP to assist in fiscal planning efforts. It is assumed that this initial Outlook will be further refined and annually updated by City staff as needed in order to make it a more useful planning tool.

The goal was to identify and forecast costs for CAP related programs/projects planned to occur in the five years beyond the current fiscal year (FY 2018). It is important to note that this Outlook only includes identified CAP related expenses for new or additional programs/projects and incremental expense increases for existing programs/projects. The Outlook shows the FY 2018 base year expenditures that staff indicates are supporting of the CAP but does not show expenditures from past fiscal years. Prior year and current year department allocations for ongoing programs are normally captured in a department's baseline budget, and will not be included in the Outlook period unless there is a significant change in the annual amount. Total overall allocations or actual expenditures attributed to specific CAP programs/projects would require a separate accounting review. The Outlook is intended to be a budget planning tool as opposed to an adopted budget, therefore it does not guarantee any future funding for certain programs or projects.

In development of the Outlook, our Office reviewed information from individual departments that contributed to CAP related programs/projects. We also reviewed the FY 2017 and FY 2018 departmental

budgets, the Mayor’s FY 2018 – 2022 and FY 2019 -2023 Financial Outlooks, and the FY 2019 -2023 Capital Infrastructure Planning Outlook for CAP related programs and projects that are identified for the CAP Outlook period of FY 2019 – 2023. Based upon our review, there currently is very limited information to help fiscally plan for the CAP. Our Office has compiled CAP project lists for each department and developed summary tables for the CAP Outlook period.

In addition to summarizing potential future expenditures for implementing CAP programs/projects by department, our Office has categorized potential future expenditures to match identified strategies within the CAP. While some actions will cross over into multiple strategies, staff has attempted to place each action in specific strategy for the CAP document. Identification of potential future costs will provide information on the overall costs of implementing certain strategies.

SUMMARY TABLES

The following tables represent the additional future expenditures that are currently planned for implementing the CAP during the Outlook period. Table 2 identifies FY 2018 as the base year and shows projected expenditures by department for the Outlook period from FY 2019 to FY 2023. Additional expenditure detail for each of the departments is provided in Attachment 1.

Table 2 - CAP Outlook: Projected Expenditures by Department

Department	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Economic Development	\$58,315	\$0	\$0	\$0	\$0	\$0
Environmental Services	\$15,949,998	\$4,100,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Park and Recreation	\$1,623,029	\$230,802	\$380,558	\$526,838	\$673,117	\$819,396
Public Utilities	\$101,533,466	\$100,813,740	\$584,718,693	\$402,988,052	\$5,506,313	\$0
Transportation & Storm Water	\$10,874,202	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000
TOTAL	\$130,039,010	\$110,244,542	\$588,299,251	\$406,714,890	\$9,379,430	\$4,019,396

There is a significant reduction in planned expenditures from FY 2018, with the exception of expenditures planned by the Public Utilities Department for the continuation of the Pure Water Project. This reflects the City’s current practice of allocating resources during the annual budget process. The table also highlights the lack of go-forward cost information for implementation of the CAP. The limited future cost detail may be partially explained by certain CAP specific actions that require additional time to evaluate and implement, such as planning for the consideration of pursuing a community choice aggregation.

Table 3 shows the projected expenditures categorized by key CAP strategy. The information from the table provides insight on the funding for each strategy during the Outlook period.

Table 3 - CAP Outlook: Projected Expenditures by CAP Strategy

Strategies	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Strategy 1 - Efficient Buildings	\$27,521,444	\$0	\$0	\$0	\$0	\$0
Strategy 2 - Clean/Renewable Energy	\$1,230,000	\$0	\$0	\$0	\$0	\$0
Strategy 3 - Transit & Land Use	\$10,166,702	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000
Strategy 4 - Zero Waste	\$12,778,313	\$3,100,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Strategy 5 - Climate Resiliency	\$78,342,551	\$102,044,542	\$586,099,251	\$404,514,890	\$7,179,430	\$1,819,396
TOTAL	\$130,039,010	\$110,244,542	\$588,299,251	\$406,714,890	\$9,379,430	\$4,019,396

Table 3 shows the City has large expenditures within the Zero Waste and the Climate Resiliency strategies. These expenditures are primarily attributable to the Zero Waste Plan (Environmental Services Department) and the Pure Water program (Public Utilities Department). In developing the Outlook, it was easy to include these expenditures as revenue sources had been identified and project timing determined. The Outlook could be significantly improved if costs and associated timeframes could be estimated for each of the identified actions in support of each of the five CAP strategies.

LIMITATIONS AND CONSIDERATIONS FOR FURTHER DEVELOPMENT OF THE OUTLOOK

In developing the Outlook, limited cost and timeframe information hindered our ability to develop a comprehensive Outlook detailing near-term CAP expenditures. Some of the challenges we encountered are provided below:

- Identification of revenue - The Outlook does not attempt to project revenue sources to address identified costs. It is difficult to project revenue for CAP programs/projects as specific or dedicated revenue sources have yet to be identified. While enterprise funds, such as the Water Fund, have the ability to adjust rates to fund specific projects, projects funded through the General Fund will compete with future citywide priorities. Identifying funding for all future CAP expenses, particularly those to be addressed via the General Fund will require additional planning/policy decisions and data is not currently available.
- No comparable short-term CAP financial plans – Many municipalities/agencies throughout the country have adopted climate action plans to address the impacts from urban development on the environment, particularly municipalities in California due to the requirement from the State to meet certain GHG emission reductions. Upon receiving the request to develop a short-term forward-looking planning document, our Office reviewed climate action plans from multiple agencies to determine if a similar format had been developed. From our review of climate action plans from other agencies, no other agency had attempted to develop a comprehensive forward-looking financial plan to implement all actions associated with their respective climate action plans. Several plans similarly called for phased implementation of their identified actions, but similar to the City’s CAP, the duration of these phases range from three years to 15 years, with several actions required to be completed by target dates. None of the plans we reviewed had an annual format such as the one presented in this Outlook.
- City’s fiscal projections – In attempting to collect financial information for the Outlook, our Office reviewed: the FY 2017 and FY 2018 Adopted Budgets; the FY 2018 – 2022 and FY 2019 – 2023 Financial Outlooks; and the FY 2019 – 2023 Capital Infrastructure Planning Outlook. While the FY 2018 adopted budget attempts to identify all CAP related expenditures for the year, the Financial and Capital Outlooks do not break out potential CAP related expenses and provide limited information on near-term CAP related expenditures. This is because policy decisions identifying which programs or projects will be considered top priorities typically occur during the annual budget process and on a department by department basis rather than a holistic programmatic approach.
- City’s Strategic plans – The City has developed multiple strategic plans to serve as guidelines for the development and implementation of various departmental and citywide goals. Many of these strategic plans contribute to achieving the CAP emission reduction goals. Examples of these types of strategic

plans include the Bicycle Master Plan, the Urban Forestry Plan, and the Urban Water Management Plan. However, while these plans identify projects and priorities for achieving their goals, they often lack the inclusion of two key fiscal planning elements: a focused implementation timeline and/or projected costs for the identified priorities. Without inclusion of both of these elements, it is difficult to build these CAP related expenditures into the Outlook.

- Implementation timeline – Without a focused implementation timeline, it is difficult to determine costs on an annual basis for fiscal planning purposes. For example, the recently adopted Bicycle Master Plan, identified \$312 million in projects, but did not include an implementation timeline. For fiscal planning purposes (using a straight-line cost projection), if one assumed a 20-year implementation period, the annual cost would be approximately \$16 million. However, if one assumed a 10-year implementation period, the annual cost would increase to approximately \$31 million. A lengthy or unclear implementation phase, such as with the CAP, supports flexibility for initiating programs/projects but also limits fiscal planning abilities.
- No project costs – Plans that identify priorities and projects without cost estimates, even preliminary estimates, hinder the ability to plan for future costs. Developing initial cost estimates (even though the estimate is likely to change over time and particularly for projects to be undertaken many years in the future) provides a starting point for fiscal planning. For example, the Urban Forestry Plan identifies multiple tasks to be undertaken within a short-time frame (five years), however without preliminary cost estimates, it is difficult to evaluate these actions against other projects competing for limited citywide resources.

While our Office did review several strategic plans which included actions that would contribute to achieving the CAP goals, we were unable to include annual costs for implementing these plans in the Outlook as detailed or preliminary information was unavailable. As a result, this Outlook likely underestimates the cost of implementing the CAP over the next five years.

CONCLUSION/RECOMMENDATIONS

In response to a request to our Office, we have developed an initial five-year outlook for CAP related expenses we could identify from FY 2019 to FY 2023. During our development of the CAP Outlook, we have identified several hurdles to developing the Outlook and identified several potential limitations associated with the financial projections represented in the Outlook.

Based on the Summary Tables, implementation of the CAP will generate annual expenses ranging from \$4.0 million to \$588.3 million during the Outlook period from FY 2019 to FY 2023. The largest contributor to these identified expenses, by far, is the City's pursuit of the Public Utilities Pure Water Project.

To begin to address the limitations encountered in endeavoring to develop this Outlook, we offer the following recommendations which would strengthen the financial information that could be presented in future Outlooks.

1. Inclusion of CAP related expenses with the Five-Year Financial Outlook as a separate attachment. The Financial Management Department collects the information for creating the Five-Year


Financial Outlook. By requesting additional information during the information collection phase, Financial Management staff could incorporate projected CAP related expenses into the Financial Outlook. This additional information could be added as a supplemental attachment to the Five-Year Financial Outlook. Additionally, more CAP detail could be built into the annual CIP Budget.

2. Request the inclusion of implementation timelines (short-term and long-term) and cost estimates in future strategic plans.


The City has undertaken the task of developing multiple strategic plans to achieve departmental and citywide goals. However, while these plans provide guidelines and actions to achieve the stated goals of the plan, they often lack the inclusion of detailed timelines and cost estimates. The inclusion of short-term and long-term implementation timelines and preliminary cost estimates will assist in future fiscal planning efforts.

3. Continued development of performance measures for CAP related programs/projects.


The continued annual development of the CAP Outlook by staff will assist in fiscal planning for future CAP related programs/projects, however the development of related performance measures would better enable the City to conduct cost benefit analyses for program/projects, particularly in times of limited resources. The Economic Development Department is currently exploring the development of additional performance measures for CAP related expenditures. The development of these measures should be a priority for the City and supporting resources should be made available.



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Attachment: 1. Departmental CAP Expenditure Detail

**ENVIRONMENTAL SERVICES DEPARTMENT
BUDGET**

	1	2	3	4	5	6	7	8	9
Activity	CAP Strategy	Action	Program or Project	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
Waste Reduction - Climate Action Plan Code Enforcement Addition of 2.00 Code Compliance Officers and non-personnel expenditures to support the Climate Action Plan.	Strategy 4 - Zero Waste	4	Program	\$251,647	\$0	\$0	\$0	\$0	\$0
Waste Reduction - Recycling Education and Outreach Addition of 2.00 Recycling Specialist 2s and non-personnel expenditures to support education and outreach for the Zero Waste Plan.	Strategy 4 - Zero Waste	4.1	Program	\$368,351	\$0	\$0	\$0	\$0	\$0
Vehicle Replacement Fund Transfer of non-personnel expenditures from the Recycling Fund to the Fleet Services Vehicle Replacement Fund related to purchase of greenery and recycling collection vehicles	Strategy 4 - Zero Waste	4	Project	\$1,300,000	\$0	\$0	\$0	\$0	\$0
Aerated Static Pile System Refuse Disposal CIP Fund - Allows construction of infrastructure required to utilize aerated static piles at West Miramar landfill's Greenery and Composting Facility. Provides enhanced production and throughput of clean source separated food scraps and yard wastes being composted.	Strategy 4 - Zero Waste	4.1	Project	\$4,500,000	\$0	\$0	\$0	\$0	\$0
General Fund CIP - CNG Fueling Station Convert Existing Fleet Diesel MSW Trucks to CNG or Low Emission - CIP S15000	Strategy 2 - Clean/ Renewable Energy	2.3	Project	\$1,230,000	\$0	\$0	\$0	\$0	\$0
Miramar Landfill Facility Improvements	Strategy 4 - Zero Waste	4.1	Project	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Miramar Landfill Gas Recovery Improvement	Strategy 4 - Zero Waste	4.1	Project	\$4,300,000	\$1,100,000	\$0	\$0	\$0	\$0
Miramar Landfill Storm Water Improvement	Strategy 5 - Climate Resiliency	5	Project	\$2,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
				\$15,949,998	\$4,100,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000

	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	TOTAL
STRATEGY 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 2	\$1,230,000	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 3	0	0	0	0	0	0	\$0
STRATEGY 4	\$12,719,998	\$3,100,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$11,100,000
STRATEGY 5	\$2,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000
OVERARCHING STRATEGY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$15,949,998	\$4,100,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$16,100,000

**PARKS AND RECREATION DEPARTMENT
BUDGET**

	1	2	3	4	5	6	7	8	9
Activity	CAP Strategy	Action	Program or Project	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
Open Space Acreage Expansion Addition of Park Rangers and associated non-personnel expenditures to support operation and maintenance of additional Open Space acreage.	Strategy 5 - Climate Resiliency	5	Program	\$0	\$230,802	\$380,558	\$526,838	\$673,117	\$819,396
Vernal Pool Habitat Conservation Plan Support Addition of 1.00 Information Systems Analyst II, 1.00 Biologist II, 1.00 Associate Planner and associated non-personnel expenditures to support the Vernal Pool Habitat Conservation Plan.	Strategy 5 - Climate Resiliency	5	Program	\$123,029	\$0	\$0	\$0	\$0	\$0
Downtown Greenways	Strategy 5 - Climate Resiliency	5.1	Project	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Chollas Lake Improvements	Strategy 5 - Climate Resiliency	5	Project	\$500,000	\$0	\$0	\$0	\$0	\$0
				\$1,623,029	\$230,802	\$380,558	\$526,838	\$673,117	\$819,396

	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	TOTAL
STRATEGY 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 5	\$1,623,029	\$230,802	\$380,558	\$526,838	\$673,117	\$819,396	\$4,253,740
OVERARCHING STRATEGY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$1,623,029	\$230,802	\$380,558	\$526,838	\$673,117	\$819,396	\$4,253,740

**PUBLIC UTILITIES DEPARTMENT
BUDGET**

	1	2	3	4	5	6	7	8	9
Activity	CAP Strategy	Action	Program or Project	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
Energy Audits Addition of non-personnel expenditures for miscellaneous contractual services.	Strategy 1 - Efficient Buildings	1.2	Program	\$10,000	\$0	\$0	\$0	\$0	\$0
PURE Water Program The budgets for the Pure Water Program is to support: the CoGen Facility at either MBC or North City that will provide power to the North Water Reclamation Plant and the Advanced Water Purification Plant; the Expansion of the North City Water Reclamation from 30 mgd to 52 mgd; a new pump station that will provide tertiary water to the new Advanced Water Purification Facility; advance construction of new water purification facility that will provide 30 mgd of potable reuse; a new Pure Water pump station and pipeline that will convey purified water to San Vicente or Miramar Reservoirs; and a new wastewater Pump Station that will provide 37 mgd of additional flow to the expanded North City Water Reclamation Plant. CIP ALA00001.	Strategy 5 - Climate Resiliency	5	Project	\$74,112,022	\$100,813,740	\$584,718,693	\$402,988,052	\$5,506,313	\$0
Advanced Metering Infrastructure	Strategy 1 - Efficient Buildings	1	Project	\$27,411,444	\$0	\$0	\$0	\$0	\$0
				\$101,533,466	\$100,813,740	\$584,718,693	\$402,988,052	\$5,506,313	\$0

	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	TOTAL
STRATEGY 1	\$27,421,444	\$0	\$0	\$0	\$0	\$0	\$27,421,444
STRATEGY 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 5	\$74,112,022	\$100,813,740	\$584,718,693	\$402,988,052	\$5,506,313	\$0	\$1,168,138,820
OVERARCHING STRATEGY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$101,533,466	\$100,813,740	\$584,718,693	\$402,988,052	\$5,506,313	\$0	\$1,195,560,264

**TRANSPORTATION AND STORM WATER DEPARTMENT
BUDGET**

	1	2	3	4	5	6	7	8	9
Activity	CAP Strategy	Action	Program or Project	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
Traffic Calming Design and construction of traffic calming measures on City streets. CIP AIL00001.	Strategy 3 - Transit & Land Use	3.4	Project	\$385,000	\$0	\$0	\$0	\$0	\$0
Potential Supplemental Environmental Projects Addition of non-personnel expenditures associated with contractual services for supplemental environmental projects to support water quality improvement projects.	Strategy 5 - Climate Resiliency	5	Program	\$607,500	\$0	\$0	\$0	\$0	\$0
Slurry Seal Maintenance Addition of non-personnel expenditures associated with contractual services to support Slurry Seal Maintenance.	Strategy 3 - Transit & Land Use	Strategy 3	Program	\$1,532,207	\$0	\$0	\$0	\$0	\$0
Bike Facilities Street repurposing projects to enhance safety of existing bike lanes, and install new bike lanes and traffic improvements along major corridors	Strategy 3 - Transit & Land Use	3.3	Project	\$0	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000
Minor Bike Facilities	Strategy 3 - Transit & Land Use	3.3	Project	\$400,000	\$0	\$0	\$0	\$0	\$0
Street Resurfacing and Reconstruction	Strategy 3 - Transit & Land Use	3.3	Project	\$406,745	\$0	\$0	\$0	\$0	\$0
Installation of City Owned Street Lights	Strategy 1 - Efficient Buildings	1.2	Project	\$100,000	\$0	\$0	\$0	\$0	\$0
New Walkways	Strategy 3 - Transit & Land Use	3.2	Project	\$850,000	\$0	\$0	\$0	\$0	\$0
Sidewalk Repair and Reconstruction	Strategy 3 - Transit & Land Use	3.2	Project	\$2,672,850	\$0	\$0	\$0	\$0	\$0
Traffic Signals - Citywide	Strategy 3 - Transit & Land Use	3.4	Project	\$2,240,000	\$0	\$0	\$0	\$0	\$0
Traffic Signals Modification	Strategy 3 - Transit & Land Use	3.4	Project	\$859,900	\$0	\$0	\$0	\$0	\$0
SR 163/Friars Road	Strategy 3 - Transit & Land Use	3	Project	\$200,000	\$0	\$0	\$0	\$0	\$0

**TRANSPORTATION AND STORM WATER DEPARTMENT
BUDGET, cont.**

	1	2	3	4	5	6	7	8	9
Activity	CAP Strategy	Action	Program or Project	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget
University Avenue Mobility	Strategy 3 - Transit & Land Use	3	Project	\$275,000	\$0	\$0	\$0	\$0	\$0
SR94/Euclid Av Interchange Phase 3	Strategy 3 - Transit & Land Use	3	Project	\$200,000	\$0	\$0	\$0	\$0	\$0
Bayshore Bikeway	Strategy 3 - Transit & Land Use	3.3	Project	\$35,000	\$0	\$0	\$0	\$0	\$0
Torrey Pines Road Improvement Phase 3	Strategy 3 - Transit & Land Use	3	Project	\$100,000	\$0	\$0	\$0	\$0	\$0
Talmadge Traffic Calming Infrastructure	Overarching Implementation	Overarching Implementation	Project	\$10,000	\$0	\$0	\$0	\$0	\$0
				\$10,874,202	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000

	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	TOTAL
STRATEGY 1	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
STRATEGY 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 3	\$10,156,702	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$16,056,702
STRATEGY 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STRATEGY 5	\$607,500	\$0	\$0	\$0	\$0	\$0	\$607,500
OVERARCHING STRATEGY	\$10,000	\$0	\$0	\$0	\$0	\$0	\$10,000
TOTAL	\$10,874,202	\$5,100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$16,774,202