



**Members:**  
**Mayor Maureen Toms**  
**Mayor Pro Tem Cameron Sasai**  
**Treasurer Roy Swearingen**

**Staff:**  
**Interim City Manager, Neil Gang**  
**Finance Director, Markisha Guillory**  
**City Clerk, Heather Bell**

## **PINOLE FINANCE SUBCOMMITTEE MEETING AGENDA**

**April 18, 2024  
3:00 PM**

**Attend in person - PINOLE CITY COUNCIL CHAMBERS - 2131 PEAR STREET  
OR  
Attend VIA ZOOM TELECONFERENCE - Details provided below**

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### **How to Submit Public Comments:**

#### **In Person:**

Attend meeting at the Pinole City Council Chambers, fill out a yellow public comment card and submit it to the City Clerk.

#### **Via Zoom:**

Members of the public may submit a live remote public comment via Zoom video conferencing. Download the Zoom mobile app from the Apple Appstore or Google Play. If you are using a desktop computer, you can test your connection to Zoom by clicking [here](#). Zoom also allows you to join the meeting by phone.

#### **From a PC, Mac, iPad, iPhone or Android:**

<https://us02web.zoom.us/j/89335000272>

**Webinar ID: 893 3500 0272**

**By phone: +1 (669) 900-6833 or +1 (253) 215-8782 or +1 (346) 248-7799**

- Speakers will be asked to provide their name and city of residence, although providing this is not required for participation.
- Each speaker will be afforded up to 3 minutes to speak
- Speakers will be muted until their opportunity to provide public comment.

When the Mayor opens the comment period for the item you wish to speak on, please use the “raise hand” feature (or press \*9 if connecting via telephone) which will alert staff that you have a comment to provide and press \*6 to unmute. **To comment with your video enabled, please let the City Clerk know you would like to turn your camera on once you are called to speak.**

#### **Written Comments:**

All comments received **before 12:00 pm the day of the meeting** will be posted on the City’s website on the agenda page ([Agenda Page Link](#)) and provided to the Commissioners prior to the meeting. Written comments will not be read aloud during the meeting. **Email comments to [comment@ci.pinole.ca.us](mailto:comment@ci.pinole.ca.us)** Please indicate which item on the agenda you are commenting on in the subject line of your email.

## OTHER WAYS TO WATCH THE MEETING

**LIVE ON CHANNEL 26.** They are retelecast the following Thursday at 6:00 p.m. The Community TV Channel 26 schedule is published on the city's website at [www.ci.pinole.ca.us](http://www.ci.pinole.ca.us).

**VIDEO-STREAMED LIVE ON THE CITY'S WEBSITE,** [www.ci.pinole.ca.us](http://www.ci.pinole.ca.us) and remain archived on the site for five (5) years.

**If none of these options are available to you, or you need assistance with public comment, please contact the City Clerk, Heather Bell at (510) 724-8928 or [hbelle@ci.pinole.ca.us](mailto:hbelle@ci.pinole.ca.us).**

**Americans With Disabilities Act:** In compliance with the Americans With Disabilities Act of 1990, if you need special assistance to participate in a City Meeting or you need a copy of the agenda, or the agenda packet in an appropriate alternative format, please contact the City Clerk's Office at (510) 724-8928. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

**Ralph M. Brown Act. Gov. Code § 54950.** In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly. The people of this State do not yield their sovereignty to the agencies, which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

**1. CALL TO ORDER**

**2. PUBLIC COMMENT**

**3. CONSENT ITEMS**

- A. Approve the meeting minutes of April 14, 2022

**4. BUSINESS ITEMS**

- A. Strategic Financial Planning Report
- B. Fiscal Year (FY) 2024/25 General Fund Baseline Budget
- C. Fiscal Year (FY) 2024/25 Capital Improvement Plan Baseline Budget

No action is requested. The Subcommittee is an advisory committee which makes recommendations to the City Council.

**5. ADJOURNMENT**

I hereby certify under the laws of the State of California that the foregoing Agenda was posted on the bulletin board at the main entrance of Pinole City Hall, 2131 Pear Street Pinole, CA, and on the City's website, not less than 72 hours prior to the meeting date set forth on this agenda.

**Posted: April 15, 2024 at 2:00 pm**

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**Heather Bell, CMC**  
**City Clerk**

PINOLE FINANCE SUBCOMMITTEE  
MINUTES  
APRIL 14, 2022

**A. CALL TO ORDER**

Mayor Vincent Salimi called the meeting to order at 3:00 p.m. The meeting took place in a hybrid meeting format via Zoom Teleconference and in-person at the Pinole City Hall Chambers, 2131 Pear Street, Pinole, CA.

**Board Members Present:**

Mayor Vincent Salimi  
Mayor Pro Tem Murphy

**Board Members Absent:**

Treasurer Roy Swearingen

**Staff Members Present:**

City Manager, Andrew Murray  
Finance Director, Markisha Guillory  
Public Works Director, Sanjay Mishra  
Capital Improvement and Environmental Program Manager, Misha Kaur  
City Clerk, Heather Bell  
Deputy City Clerk, Roxane Stone

**B. PUBLIC COMMENT**

Deputy City Clerk Roxane Stone reported there were no in-person or virtual comments from the public.

**C. CONSENT ITEMS:** None

**D. BUSINESS ITEMS**

1. Status Quo Financial Forecast for the Long-Term Financial Plan for Fiscal Year (FY) 2022/23 – FY 2026/27 **[Receive Report (Guillory)]**

Finance Director Markisha Guillory provided a PowerPoint presentation for the Status Quo Financial Forecast for the Long-Term Financial Plan for Fiscal Year (FY) 2022/23 – FY 2026/27, which included an overview of the financial planning and reporting process; budget and Long-Term Financial Plan (LTFP).

Development key dates; purpose of the LTFP; status quo financial forecast highlights; recurring and non-recurring budget items and the status quo financial forecast assumptions – revenues and expenditures were also highlighted.

Finance Director Guillory reported next steps would be to prepare the Preliminary Proposed LTFP for FY 2022/23 – FY 2026/27, with a Special City Council meeting scheduled for April 26, 2022.

Mayor Pro Tem Murphy thanked the Finance Director for the presentation and the helpful chart outlining the budget process. Referencing the retirement of debt for redevelopment he asked for further clarification.

Finance Director Guillory clarified the issuance of bonds prior to the dissolution of the Redevelopment Agency with the City having received tax increment in the form of property tax for those redevelopment properties. A portion of that money had been used to pay off that debt for the outstanding bonds and the remaining flowed into the General Fund as pass through residual funding and went to the City's property tax. Since the debt was almost paid off it continued to decrease each fiscal year. For the next fiscal year, staff expected more funding to flow into the General Fund and as of Fiscal Year 2023/24 the debt would be paid off and the full tax increment would flow into the General Fund.

Mayor Pro Tem Murphy referenced the surplus and deficit chart, particularly the deficit shown for Fiscal Year 2022/23 and the surplus for Fiscal Year 2023/24. He asked why those trends had occurred.

Finance Director Guillory explained that the City would see the increase in funding from the Redevelopment Agency in 2023. There was a balancing act with increases in all revenue sources from the total perspective. From the expenditure side there would also be increases, particularly for the Public Employees' Retirement System (PERS), which costs were the most expensive in the expenditures and with expenditures outpacing the growth in revenues.

Mayor Salimi asked about the projected three percent inflation rate, commented they were now close to eight percent and asked how the budget had been adjusted.

Finance Director Guillory explained that Best Practice was to look at the Consumer Price Index (CPI) over a range of years, typically three to five years. For the Operations and Maintenance categories, as an example, that was where contracts for Professional Services were located and which included escalators for those contracts that were typically around three percent. The inflation rate would be monitored to determine whether any adjustments should be made. For the purpose of the status quo, three percent would be acceptable.

Mayor Salimi asked whether the status quo financial forecast must be balanced, to which Finance Director Guillory explained that the status quo financial forecast showed where they were at and adjustments could be made from there. It allowed the City to proactively adjust for that deficit.

#### PUBLIC COMMENTS OPENED

Deputy City Clerk Stone reported there were no in-person or virtual comments from the public.

#### PUBLIC COMMENTS CLOSED

### 2. Fiscal Year (FY) 2022/23 General Fund Baseline Budget **[Receive Report (Guillory)]**

Finance Director Guillory provided a PowerPoint presentation on the Fiscal Year (FY) 2022/23 General Fund Baseline Budget, which included some of the same information provided for the Status Quo Financial Forecast for the LTFP, as presented for Item D1, but also included highlights for the General Fund Baseline Budget, the structurally balanced budget policy, recurring and non-recurring budget items; FY 2022/23 budget assumptions – revenues and expenditures and the FY 2022/23 General Fund Baseline Budget.

Finance Director Guillory reiterated the City Council would hold a Special Meeting on April 26, 2022 and staff would analyze Council members' requests for additions/deletions and would thereafter prepare the Preliminary Proposed Budget and long-term planning documents.

Mayor Pro Tem Murphy commented the City Council had previously discussed a process for residents to bring new ideas forth or suggest new additions via some type of rubric. He asked whether that possibility was still in process.

Finance Director Guillory reported a survey would be launched with the use of The Balancing Act tool's prioritization module and those conversations would be anticipated during the April 26 City Council meeting. Results from a survey that had been launched in 2021 and the results from the LTFP would be included in the Balancing Act to allow participants to prioritize projects.

Mayor Pro Tem Murphy asked about the dates of the survey release and closure, and Finance Director Guillory reported the survey release would be in the next week and the closure date had not yet been determined since staff preferred it be left open at this time.

Mayor Pro Tem Murphy asked whether City staff was monitoring the developments surrounding the State budget as part of the City's budget process. He otherwise thanked staff for the information and looked forward to sharing the survey with the community.

Finance Director Guillory commented she had not considered reviewing the State's budget but could take a look at it.

Mayor Salimi asked how the percentage determination of property taxes had been calculated.

Finance Director Guillory explained the City's advisors had projected the regular one percent property tax at a six percent growth, with the remaining portion from the former redevelopment debt service having been significantly reduced from the last fiscal year, and additional funding would flow to the General Fund after the payment of the debt for those bonds.

Mayor Salimi asked whether the budget could be balanced rather than show a deficit.

Finance Director Guillory advised there were some things that would not be changed such as salaries and benefits, but Professional Services that typically trended below the budget in any given year could be reviewed to determine whether they could be reduced to a more reasonable rate. As an example, the Operations and Maintenance category could be evaluated to see whether it had been budgeted higher than needed, which were the areas typically evaluated to balance the budget.

Mayor Salimi asked for a balanced budget in the forecast and Finance Director Guillory confirmed staff could look at that.

#### PUBLIC COMMENTS OPENED

Deputy City Clerk Stone reported there were no in-person or virtual comments from the public.

#### PUBLIC COMMENTS CLOSED

Mayor Pro Tem Murphy appreciated the staff presentation and suggested the more the budget was reviewed the greater opportunity to have an idea of priorities. He stated that he had mentioned to the City Manager in prior meetings last year that the City had worked around a LTFP, and he recalled there were a few opportunities for additional revenue. He hoped that could be a point of exploration and another opportunity for people to provide feedback. He looked forward to the April 26 City Council meeting, surveying the community and any additional input from the City Council and the public.

Finance Director Guillory commented that was the goal for the April 26 Special City Council meeting, and as the LTFP was updated staff would provide additional information. She added the forecast was the status quo and various revenues such as revenue enhancements or new tax measures could be discussed when moving forward.

Mayor Pro Tem Murphy agreed it would be helpful to have a balanced budget, as the Mayor had requested.

Mayor Salimi understood potential revenue enhancements could be considered after that happened, and Finance Director Guillory confirmed.

3. Overview of the Draft FY 2022/23 Through 2026/27 Five-Year Capital Improvement Project Plan **[Receive Report and Provide Recommendations (Mishra)]**

Public Works Director Sanjay Mishra introduced Capital Improvement and Environmental Program Manager Misha Kaur who provided a PowerPoint presentation on the Draft FY 2022/23 Through 2026/27 Five-Year Capital Improvement Plan (CIP).

Ms. Kaur highlighted the 40 projects in the Draft Five-Year CIP and the 31 projects in FY 2022/23 that were slated for work including five new projects in the project categories of facilities, parks, sewer, stormwater, streets and roads and infrastructure assessments and as outlined in the April 14, 2022 staff report to the Finance Subcommittee.

Next steps included drafts of the Local Road Safety Plan (LRSP), Sanitary Sewer Collection System Master Plan and Pavement Technical Assistance Program, request for additional positions for the upcoming year to assist with the capital projects, a survey to be conducted via The Balancing Act tool, return to the Finance Subcommittee with a CIP document and project sheets, presentation of the Draft CIP to the Planning Commission and thereafter a presentation to the City Council for adoption.

Mayor Pro Tem Murphy asked for clarification of the review of the drafts for the LRSP, Sanitary Sewer Collection System Master Plan and Pavement Technical Assistance Program.

Ms. Kaur explained that the Sanitary Sewer Collection System Master Plan had commenced in 2020 with a consultant having performed a hydraulic model of the collection system to identify sources of inflow and infiltration in the system, which plan would determine which basins required improvement or whether pipelines had been adequately sized. The Plan would provide a 20-year planning horizon of projects the City should invest to maintain its assets.

The Pavement Technical Assistance Program was a grant funded program through the Metropolitan Transportation Commission (MTC) that funded a consultant to come to the City and inspect pavement sections and assign a Pavement Index Condition (PCI) score to be imported into the StreetSaver software. The PCI would offer guidelines on the condition of City roadways and allow funds and needs to be identified for the City to invest in its roadway numbers. A summary of the report prepared by the consultant would be presented to the City Council at its next meeting.

Mayor Pro Tem Murphy asked for clarification on the use of the term “infrastructure assessments,” and Ms. Kaur explained that prior to this category the projects had been mingled in with other CIP projects. Additional study was needed to determine what the actual capital project would be as part of the infrastructure assessment. Staff wanted the City Council to be able to track the progress on this work so that when quarterly reporting was done updates could be provided on these assessments.

Mayor Pro Tem Murphy asked for clarification of Infrastructure Assessments for FY 2022/23, Project #IN2201, Energy Audit, as shown on Page 60 of 61 of the agenda packet.

Ms. Kaur explained that during a recent City Council meeting, there had been a discussion about electric vehicle (EV) charging stations at various City facilities and conversations about incorporating energy conservation projects in City facilities. The Energy Audit would provide the ability to conduct an assessment at all City-owned facilities to determine whether there were any opportunities for incentive programs to install solar or other opportunities, as an example.

Public Works Director Mishra clarified, when asked, that the Energy Audit would not include the Pinole Library which was owned and operated by Contra Costa County.

Mayor Pro Tem Murphy asked for clarification of Project #IN2102, Municipal Broadband Feasibility and Project #IN2103, Recycled Water Feasibility and the funds that had been earmarked for the projects.

Ms. Kaur clarified the funds for both projects and explained that if a project exceeded the amount, staff would return to the City Council for approval of additional funds once that stage was reached. Staff did not anticipate needing \$200,000 for a feasibility study. She also clarified Project #IN2101, Emergency Power for Critical Facilities and stated the City’s Emergency Operations Plan (EOP) was currently being updated. Once staff received the updated information for the EOP, they would be able to know what facilities had been categorized as an emergency and could lump Project #IN2101 with Project #IN2201, Energy Audit, since they would go hand-in-hand.

Ms. Kaur explained with respect to Project #IN2103, Recycled Water Feasibility, that there had been preliminary conversations with the East Bay Municipal Utility District (EBMUD) which had a plan for a project with Phillips66.

Public Works Director Mishra clarified again that the infrastructure assessments had been created since the projects needed definite planning given the need to understand and then address them in the next fiscal year. As to Project #IN2103, Recycled Water Feasibility, staff had also been in contact with the City of Hayward in terms of soliciting input for the appetite for a recycled water facility, feasibility, number of users and when and whether the investment would pan out. If the project was feasible, they could spend more funds on the plan.

Mayor Pro Tem Murphy asked that the fiscal impacts as outlined in the staff report for the Draft FY 2022/23 Through 2026/27 Five-Year CIP be clarified, and asked whether the City Council would be provided more information at a future meeting.

Public Works Director Mishra again clarified the fiscal impacts as shown in the April 14, 2022 staff report. He explained that a couple more rounds were needed to refine the figures and staff would provide recommendations to the City Council for consideration.

Ms. Kaur further clarified the unfunded figures shown in the staff report were a result of two projects. Project #RO2105, Appian Way Complete Streets involved costs the City did not have at this time, but once there was a plan they would go back to staff or obtain additional grant funding once the project was ready to move to construction. The project had been listed as unfunded since a source of funding had not been identified. The same situation applied to the Sanitary Sewer Collection System projects but more clarity would be provided once evaluating the Sanitary Sewer Collection System Master Plan to identify the funds needed for investment into the collection system annually.

Mayor Pro Tem Murphy referenced Project #RO1714, Safety Improvements at Appian Way and Marlesta Rd. He looked forward to the results of the LRSP and noted that the City Council had discussed expediting road safety improvement projects. He was pleased to see proposed improvements along San Pablo Avenue but would like to see projects in the areas of Appian Way and Marlesta Road be expedited.

Ms. Kaur explained that Project #RO1714, had previously been known as the HAWK at Appian Way and Marlesta project. Staff had been able to leverage some grant funds to install a full traffic signal at Appian Way and Marlesta Road and the LRSP would characterize intersections in high-injury corridors and help the City to secure additional funds for improvements at those intersections.

Mayor Salimi asked about the total unfunded CIP costs, to which Ms. Kaur advised for the upcoming fiscal year all sources had been identified but for the Five-Year total in FY 2024/25 and 2026/27 the total was \$1,770,000, currently unfunded.

Responding to the Mayor, Public Works Director Mishra clarified the total need for roads to reach a PCI of 85 could be anywhere from \$50 to \$55 million. Similarly for the wastewater collection system and once the Sanitary Sewer Collection System Master Plan was finalized, he estimated roughly between \$30 to \$35 million of rehab work would need to be done; however, they needed to wait until the plan had been finalized so the numbers would be better defined. Another big component of the CIP was Project #RO1710, San Pablo Avenue Bridge over BNSF Railroad. The City did not have the funds for this project and hoped to secure grant funding for the construction work.

Mayor Salimi asked when the final reports would be finalized, to which Public Works Director Mishra expected the reports to be presented to the City Council at a future meeting in May or June prior to the finalization of the budget.

Mayor Salimi recognized the City of Pinole needed significant revenue to catch up and more conversation was needed.

Public Works Director Mishra clarified the need would be required over time. For the road projects, road rehab work was needed to bring the PCI to an 85 or greater level. He added that it would be ideal if the funds were available to complete all road rehab work within seven to eight years.

Public Works Director Mishra commented that the sanitary and water collection systems would involve a similar timeframe. The intent was not to dig-up the road after it had been rehabbed and the projects must go hand-in-hand. He estimated a ten-year period to complete those projects.

Mayor Salimi again spoke to the significant revenue the City would need to generate to accomplish those improvements and emphasized a conversation was needed on the type of funding and new sources of revenue the City should expect to fill the gap in the next ten years.

Finance Director Guillory advised that other financing mechanism options would have to be considered as well in terms of debt and in combination with revenue generation.

#### PUBLIC COMMENTS OPENED

Deputy City Clerk Stone reported there were no in-person or virtual comments from the public.

#### PUBLIC COMMENTS CLOSED

Mayor Salimi requested the Finance Director prepare a memorandum on the potential sources of revenue the City Council may consider to increase funding.

**E. ADJOURNMENT**

At 4:10 p.m., Mayor Salimi adjourned the meeting to the next Finance Subcommittee meeting.

**Posted: April 11, 2022 at 3:00 p.m**

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**Heather Bell, CMC**  
**City Clerk**



## FINANCE SUBCOMMITTEE REPORT

4.A.

**DATE:** APRIL 18, 2024  
**TO:** FINANCE SUBCOMMITTEE  
**FROM:** MARKISHA GUILLORY, FINANCE DIRECTOR  
**SUBJECT:** STRATEGIC FINANCIAL PLANNING REPORT

### **RECOMMENDATION**

City staff recommends that the City Council receive the Strategic Financial Planning Report prior to the development of the Long-Term Financial Plan for Fiscal Year (FY) 2024/25 - FY 2044/45.

### **BACKGROUND**

In February 2020, the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan identified four goals for the City (safe and resilient, financially stable, vibrant and beautiful, and high performance), and 22 individual strategies (special projects) to complete over a five-year timeframe.

One of the strategies under the goal of a financially stable Pinole is to “develop a long-term financial plan (LTFP) and use it to guide budget and financial decisions (including policies regarding reserves and management of liabilities).” The City developed its first Long-Term Financial Plan, in spring 2021 to address this Strategic Plan strategy. As an ongoing practice, staff updates the LTFP periodically, usually during the budget development process.

A long-term financial forecast estimates an entity’s future revenues and expenditures based on assumptions about the entity’s future activities and operating environment. The purpose of a long-term financial forecast is to identify future financial opportunities and challenges.

For a number of years, the City has created long-term financial forecasts as part of the Long-Term Financial Plan (LTFP) and the annual operating and capital budget. The City has particularly focused on long-term “status quo” forecasts for the General Fund. A status quo financial forecast estimates the City’s future revenues and expenditures if the City maintains status quo (current) service and staffing levels. Such a forecast answers the question of whether the City is expected to have a balanced budget (revenues equal or exceed expenditures) in the future if the City does not change anything about its service, staffing levels, and revenue mechanisms. The forecast focuses on the General Fund because it is the largest and most flexible pool of City resources.

The City engaged the consulting firm, Baker Tilly, to assist the City with long-term strategic financial planning, including:

- Developing an understanding of current fiscal conditions and service levels.

- Reviewing the City's financial forecast and extending it to twenty years.
- Identifying gaps between current conditions and desired conditions as well as funding gaps.
- Developing strategies in conjunction with City staff to close any identified gaps.
- Working with staff to gather feedback from elected officials and the public on potential budget strategies.
- Developing a draft and final long-term financial plan.

The goal of this effort is for the City to identify economic opportunities and challenges beyond the annual budget year, and to proactively address them by instituting various revenue enhancement and expenditure reduction strategies to achieve long-term fiscal sustainability.

Baker Tilly has developed the attached Strategic Financial Planning Report (Attachment A) which will serve as the basis for the Long-Term Financial Plan for Fiscal Year (FY) 2024/25 - FY 2044/45. One important element of this report is a twenty-year baseline financial forecast, which projects budget deficits over the forecast horizon. It also identifies an array of options that the City may consider implementing to balance the budget over the long term.

## **REVIEW AND ANALYSIS**

The Strategic Financial Planning Report identifies major economic trends that might impact future requests for City services or City revenues. As noted above, it includes a twenty-year forecast of the City's General Fund (including the Measure S Funds) and is based on the City's current services and revenue sources and assumptions about the future. The forecast anticipates that the General Fund baseline budget will be essentially unbalanced throughout the twenty-year timeframe if actions are not taken to close the gap between ongoing revenues and ongoing expenditures. The report recommends that the City look for opportunities for new funding sources and cost reductions to continue providing essential services to the community as well as to address deferred capital needs and unfunded liabilities.

## **FISCAL IMPACT**

The Strategic Financial Planning Report will serve as the basis of the Long-Term Financial Plan for Fiscal Year (FY) 2024/25 - FY 2044/45 and will be a valuable resource for City leaders when they make future financial and operational decisions. The report does not itself require or authorize any expenditure of City funds, and therefore does not itself have any fiscal impact to the City.

## **ATTACHMENTS**

- A. Pinole Strategic Financial Planning Report 4.18.24

To: Mayor and Council Members  
City of Pinole

From: Andy Belknap, Managing Director  
Steve Montano, Special Advisor  
Jessica Oliphant, Senior Consultant

Subject: Strategic Financial Planning Report

Date: April 18, 2024

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### **Executive Summary**

The City of Pinole is a general law, full service, city with a population of approximately 19,000. It was incorporated in 1903, and for much of its history was associated with waterfront activity on the nearby San Pablo Bay, and as a service center for the California Powder Works (the largest dynamite manufacturer in the world, located adjacent to Pinole in Hercules and operational 1881-1976). Since the 1970s Pinole has evolved into a very desirable suburban residential location in the Bay Area.

Baker Tilly was engaged to complete a fiscal sustainability study for the City. In this type of analysis, a long-range fiscal forecast is developed and tested against various types of fiscal stress. This results in the development of a forecast fiscal condition and leads to the creation of different strategies to deal with the forecast conditions and maintain the solvency of the city into the future.

In this case our model projects the City will experience years of fiscal deficits that will progressively grow larger over the next twenty years. Basically, this is a result of expenditure levels consistently growing faster than general fund revenue sources. Using this as a baseline, Baker Tilly was engaged to assist staff with developing a comprehensive long-term fiscal forecast that models the impact of various fiscal sustainability strategies and scenarios.

A workshop was conducted with the City Council on November 7, 2023, to allow the City Council to provide input into various budget strategies that were identified based on our experience in working with cities in fiscal sustainability/stabilization projects throughout the State. The City Council provided direction on strategies that it felt would be worthwhile to analyze further.

Additionally, Baker Tilly worked with staff to develop other strategies along a continuum that included:

- Revenue development,
- Expenditure control/cost shifts, and
- Policy changes.

Arraying ideas along such a continuum reflects the priority any organization would have for preserving service delivery to the maximum extent possible, consistent with maintaining solvency.

The strategies were developed based on a combination of factors, including Baker Tilly's experience with approaches other cities and counties throughout the state are taking as they consider options to address structural deficits. We also identified ideas based on Pinole's unique opportunities and organizational climate. Several potential strategies were developed in the categories described above.

An important element in developing an appropriate package of strategies for a city is the size and timing of the forecasted deficit. Pinole leaders must take action in the very near term to bring deficit reduction strategies online. Because revenue strategies often require voter approval, timing is a critical issue.

This memo consists of the following:

1. Current 20-year fiscal projection (baseline forecast) – This section discusses key assumptions used in estimating the baseline forecast model and projections of General Fund revenues, expenditures and fund balance over the next 20 years.
2. Strategy and Feasibility Assessment – This section discusses the various strategies the City can consider for addressing its structural deficit. While all the strategies are technically feasible and have been implemented in other California settings, they are distinguished by differing levels of potential community support and complexity of implementation.
3. Budget Scenarios – This section discusses three scenarios for the City Council's consideration. Each scenario contains examples of the types of strategies that the City Council could consider to address the long-term fiscal gap.

### **Baseline Forecast**

The baseline forecast assumes that the City continues current (status quo) staffing levels, service levels, and programs in the future and that the City does not establish

any new revenue-generating or expenditure reduction mechanisms. For the status quo forecast, staff assumed that future City service levels would remain at the levels of FY 2023-24. Staff and Baker Tilly then forecasted revenues and expenditures for twenty succeeding years by applying assumptions about future changes in economic conditions that impact revenues and expenditures.

The baseline forecast indicates that the General Fund annual deficit will increase from \$974,000 in FY 2024-25 to \$10.6 million by FY 2044-45. This is largely due to the cost of the addressing increasing employer contributions to the California Public Employees' Retirement System (CalPERS); postemployment benefits (OPEB) for retired City employees' medical insurance coverage; recent organizational changes in the past few years that have resulted in additional costs relating to increased staffing and MOU increases; and the exhaustion of the City's Section 115 pension liability trust fund.

The baseline forecast trend is shown in Figure 1 and the General Fund balance forecast appears in Figure 2.

Figure 1. Baseline (Status Quo) Scenario

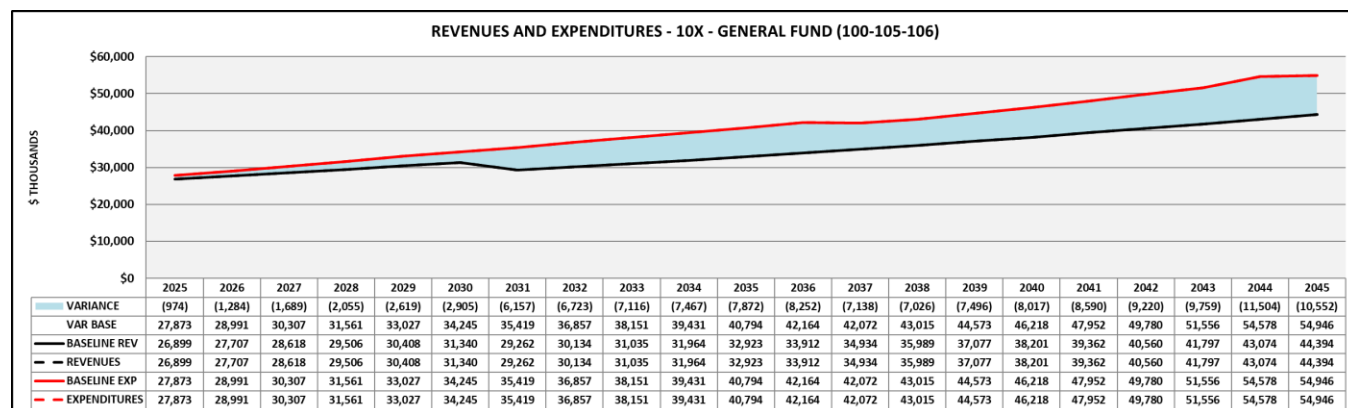
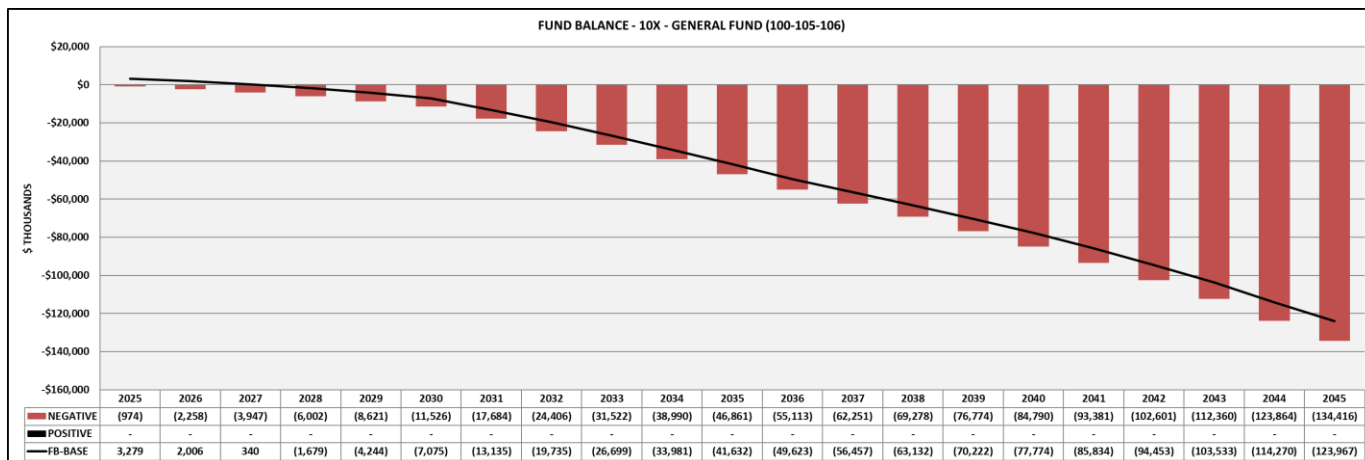


Figure 2. Baseline Scenario: Fund Balance Forecast



Given the size and timing of the forecasted deficit, City leaders need to implement revenue and expenditure adjustments relatively quickly. Absent such actions, there would almost certainly be the need to implement even more significant service level reductions in the future, which represent the least desirable outcome. Such an approach might require positions to be left vacant, or even to consider layoffs, to preserve solvency. In addition, such actions are always disruptive to an organization and often affect operations for a long time.

Pinole leaders must take action in the near term to bring deficit reduction strategies online. Because revenue strategies are less disruptive to service levels and organizational stability than other approaches they are often preferred, however, they often require voter approval, making timing is a critical issue.

### Strategy and Feasibility Assessment

Detailed budget strategies are organized according to the following four strategy types:

- **Revenue Enhancements.** Maintaining service levels by increasing the resources available to pay for those services through new or increased revenues.
- **Expenditure Controls/Cost Shifts.** Maintaining service levels through reductions in expenditures or shifting the cost burden away from the General Fund.
- **Service Delivery and Governance Changes.** Maintaining service levels by changing the way that services are delivered, either through fiscal governance practices, contracting for services or insourcing services from other agencies.
- **Service Level Reductions.** If the above strategy types do not yield sufficient fiscal savings to the General Fund, the City would need to explore service level reduction strategies in order to achieve fiscal sustainability. This is considered a

strategy of least desirability due to negative impacts on residents, and municipal infrastructure.

### *Determining Feasibility*

While all the strategies are technically feasible and have been implemented in other California settings, they are distinguished by differing levels of potential community support, complexity of implementation, implementation timing, and disruption to the organization relative to the financial return. Strategies deemed most feasible are solutions that can be implemented more readily and would be least disruptive to the organization. Certain revenue changes such as tax measures, require voter approval to implement and vary in terms of complexity and community support. Some have a greater impact on voters (e.g., local sales tax measures) while others have more of an impact on those from outside the city (e.g., transient occupancy taxes). While the community's receptivity to changes in the City's utility users' tax (UUT) and business license tax is unknown, sales taxes have received support in the past.

Voters are more likely to support measures when they know their tax dollars are being spent efficiently, requiring the City to review cost efficiencies prior to taking those measures to voters. These factors require careful consideration in determining the feasibility of revenue enhancements. Proposed changes that impact the organization will take time because they may be the subject of mandatory bargaining with the City's labor groups. Substantial changes in service delivery methodologies or employee benefit programs should also be weighed against the reality that they might result in ongoing employee relations issues, resulting in less incremental change. Again, because the City has time, but not a lot of it, choices need to be made accordingly.

The strategies identified herein have been quantified to the extent possible, based on current information available to Baker Tilly and City staff. In many cases, they have been programmed into the financial forecast so City leaders can explore the cumulative impact of implementing any package of actions. Based on these considerations, budget strategies were qualitatively evaluated considering the set of criteria indicated in Table 1 below.

*Table 1. Criteria Used in Evaluating Budget Strategies*

Factors	Tier 1	Tier 2	Tier 3
Potential for community support	High	Medium	Low
Technical and operational ease of implementation	High	Medium	Low
Timing necessary for implementation	Timely implementation is	Timely implementation is	Timely implementation is

Factors	Tier 1	Tier 2	Tier 3
	moderately to highly probable to meet timing required to resolve the structural deficit	possible, but less than moderately probable	unlikely to meet the timing required to resolve the structural deficit
Disruptive impact on service delivery	Low	Medium	High
Disruptive impact within City organization	Low	Medium	High
Overall fiscal impact	High, or combined with other recommendation(s), sufficiently capable of resolving the structural deficit	Moderate to high fiscal impact	Low to moderate fiscal impact

An individual strategy may not necessarily meet all the criteria for each tier, but based on the overall evaluation of the strategy, it was then grouped into one of the three tiers, with Tier 1 strategies judged to be most feasible and Tier 3 strategies least feasible. A summary of strategies by type and tier is shown in Tables 2, 3 and 4. More detail on the strategies discussed in the scenarios that follow can be found in Attachment A of this memorandum.

Tier 1 strategies shown in Table 2 are the most feasible actions City leaders can take with significant impact in the near term and with low disruption. Strategies to generate additional revenue dominate Tier 1 because Pinole has lower revenues in some areas relative to the region and/or the immediate area, and because they are overall less disruptive to the organization. One of the revenue enhancement strategies – introducing another local transactions and use tax – would require an election, so implementation timing would be important to consider. Additional revenues are not as disruptive to the City organization or service delivery relative to other approaches that directly impact employees and/or would impact services to residents.

Table 2. Tier 1 Strategies

Tier 1	Strategies
<b>Revenue Enhancement</b>	Strategy 2: Sales Tax Add-On Measure Strategy 4: Business License Tax (BLT) – Increase Tax Rate Strategy 6: Real Property Transfer Tax Strategy 7: Increase Franchise Fee Rates on Gross Receipts

Tier 1	Strategies
<b>Service Delivery and Governance Changes</b>	Strategy 12: Adoption of an OPEB Funding Policy Strategy 13: Adoption of a Surplus Utilization Policy Strategy 14: General Fund Reserve Balance Strategy 15: Develop an Internal Service Fund Cost Allocation and Reserve System Strategy 16: Public Engagement in the Budget Process

Tier 2 strategies shown in Table 3 are considered moderately feasible to implement. Generally, these strategies will take more time to successfully implement and/or be more disruptive to the City organization or community residents via service delivery impacts. City leaders will probably have to consider some Tier 2 strategies, but the extent to which these will need to be fully implemented will depend on the level of success with Tier 1 strategies. The City will need to begin work on some of these strategies for two reasons: 1) Tier 1 strategies in total may not resolve the fiscal gap, and 2) they are needed as a fallback in case revenue strategies dependent on an election outcome are unsuccessful.

Table 3. Tier 2 Strategies

Tier 2	Strategies
<b>Revenue Enhancement</b>	Strategy 1: Utilities Users Tax – Expand Covered Utilities and/or Increase the Tax Rate Strategy 3: Parcel Tax Strategy 5: Financing Capital Assets – Streets and Roads

The Tier 3 strategies shown in Table 4 are considered the least feasible to implement in the City's current environment. Generally, these strategies have either proven difficult to implement in other similar settings or would have a negative impact in the long term on the organization and community. To the extent the City is unable to generate enough revenue increases or expenditure reductions from other strategies, these more difficult options for maintaining solvency might need to be explored.

Table 4. Tier 3 Strategies

Tier 3	Strategies
Expenditure Controls and Cost Shifts	Strategy 8: Targeted Expenditure Reductions Strategy 9: Retiree Health Care Benefit Strategy 10: Shift Medical Contribution Cost to Employees Strategy 11: Increase Employee Pension Contributions
Service Reductions and Eliminations	Strategy 17: Take No Action – leads to unplanned, uncontrolled expenditure reductions to avoid insolvency.

## Budget Strategy Scenarios

Baker Tilly has prepared a series of three scenarios for the City Council’s consideration that address the fiscal gap. The three budget scenarios developed within this report are provided as examples of the types of strategies that the City Council could consider to address the long-term fiscal gap. The strategies are detailed in Attachment A. The three scenarios included herein employ different strategies and make assumptions with respect to the timing of implementing each strategy. Table 5 summarizes these three scenarios.

Table 5. Budget Strategy Scenarios

Scenario	Description
Baseline Scenario Before Budget Corrections	<ul style="list-style-type: none"> <li>• Annual deficits through 20-year forecast period</li> <li>• Assumes pension trust funding ends in 2030</li> <li>• Current staffing levels</li> <li>• CalPERS maintains current discount rate</li> </ul>
Scenario 1 – Strong Revenue Strategies	<ul style="list-style-type: none"> <li>• Introduce a parcel tax</li> <li>• Increase business license tax rate or revise structure</li> <li>• Finance street and road rehabilitation</li> <li>• Introduce additional ½ cent sales tax measure</li> <li>• Increase franchise fees</li> <li>• Increase UUT for existing services and expand tax to others</li> <li>• Pursue change from General Law to Charter city and successfully introduce real property tax revenue stream</li> </ul>
Scenario 2 – Mixed Approach (Moderate Revenues and Implement Expenditure Cost Shift Strategies)	<ul style="list-style-type: none"> <li>• Increase franchise fees</li> <li>• Increase UUT for existing services and expand tax to other services</li> <li>• Pursue change from General Law to Charter city and successfully introduce real property tax revenue stream</li> <li>• Increase employee pension contributions</li> <li>• Shift medical contribution cost to employees</li> <li>• Reduce or eliminate retiree medical benefit for new hires</li> <li>• Implement General Fund expenditure reductions (as necessary) totaling \$500,000 annually through FY 2029-30</li> </ul>
Scenario 3 – Strong Operating Expenditure Reduction Strategies	<ul style="list-style-type: none"> <li>• Increase employee pension contributions</li> <li>• Shift medical contribution cost to employees</li> <li>• Reduce or eliminate retiree medical benefit for new hires</li> <li>• Implement General Fund expenditure reductions (as necessary) totaling \$1 million annually through 2029-30</li> </ul>

### ***Budget Scenario 1: Strong Revenue Strategies***

Scenario 1 includes the following budget strategies to resolve the fiscal gap. They are centered primarily around revenue enhancements. Generally, in California, new tax revenues must be approved by voters at a scheduled election. Other scheduling issues may also be triggered, depending on the tax and the situation surrounding it (such as a fiscal emergency).

It should be noted that there is an initiative eligible for the November 2024 statewide ballot #1935 (filed as 21-0042A1) that would limit the ability of local governments to raise revenues for government services by:

- Adopting new and severely stricter rules for raising taxes, fees, assessments, and other charges.
- Revising the State Constitution, as amended by Propositions 13, 218, and 26 among other provisions, to the advantage of the initiative's proponents and plaintiffs; creating new grounds to challenge these funding sources and disrupting fiscal certainty.
- Restricting the ability of local governments to issue fines and penalties to corporations and property owners that violate local environmental, water quality, public health, public safety, fair housing, nuisance and other laws and ordinances.

The initiative includes provisions that would retroactively void all state and local taxes or fees adopted after January 1, 2022 if they did not align with the provisions of this initiative. This may also affect indexed fees that adjust over time for inflation or other factors. If this initiative were to pass, it would constrain the City's ability to not only pass new revenue measures to retain them through an imposition of a sunset date.

**Parcel Tax.** A parcel tax is a property tax levied on owners of parcels and, unlike ordinary property taxes, are explicitly not based on the value of a property or its use. Parcel taxes may be levied for general purposes or restricted to a particular purpose. However, regardless of use, parcel taxes require a simple majority voter approval. This measure could be taken to voters in either November 2024 or November 2025 and would require additional analysis.

**Business License Tax (BLT).** Pinole has a BLT model that is based on a flat fixed fee dependent upon business type. The tax structure has not been modified over the past 39 years. The City can increase its existing flat tax rates, or change to a gross receipts based model. A general tax, that is one not earmarked for any specific purpose,

requires a majority vote of the electorate in an election that coincides with City Council election(s). A special purpose tax, for example one earmarked for public safety or for parks, etc., requires a two-thirds vote, but can be folded into any election, including non-Council elections. This measure could be taken to voters in either November 2024 or November 2025.

**Finance street and road rehabilitation.** The replacement and rehabilitation of streets and roads has been identified as one of the City's top priorities. Due to the current cost of operations and the current level of available revenue sources, there are insufficient funds being allocated to maintain the City's streets and roads at an acceptable level. Local governments may finance acquisition or construction of various projects and capital assets through the issuance and sale of municipal securities. A general obligation bond requires the City Council to pass by a two-thirds vote an ordinance placing the general obligation bond measure on the ballot and a resolution determining that the public interest or necessity demands the construction of any municipal improvement. It also requires approval of two-thirds of the voters. The issuance of a general obligation bond will provide the City with legal authority to levy ad valorem taxes on real and personal property located within the City's boundaries. This measure could be taken to voters in either November 2024 or November 2025.

**Local Transactions and Use Tax (TUT).** Introduce a third 0.5% local TUT, bringing the City's total TUT rate to 10.25%. The overall sales tax rate on purchases made in Pinole currently stands at mid-range among its benchmark cities (See Table 7 in Attachment A). A general tax, that is one not earmarked for any specific purpose, requires a majority vote of the electorate in an election that coincides with City Council election(s). A special purpose tax, for example one earmarked for public safety or for parks, etc., requires a two-thirds vote, but can be folded into any election, including non-Council elections. Assuring fiscal sustainability requires this measure to be taken to voters and receive majority voter approval not later than the November 2024 election.

**Franchise fees.** Increase Gas, Electric, Solid Waste, and Cable franchise fees. Franchise fees can be higher than what is required for full cost recovery. Increasing the franchise fees is within the discretion of the City Council negotiating those fees with the service providers with the understanding that customers ultimately pay the franchise fees, which are delineated as such on their service bills.

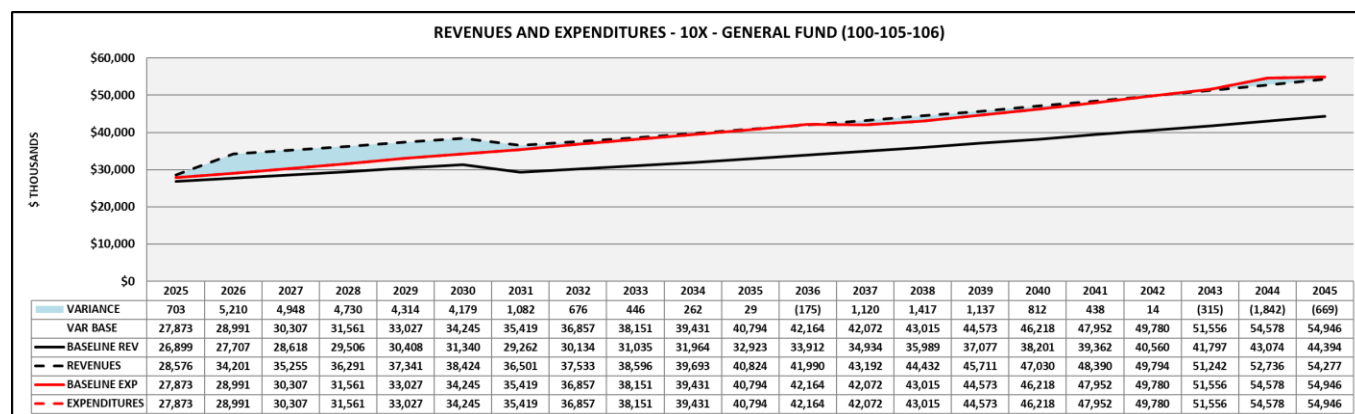
**Utility User Tax (UUT).** Expand the current tax to additional utility services and increase rates for existing services. A UUT would be considered a general tax measure that would require a 2/3 majority of Councilmembers to place a measure on a ballot. The measure must then be approved by a simple majority (50% + 1) of voters at a

regular election in which Councilmember positions are on the ballot. This measure could be taken to voters in either November 2024 or November 2025.

**Real property transfer tax.** A real property transfer tax imposes a tax on the purchaser of real property based upon the value of the property. Ideally, this measure requiring majority voter approval would be brought to voters by no later than November 2025. Because of State law, property transfer taxes are fixed at a relatively low level for General Law cities such as Pinole. Therefore, this strategy will first require the City to change its legal basis from that of a general law to a charter city. The charter would have to be ratified by a majority of the City’s voters.

Figures three and four below compare the future fiscal impact that all strategies, except the bond financing of streets and roads rehabilitation, in scenario one would have over the next 20 years compared to baseline revenues.<sup>1</sup> Under this scenario, balanced budgets are achieved for most of the forecast period. Although it is not likely that the City would simultaneously implement all strategies at once, this example demonstrates the significant revenue increases that would be necessary to balance the budget. For example, the City would need an additional \$6 million to align projected baseline revenues with projected baseline expenditures in Fiscal Year 2030-31. This assumes that no cost reduction strategies are implemented.

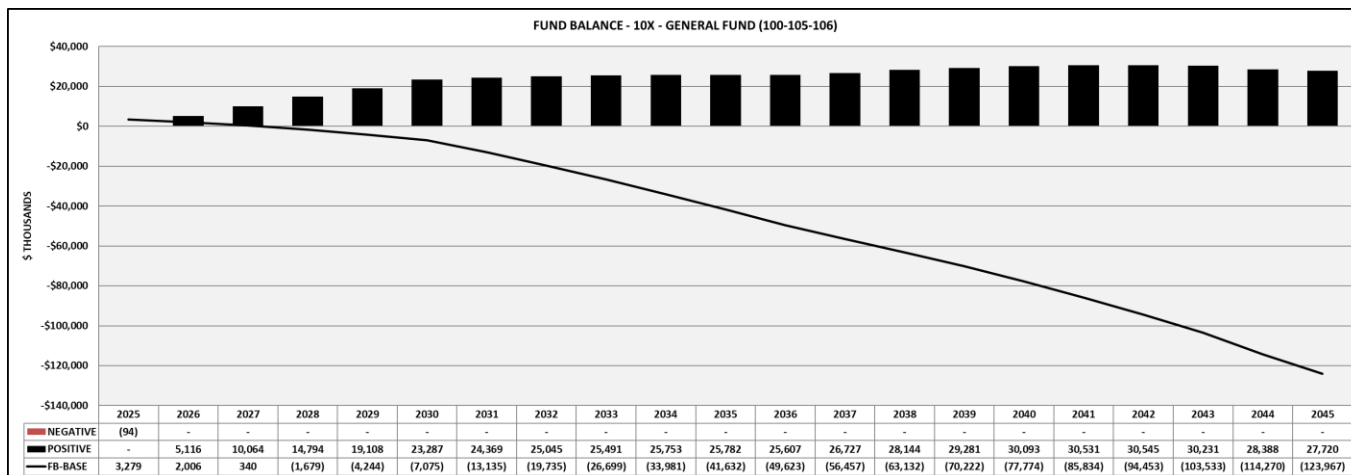
Figure 3. Budget Scenario 1: Strong Revenue Strategies Forecast Compared with Baseline



<sup>1</sup> Appendix A, Strategy 5 details the fiscal impact of a \$25 million general obligation bond for streets and roads rehabilitation. The projected income and associated principal and interest payments provided are excluded from this scenario. The public interest or necessity demands for the debt financing of any municipal improvement has not been firmly established.

Figure four below compares the fiscal impact to General Fund balance if the strategies indicated in Scenario 1 were implemented compared to the future baseline fund balance projection. Under Scenario 1, the General Fund would maintain a growing and somewhat stable fund balance for most of the forecast years. Without the implementation of Scenario 1, or any cost reduction strategies, the General Fund balance would be exhausted by FY 2027-28 and the City would experience sustained and growing deficits through the remainder of the forecast period.

*Figure 4. Budget Scenario 1: Strong Revenue Strategies Fund Balance Forecast Compared with Baseline*



***Budget Scenario 2: Mixed Approach (Moderate Revenues and Implement Expenditure Cost Shift Strategies)***

Scenario 2 includes the following budget strategies to resolve the fiscal gap. These strategies take a balanced approach between revenue enhancements and expenditure cost shifts.

**Franchise fees.** Increase Gas, Electric, Solid Waste, and Cable franchise fees. Franchise fees can be higher than what is required for full cost recovery. Increasing the franchise fees is within the discretion of the City Council negotiating those fees with the service providers with the understanding that customers ultimately pay the franchise fees, which are delineated as such on their service bills.

**Utility User Tax (UUT).** Expand the current tax to additional utility services and increase rates for existing services. A UUT would be considered a general tax measure that would require a 2/3 majority of Councilmembers to place a measure on a ballot. The measure must then be approved by a simple majority (50% + 1) of voters at a

regular election in which Councilmember positions are on the ballot. This measure could be taken to voters in either November 2024 or November 2026.

**Real property transfer tax.** A real property transfer tax imposes a tax on the purchaser of real property based upon the value of the property. Ideally, this measure requiring majority voter approval would be brought to voters by no later than November 2025. Because of State law, property transfer taxes are fixed at a relatively low level for General Law cities such as Pinole. Therefore, this strategy will first require the City to change its legal basis from that of a general law to a charter city. The charter would have to be ratified by a majority of the City's voters.

**Increase employee pension contributions.** Implementing a higher pension cost sharing arrangement with employees as allowed under the provisions of the Public Employees' Pension Reform Act of 2012 (PEPRA) would result in expenditure savings for the City but would likely place a hardship in recruiting and retaining employees based on competitive compensation packages provided by other jurisdictions within the area.

**Shift medical contribution cost to employees.** Requiring employees to pay a greater share of their medical benefits would reduce this escalating cost for the City. Medical benefits are a mandatory subject of bargaining. Changing the benefit amounts would require a meet and confer process. Asking employees to contribute towards medical costs may impact the ability for the City to compete for labor in the marketplace; however, other cities are also addressing the issue of continued rising medical costs.

**Reduce or eliminate retiree medical benefit for new hires.** Most employers seek to mitigate rising post-employment benefit costs by reducing or eliminating the benefit for future employees hired after a certain date. State law currently prohibits employers from eliminating such vested benefits from current employees. However, there are court cases moving forward that will decide the extent to which employers are able to modify vested benefits unilaterally after the completion of a meet and confer process. The impact of closing the retiree medical benefit plan to future employees would require actuarial analysis. However, in our experience, the annual required contribution would fall as eligible employees retire or separate from service with the City and are replaced with employees that are no longer eligible for such a benefit.

**Implement General Fund expenditure reductions (as necessary) totaling \$500,000 annually through FY 2029/30.** A tiered approach will prevent the City from having to make unnecessarily deep City service cuts in the near-term that severely impact the community and the organization. To balance a projected deficit, a short to medium-term "bridge" solution can be developed that relies on a combination of targeted

reductions in operating accounts with underutilization trends, deferred capital project spending, and reduced transfers to other funds. The City could identify capital projects with funds that can be released back to fund balance either because the project is completed, or the project can be reduced without significant impacts. Planned expenditures for a second category of projects have been deemed non-critical in the near term and can be deferred for at least one year.

Figures five and six below compare the future fiscal impact that all strategies, except the retiree health benefit strategy, that scenario two would have over the next 20 years compared to baseline revenues.<sup>2</sup> Although it is not likely that the City would simultaneously implement all strategies at once, this example provides an order of magnitude estimate for the implementation of a specific set of revenue and expenditure initiatives. Forecasted expenditures for scenario two closely align with baseline expenditures with no marked impact on the growth trajectory. Forecasted revenues under this scenario, while higher than the baseline, are not sufficient to maintain a balanced budget through the forecast period. A \$2.5 million deficit in FY 2030-31 grows to \$6.1 million by 2044-45.

Figure 5. Budget Scenario 2: Mixed Approach Strategies Forecast Compared with Baseline

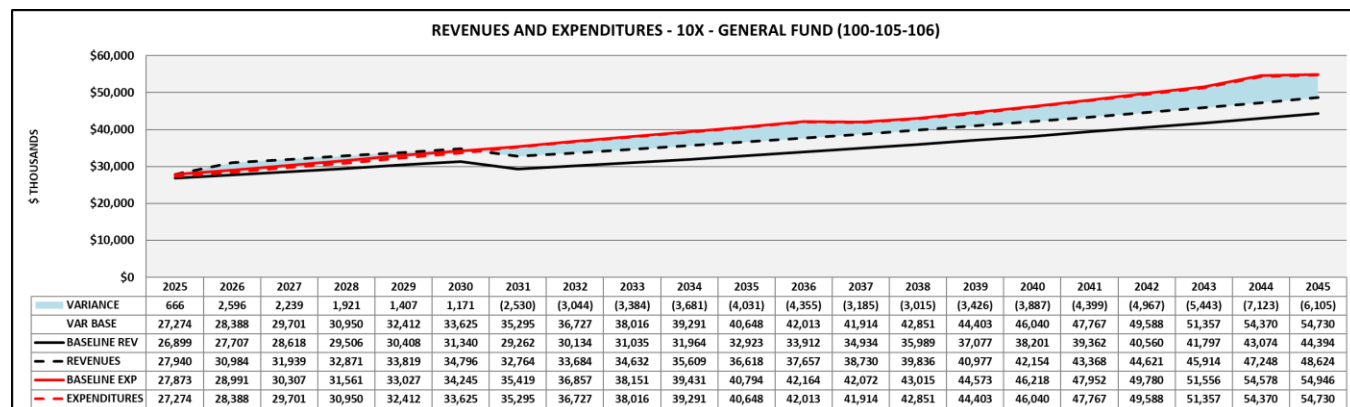
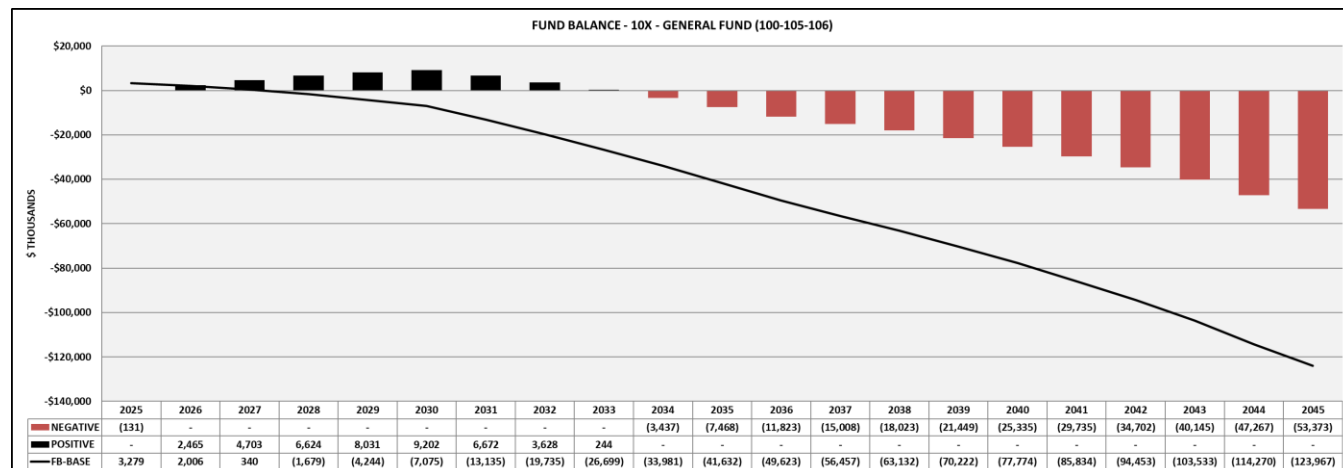


Figure six below compares the fiscal impact to General Fund balance if the strategies indicated in Scenario 2 were implemented compared to the future baseline fund balance projection. Under Scenario 2, the General Fund would barely maintain a positive fund balance through FY 2031-32, after which time an increasingly negative fund balance would ensue through the end of the forecast period. Therefore, the City would have to consider other strategies outlined in this report or developed independently to eliminate the post 2031 deficit situation.

<sup>2</sup> Further analysis is necessary to accurately project the reduction or elimination of retiree medical benefit for new hires.

Figure 6. Budget Scenario 2: Mixed Approach Strategies Fund Balance Forecast Compared with Baseline



### Budget Scenario 3: Strong Operating Expenditure Reduction Strategies

**Increase employee pension contributions.** Implementing a higher pension cost sharing arrangement with employees as allowed under the provisions of the Public Employees’ Pension Reform Act of 2012 (PEPRA) would result in expenditure savings for the City but would likely place a hardship in recruiting and retaining employees based on competitive compensation packages provided by other jurisdictions within the area. The annual fiscal impact of this strategy is approximately \$100,000 per year.

**Shift medical contribution cost to employees.** Requiring employees to pay a greater share of their medical benefits would reduce this escalating cost for the City. Medical benefits are a mandatory subject of bargaining. Changing the benefit amounts would require a meet and confer process. Asking employees to contribute towards medical costs may impact the ability for the City to compete for labor in the marketplace; however other cities are also addressing the issue of continued rising medical costs.

**Reduce or eliminate retiree medical benefit for new hires.** Most employers seek to mitigate rising post-employment benefit costs by reducing or eliminating the benefit for future employees hired after a certain date. State law currently prohibits employers from eliminating such vested benefits from current employees. However, there are court cases moving forward that will decide the extent to which employers are able to modify vested benefits unilaterally after the completion of a meet and confer process. The impact of closing the retiree medical benefit plan to future employees would require actuarial analysis. However, in our experience, the annual required contribution would fall as eligible employees retire or separate from service with the City and are

replaced with employees that are no longer eligible for such a benefit. The annual fiscal impact of this strategy is approximately \$6,500 per new hire ineligible for this benefit. The savings would be realized upon retirement.

**Implement General Fund expenditure reductions (as necessary).** Service level reductions represent strategies that would be necessary if cost controls/shifts, service delivery changes, and/or revenue enhancement strategies do not generate sufficient savings to close the structural deficit that currently exists and will grow to \$6 million beginning in FY 2030-31. A short-term targeted expenditure reduction strategy has been utilized by other agencies in recognition of a budget chasm and the need to develop a phased approach to reducing expenditures over the short-term (see Appendix A, Strategy 8 for a short-term phased approach and reducing expenditures). The lowest risk near-term treatments are the proverbial “low-hanging fruit” that government leaders often seek to close budget gaps in good times and bad.

But the reality is that the City will have to go beyond the short-term techniques to address its economic and fiscal challenges. Governments facing a drop in revenues, increases in expenditures, spikes in demand for services, and loss of capacity are unlikely to overcome those problems by doing the basics well. Leaders will likely have to consider some of the riskier techniques and evaluate them carefully, including:

#### **Control Personnel Costs**

- Wage freeze
- Hiring freeze
- Increase part-time labor
- Reduce hours worked and pay
- Close facilities
- Layoffs or reduction in force
- Increase employee contributions to pensions or OPEB

#### **Reduce Near-Term Capital Spending, Equipment Costs, and Annual Debt Costs**

- Defer and/or cancel capital projects, maintenance, and/or replacement
- Defer noncapital special projects
- Use short term debt to pay for vehicles
- Reduce general fund support to other funds (reduce interfund transfers out)

#### **Organizational Strategies**

- Small and/or temporary across the board budget cuts
- Reorganization

- Contract or implement shared services model for select city programs (examples: vehicle/fleet maintenance, parks maintenance, recreation or senior programs, street and storm drain maintenance Increase cost allocation to utility operations to fullest extent allowed

### Sourcing Strategies

- Outsource
- Insource
- Divest (eliminate programs)

To address a structural deficit over the long-term, reducing service levels would require departments to review all expenditures, identify prioritized service levels, and develop a list of recommended reductions for City Manager and, ultimately, City Council approval, to achieve the necessary fiscal target. The analysis would require a thorough and common understanding of the City's core levels of service, legally or contractually required services, and clarity regarding its mission and values. In some cases, services may need to be viewed from a programmatic perspective so those that require cooperation from multiple departments receive special consideration.

We calculated the fiscal impact of reducing General Fund expenditures to the level needed to cover the annual baseline deficits. Assuming the City relies solely on expenditure strategies, the expenditure reductions needed to balance the budget range between \$1 million and \$7.6 million through the forecast period. These reductions average approximately 12 percent of the annual budget. For purposes of our analysis, we assume that on average, a 12% annual General Fund expenditure reduction target would be sustained, and departments would then need to identify reductions in personnel, services and supplies, and ongoing capital needs to achieve the necessary reduction.

Figures seven and eight below compare the future fiscal impact that all strategies, except the retiree health benefit strategy, in scenario three would have over the next 20 years compared to baseline revenues.<sup>3</sup> Although it is not likely that the City would simultaneously implement all strategies at once nor rely solely on expenditure reductions to balance its budget, this example provides an order of magnitude estimate for the implementation of a specific set of expenditure changes. In scenario three, baseline revenues are identical to forecasted revenues and only one solid black line appears for both.

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<sup>3</sup> Further analysis is necessary to accurately project the reduction or elimination of retiree medical benefit for new hires.

Forecasted expenditures for scenario three closely align with forecasted revenues through FY 2033-34. However, a deficit begins the following year and grows to \$4.5 million by FY 2044-45. By far the most impactful strategy is the annual average budget reduction of 12 percent.

Figure 7. Budget Scenario 3: Strong Operating Expenditure Reduction Strategies Compared with Baseline

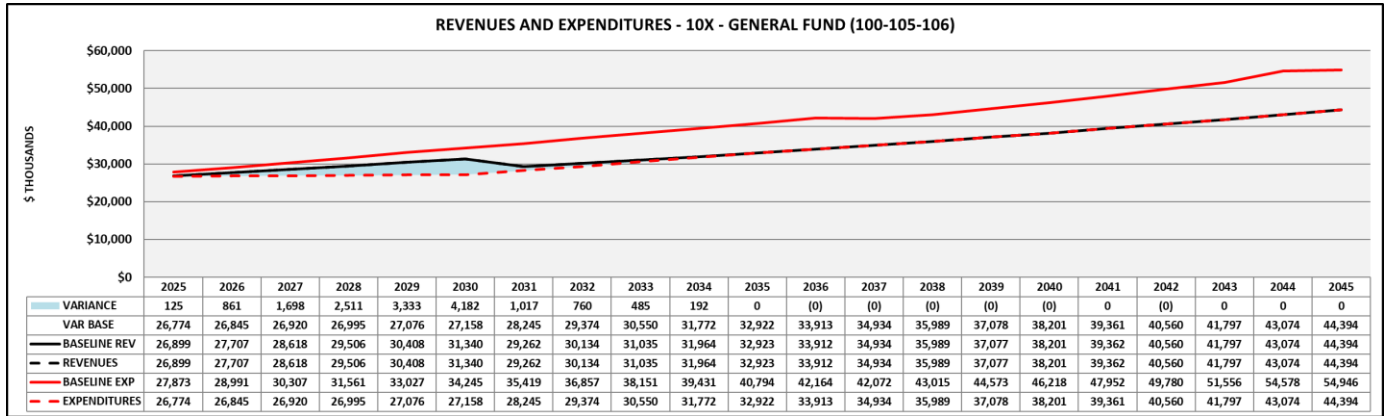
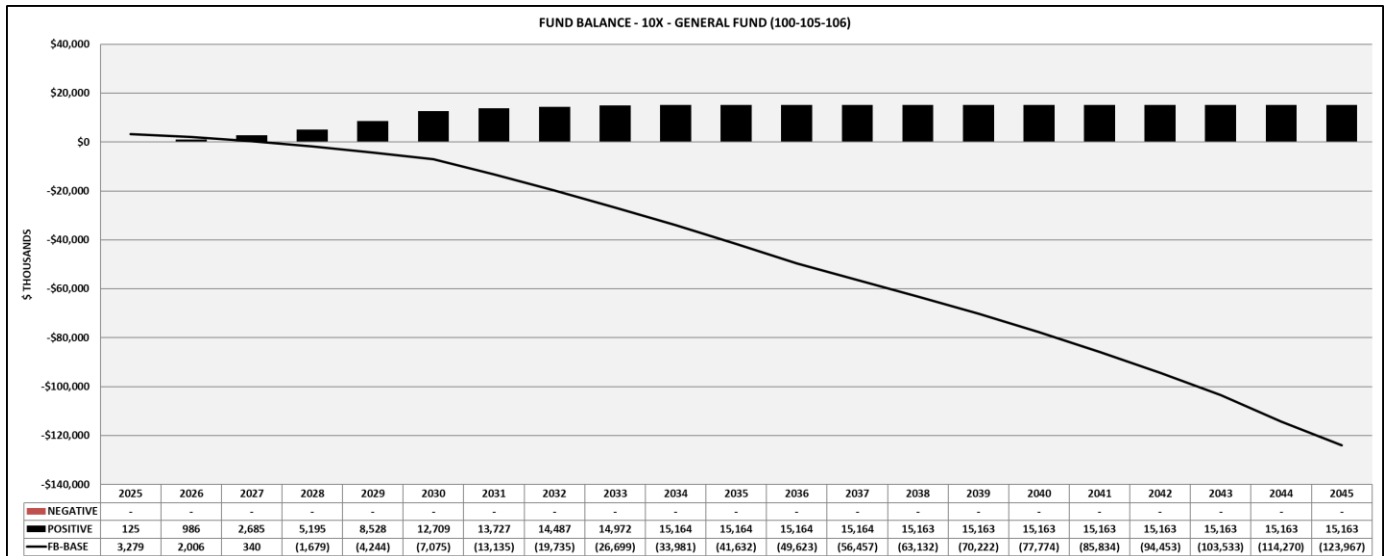


Figure 8. Budget Scenario 3: Strong Operating Expenditure Reduction Strategies Fund Balance Forecast Compared with Baseline



### ***Budget Scenario 4: Combined Revenue Enhancement (TUT) and Expenditure Reduction Strategies***

**Local Transactions and Use Tax (TUT).** Introduce a third 0.5% local TUT, bringing the City's total TUT rate to 10.25%. This increase would result in additional TUT revenue of \$2.6 annually. The overall sales tax rate on purchases made in Pinole currently stands at mid-range among its benchmark cities (See Table 7 in Attachment A). A general tax, that is one not earmarked for any specific purpose, requires a majority vote of the electorate in an election that coincides with City Council election(s). A special purpose tax, for example one earmarked for public safety or for parks, etc., requires a two-thirds vote, but can be folded into any election, including non-Council elections. Assuring fiscal sustainability requires this measure to be taken to voters and receive majority voter approval not later than the November 2024 election.

**Implement General Fund expenditure reductions (as necessary) to balance the budget (same expenditure reduction strategy as described in Scenario 3).** Implement across the board reductions to balance total expenditures to total revenues, starting with total reductions of \$3.2 million, or 9% in FY 2030-31.

Figures nine and ten below compare the future fiscal impact that increasing the TUT and implementing expenditure reductions in scenario four would have over the next 20 years compared to baseline revenues. In scenario four, baseline expenditures and forecast expenditures are identical through FY 2029-30 and are represented by a solid red line. Beginning in FY 2030-31, expenditure reductions are introduced and continue through the end of the forecast period to balance the budget. Forecast revenues and expenditures are identical and are represented by an intermittent red line in Figure 9 below. The expenditure reductions needed to balance the budget range between \$3.1 million and \$7.4 million through the forecast period. These reductions average approximately 10% of the annual budget. For purposes of our analysis, we assume that on average, a 10% annual General Fund expenditure reduction target would be sustained, and departments would then need to identify reductions in personnel, services and supplies, and ongoing capital needs to achieve the necessary reduction.

Figure 9. Budget Scenario 4: TUT Enhancement and Strong Operating Expenditure Reduction Strategies Compared with Baseline

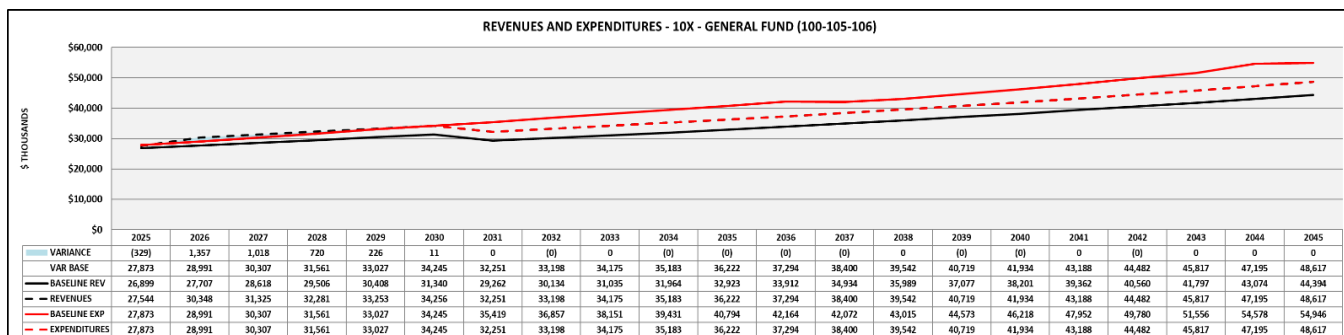
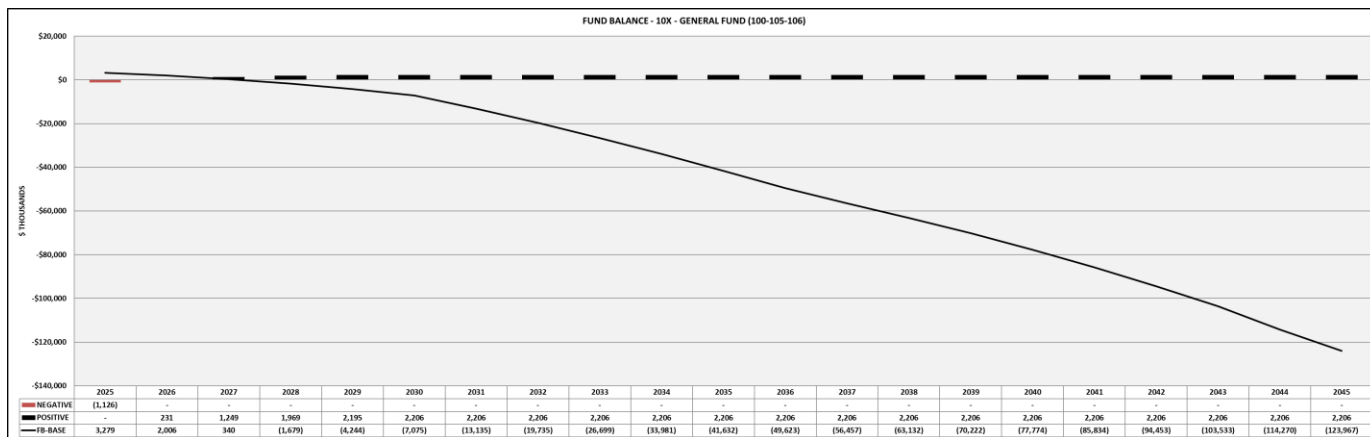


Figure 10. Budget Scenario 4: TUT Enhancement and Strong Operating Expenditure Reduction Strategies Fund Balance Forecast Compared with Baseline



**Other Recommendations (see Attachment A for more details)**

Financial policies are a key element of sound fiscal administration. Policies provide the guidance or “rules of the game” that shape the decisions of public managers. Baker Tilly recommends the following policies to advance the City’s fiscal sustainability efforts:

**Adoption of an OPEB Funding Policy.** The development of an OPEB funding policy would document the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to City employees and retirees. The policy would demonstrate prudent financial management practices and promote long-term strategic thinking.

**Adoption of a Surplus Utilization Policy.** Due to a variety of factors, such as economic expansion, frugal operations, or changes to various projects and programs, the City may end a fiscal year with a surplus of revenues over expenditures, encumbrances and reserve commitments. Budget surplus funds are those funds that result after closing the City's accounting records for a fiscal year. On an annual basis, the City Manager will recommend allocations to the City Council on the use of budget surplus funds consistent with the uses identified in the Fund Balance Policy

**Reduce General Fund Reserve Balance from 50% to 25% of Operating Expenditures.** The City can use the availability of funds that result from lowering the reserve level to address one or more priorities such as the City's OPEB liability, the establishment of an infrastructure replacement program, and the establishment of internal service funds.

**Develop an Internal Service Fund (ISF) Cost Allocation and Reserve System.** Utilizing ISFs is considered a best practice by the Government Finance Officers Association (GFOA) because it allows for an optimal cost allocation across all fund sources based on an equitable and pre-determined methodology; control and consistency in service, accurate accounting and reporting; and allows for a long-term outlook when planning and budgeting capital acquisitions.

**Public Engagement in the Budget Process.**

GFOA recommends that governments encourage effective and well implemented public engagement budget processes. This will enable the public to work with their government to help make beneficial budget decisions. While not a focus of this engagement, we have upon request of the City Council summarized some good public participation practices that can help the City be more accountable and responsive to the community (see Attachment A).

## Attachment A – Detailed Strategies

### Revenue Enhancements

#### Strategy 1: Utilities Users Tax (UUT) – Expand Covered Utilities and/or Increase the Tax Rate

Cities have the authority to impose UUTs on the consumption of utility services that may also include water, sewer, telephone (including cell phone and long distance), sanitation and cable television. The rate of tax is determined by the local agency.

In November 1998, voters approved the City of Pinole's Utility Users Tax (UUT) at a rate of 8% on electricity, gas, and telephone services. Voters extended this tax in 2004, 2012 and in 2018. Revenue generated from the UUT enables the City of Pinole to maintain its existing service delivery and City-provided programs to the community as approved in the adopted budget.

Expanding the UUT to include enhanced taxation of telecommunications services (i.e., wired and wireless telephone services, video services) could generate additional revenues each year. An impact analysis would need to be completed before introducing a revised utility users tax measure. An enhanced definition of telephone communication services could include "communications services" as defined in Sections 4251 and 4252 of the Internal Revenue Code that includes the use of analog, digital, electronic, radio or similar means through "interconnected service" with the "public switched network" or over digital networks by which communications with a substantial portion of the public is available (e.g., voice over internet protocol or VoIP). The application of UUT on telephone services has been a topic of legal and legislative turmoil in the past 15 years due to changes in technology and federal law. Cities still retain the authority to impose a telephone UUT but must exercise care in defining the services subject to the tax to address future technologies without triggering additional measures to be brought to voters.

Among Pinole's six peer cities, the cities of Albany, El Cerrito and Emeryville have UUT ordinances that cover telecommunication services. Per capita estimates of annual revenues generated from telephone UUT services range from \$78 to \$240.

Table 6. Utility User Tax (UUT) Revenue of Peer Cities

City	Utility User Tax	FY 2021 UUT Revenues	FY 2021 UUT Revenues per Capita
<b>Albany</b>	Communication 6.5%, Electricity 9.5%, Gas 9.5%	\$1,606,874	\$78
<b>American Canyon</b>	None	N/A	N/A

City	Utility User Tax	FY 2021 UUT Revenues	FY 2021 UUT Revenues per Capita
Dixon	None	N/A	N/A
El Cerrito	Services subject to 8% UUT tax rate include electricity, gas, water, video, and telephone including wireless.	\$3,760,333	\$143
Emeryville	Services subject to 5.5% UUT tax rate include gas, electricity, prepaid wireless, and telecommunications.	\$3,030,308	\$240
Martinez	None	N/A	N/A
Pinole	Services subject to 8% UUT tax rate include electricity, gas, and telephone services.	\$1,939,726	\$103

Increasing the City's existing UUT rate is another possible solution. The typical UUT rate by other cities in California is within the 5% to 7% range. If the City were to increase the UUT rate from 8% to 10% for electric, gas, and telephone services currently being levied, annual revenues would increase by approximately \$521,000.

Increasing or expanding the existing UUT (expansion to include the water utility for example) would require additional analysis, Council approval, and an affirmative vote by the electorate. Polling the electorate to determine viability would be prudent. Expansion of the 8% UUT to include the water utility would roughly increase revenue by \$620,000 annually.

A compelling argument can be made for increasing or expanding the UUT based on revenues compared to similar cities. A UUT would be considered a general tax measure that would require a 2/3 majority of Councilmembers to place a measure on a ballot. The measure must then be approved by a simple majority (50% + 1) of voters at a regular election in which Councilmember positions are on the ballot.

### **Strategy 2: Sales Tax Add-On Measure**

The overall sales tax rate on purchases made in Pinole is 9.75%, which stands at mid-range among its benchmark cities (See Table 7 below). Of that amount, the City receives the statewide standard 1% (referred to as the Bradley Burns sales tax) plus 0.5% due to Measure S 2006 and 0.5% due to Measure S 2014. The maximum levy permitted by the State Legislature for combined direct and overlapping sales tax is 10.25%. The City can

seek approval from the electorate for a third add-on sales tax measure. An additional one-half cent sales tax measure would result in approximately \$2.6 million in additional tax revenue per year. A general purpose measure would require a simple majority approval and a specific purpose measure would require 2/3 majority voter approval.

Table 7. Benchmark City Comparison of Sales and Use Tax Rates

City	Sales and Use Tax Rate
Albany	10.75%
American Canyon	7.75%
Dixon	7.375%
El Cerrito	10.25%
Emeryville	10.5%
Martinez	9.75%
Pinole	9.75%

### **Strategy 3: Parcel Tax**

A parcel tax is a property tax levied on owners of parcels and unlike ordinary property taxes, are explicitly not based on the value of a property or its use. Parcel taxes are largely used in California, because they were developed as a way for school districts and municipalities to work around the rules of Proposition 13, which prohibits ad valorem taxes (taxes based on the value of property), except for General Obligation bonds used for facilities.

Among city revenue sources, parcel taxes are not as common as other locally imposed taxes. But for schools and special districts, who have much more limited taxing authority and do not have the ability to seek general taxes, parcel taxes are the primary method of collecting additional operating revenues.

The revenue cities raise from parcel tax rates depends on the number of parcels taxed and the rate. On average, a California city has 0.29 parcels per capita. For the average city, a tax of \$100 per parcel raises about \$29 per capita. Eighty-seven percent of parcels are residential, so a flat parcel tax is borne mainly by owners of homes and apartments.<sup>4</sup>

<sup>4</sup> California's Parcel Tax, Jon Sonstelie, 2014 Lincoln Institute of Land Policy, Lincoln Institute of Land Policy Working Paper, <https://www.lincolnst.edu/sites/default/files/pubfiles/sonstelie-wp14js1.pdf>.

The specific terms of a parcel tax depend on the details of the measure passed by voters, including how long it will be in effect and how much will be paid per parcel. An example parcel tax fiscal impact estimate appears in Table 7 below. If the City assessed a uniform parcel tax rate of \$100 for its 5,949 parcels and included an exemption for its low-income population, the City could realize approximately \$560,000 in annual tax revenue.

Implementing a parcel tax would require additional analysis, polling, Council approval, and a two-thirds affirmative vote (66.67%) vote of the electorate.

Table 8. Parcel Tax Fiscal Impact Estimate

Parcel Type	Size of Parcel	Number of Parcels	Tax Rate	Projected Annual Tax Revenue
Single family residential	Not applicable	5,080	\$100 per unit	\$508,000
Condominium/Townhouse	Not applicable	535	\$100 per unit	\$53,500
Multi-family residential	Not applicable	70	\$100 per unit	\$7,000
Non-residential	<0.25 acre	132	\$100 per parcel	\$13,200
Non-residential	> or equal 0.25 acre	132	\$100 per parcel	\$13,200
<b>Total</b>		<b>5,949</b>		<b>\$594,900</b>
<b>Less persons in poverty (5.5%)</b>				<b>-\$29,719</b>
<b>Net Total</b>				<b>\$565,181</b>

#### **Strategy 4: Business License Tax (BLT) – Increase Tax Rate**

Pinole has a BLT model that is based on a flat fixed fee dependent upon business type. The tax structure has not been modified over the past 39 years. BLT revenue projections for FY 2023-24 totaled \$450,014.

Table 9 shows that Pinole has BLT revenues of \$24 per capita. This is close to the average per capita business license tax revenue of \$23 among its benchmark cities.<sup>5</sup> If Pinole wanted to generate additional BLT revenue to a level that is more comparable to the similar sized city of Albany, the City would need to increase its existing flat tax rates by approximately 55%, which is estimated to generate additional revenue of

<sup>5</sup> The City of Emeryville is excluded from the per capita average due its very large business license tax revenue that would tend to distort the average.

approximately \$248,000 per year and would change its BLT revenue per capita rate from \$24 to \$37.

Another approach to increase BLT revenues would be to assess the change in inflation, as measured by the consumer price index, since the BLT was last modified. It has been at least since 1975 that the BLT per employee rate was modified. Over the course of the last 39 years, CPI for the San Francisco-Oakland-San Jose Region has increased at an average annual rate of 4%. If the City were to use CPI as a basis for increasing its BLT rates, that would generate additional annual revenues on an ongoing basis.

Shifting from a flat-fee based BLT model to a gross receipts model is another option. Many cities use a gross receipts (or revenue) based approach, either exclusively or combined with an employee-based model and establish a tax rate that is levied on the annual gross receipts of the business. Those tax rates vary widely by agency, but a typical range is between 0.5% and 2.0% per \$1,000 of gross receipts. Transitioning to a gross receipts model would require significant research and analysis and could result in the need for increased staffing. The structure of the tax and the revenue that could be generated from such a shift is not estimable at this time as the City does not collect gross receipts information from its business license applicants.

Implementing adjustments to the business license tax would require additional analysis, Council approval, and an affirmative vote by the electorate. A general tax, that is one not earmarked for any specific purpose, requires a majority vote of the electorate in an election that coincides with City Council election(s). A special purpose tax, for example one earmarked for public safety or for parks, etc., requires a two-thirds vote, but can be folded into any election, including non-Council elections.

*Table 9. Benchmark City Comparison of Business License Tax Structure and Revenue*

City	FY 2023-24 Business License Tax Revenues	Business License Tax	BLT Revenues Per Capita	Population
Albany	\$700,000	<b>Employee</b> - Variable tax rate schedule dependent upon business type. Not based on gross receipts unless utility service (\$1.00 for every \$1k of gross receipts).	\$34	20,542

City	FY 2023-24 Business License Tax Revenues	Business License Tax	BLT Revenues Per Capita	Population
American Canyon	\$221,000	<b>Gross Receipts</b> - Persons with fixed place of business pay tax according to sliding gross receipts scale. Others pay flat tax	\$10	21,566
Dixon	\$123,000	<b>Flat Tax</b> - Variable tax rate schedule dependent upon business type. Not based on gross receipts.	\$6	19,094
El Cerrito	\$942,358	<b>Employee</b> - Variable tax rate schedule dependent upon number of employees and specific tax rates assigned to specific business types. Not based on gross receipts.	\$37	25,671
Emeryville	\$8,979,500	<b>Gross Receipts</b> - The greater of \$25 or one-tenth of one percent (0.10%) of the annual gross receipts. Specific businesses have assigned flat tax rates.	\$712	12,617
Martinez	\$950,000	<b>Gross Receipts/Flat Tax</b> - Taxed according to a gross receipts schedule, minimum tax is \$25. Specific businesses have assigned flat tax rates.	\$26	37,195
Pinole	\$450,014	<b>Flat Tax</b> - Flat fixed fee dependent upon business type.	\$24	18,819

### **Strategy 5: Financing Capital Assets – Streets and Roads**

The replacement and rehabilitation of streets and roads has been identified as one of the City's top priorities. Due to the current cost of operations and the current level of available revenue sources, there are insufficient funds being allocated to maintain the City's streets and roads at an acceptable level. The Pavement Condition Index (PCI) is a numerical rating of the pavement condition that ranges from 0 to 100, with 0 being the worst possible condition and 100 being the best possible condition (see Table 10 below). PCI is used to quantify existing pavement conditions that can be later used to estimate

how long the pavements will last and how much funding will be needed to keep them in satisfactory condition. The City of Pinole's PCI is currently rated "Poor".

Table 10. PCI Range Classification

PCI Range	Class
85-100	Good
70-85	Satisfactory
55-70	Fair
40-55	Poor (Pinole 53)
25-40	Very Poor
10-25	Serious
0-10	Failed

Source: American Society for Testing and Materials D6433 - 20: Standard Practice for Roads and Parking Lots Pavement Condition Index Surveys

Committing an adequate level of funding for annual street maintenance avoids the costly necessity to reconstruct pavement that has deteriorated beyond the point of performing less costly overlays and slurry seals.

Table 11. PCI Rating by Time of Improvement

Time of Improvement	Arterial	Collector	Local
Adequate	>85	>80	>80
6 to 10 years	76 to 85	71 to 80	66 to 80
1 to 5 years	56 to 75	51 to 70	46 to 65
NOW rehabilitate	50 to 55	45 to 50	40 to 45
Now reconstruct	<50	<45	<40

Source: Pavement Condition 101 OGRA's Milestones, V9#4, December 2009

Local governments may finance acquisition or construction of various projects and capital assets through the issuance and sale of municipal securities. Securities are sold and the proceeds are used for the cost of acquisition or construction. Debt financing is needed when the cost of a capital improvement project exceeds tax and fee revenues available during the construction period. It also allows the public entity to spread the cost of the project over time and manage cash flows.

Table 12 below identifies the PCI impact to the City's streets and roads if it utilized \$25 million in bond proceeds over a three-year period beginning in 2025. Under this scenario, the City would apply bond proceeds of \$8.5 million in 2025, another \$8.5 million in 2026, and \$8 million in 2027 above its current annual street maintenance

allocation of \$1 million per year. Approximately 30% of bond proceeds would be allocated to arterials, 20% to collectors, and 50% to residential roads. It is evident that bond financing of this magnitude alone only raises the PCI from poor to fair until the rating again plummets after only a few years. This funding option would more effectively work in concert with additional funding that would supplement the bond funding.

*Table 12. City of Pinole Streets and Roads Spending Plan (\$25M Financing)*

Year	PCI (without proposed spending)	Proposed Spending	PCI (with proposed spending)
2025	53	\$9,500,000	62
2026	51	\$9,500,000	65
2027	48	\$9,000,000	67
2028	46	\$1,000,000	65
2029	43	\$1,000,000	64
2030	41	\$1,000,000	62
2031	39	\$1,000,000	61
2032	37	\$1,000,000	60
2033	35	\$1,000,000	59
2034	33	\$1,000,000	59
2035	31	\$1,000,000	58
2036	29	\$1,000,000	56
2037	27	\$1,000,000	56
2038	25	\$1,000,000	55
2039	23	\$1,000,000	54
2040	22	\$1,000,000	53
2041	20	\$1,000,000	52
2042	19	\$1,000,000	51
2043	17	\$1,000,000	51
2044	16	\$1,000,000	50

A \$25 million general obligation bond combined with an estimated cost of issuance of approximately \$430,000 at an assumed interest rate of 5.5% would result in annual principal and interest payments of \$2.1 million over 20 years. The total principal and interest payments would be approximately \$43 million. These estimates assume a credit rating of S&P A+ and are meant only to provide an order of magnitude estimate of financing costs in the current interest rate environment. The City would need to hire

a municipal financial advisor to plan, formulate and properly execute a debt issuance that is aligned with the City's goals and policy objectives.

A general obligation bond requires the City Council to pass by a two-thirds vote an ordinance placing the general obligation bond measure on the ballot and a resolution determining that the public interest or necessity demands the construction of any municipal improvement. It also requires approval of two-thirds of the voters.

### **Strategy 6: Real Property Transfer Tax**

A real property transfer tax (RPTT) is a tax imposed on the deed, instrument, or writing by which interests in real property are transferred. Under the California Revenue and Taxation Code, general law cities, like Pinole, may impose a RPTT of no more than \$0.55 per \$1,000 of value on the property transferred (the County may also impose a RPTT equal to this rate). Pinole currently has a RPTT of the maximum allowed for general law cities of \$0.55 per \$1,000 of value. Charter cities may impose RPTTs at a rate higher than the maximum statutory rate of \$0.55 per \$1,000 of value if approved by voters. The median RPTT rate for charter cities in Contra Costa and Alameda Counties is \$12 per \$1,000 of value.

In 2019 and 2020, the City Council considered the desirability of placing two different local tax measures on the ballot, a special parcel tax and a real property transfer tax. In 2019, the City Council directed City staff to take the steps necessary to place a tax measure to fund fire service on the March 2020 ballot. Subsequently, in August 2019, the City Council directed staff to specifically take steps necessary to place a special parcel tax to fund fire service on the November 2020 ballot rather than March 2020. The City hired a public opinion research firm to assess voter support for a potential special parcel tax for fire service. The firm presented its findings to the City Council in November 2019. In 2019, the City Council also directed City staff to analyze the steps necessary to place a measure on the ballot that would increase the RPTT.

In February 2020, the Council directed staff to retain a polling consultant to gather information on public opinion regarding a charter city ballot measure limited to an increase in the RPTT and directed staff to retain a communications consultant. Due to the onset of COVID-19, in April 2020, the Council directed staff to suspend its activities in pursuit of a November 2020 charter city and RPTT ballot measure. In July 2020, the Council also directed staff not to move forward in preparing a November 2020 ballot measure for a special parcel tax for fire service. In early 2022, the City Council revisited placing a charter city/RPTT measure on the November 2022 ballot. It directed staff to engage a polling and community engagement consultant to gauge community interest.

Staff calculated that were the City to implement a RPTT of \$8 per \$1,000 of value or \$12 per \$1,000 of value, it might create new City revenue averaging approximately \$1.5 million and \$2.2 million annually, respectively.

### **Strategy 7: Increase Franchise Fee Rates on Gross Receipts**

Franchise fees represent charges to private parties for the use of City right of way. The most significant franchise fee that the City charges is to the City's solid waste collection company, Republic Services, which includes a 10% franchise fee requirement that entitles Republic Services to use the City's streets and right of way to perform solid waste management activities, such as refuse, recycling, and organic material pick up. The City of Richmond, CA negotiated a 17.5% franchise fee requirement with Republic Services. Most agencies assess solid waste collection franchise fees in the 10-12% range.

The City also has a franchise agreement with Pacific Gas and Electric (PG&E) for its use of City poles, wires, conduits, and appurtenances, to transmit electricity and gas to the public, and with Comcast to provide video services to the City.

An increase in the franchise fee rates for gas, electric, and cable by 1% and refuse by 5% would equate to approximately \$340,000 in additional annual revenue.

*Table 13. Annual Fiscal Impact of Increasing Franchise Rates*

Fee	Proposed Change	Annual Fiscal Impact
Gas Franchise	Increase from 1 to 2%	\$51,000
Electric Franchise	Increase from 2 to 3%	\$59,000
Cable Franchise	Increase from 5 to 6%	\$50,000
Refuse Franchise	Increase from 10 to 15%	\$180,000
<b>Total</b>		<b>\$340,000</b>

Franchise fees can be higher than what is required for full cost recovery. Increasing the franchise fees is within the discretion of the City Council negotiating those fees with the service providers with the understanding that customers ultimately pay the franchise fees, which are delineated as such on their service bills. On August 11, 2022, the California Supreme Court issued its opinion in *Zolly v. City of Oakland*, holding that a group of property owners had pleaded sufficient facts to maintain a challenge to the City's solid-waste franchise fee, under Article XIII C of the California Constitution, commonly called "Proposition 26". The significance of the ruling is that a franchise fee may be considered "imposed by local government," and therefore may be limited by

Proposition 26, if it is "established" by the agency, even if by contract. The City should consult with its City Attorney to discuss how this decision might impact the City's ability to increase its franchise fees.

## Expenditure Controls/Cost Shifts

### **Strategy 8: Targeted Expenditure Reductions**

An approach has been utilized by other agencies in recognition of a budget chasm and the need to develop a phased and targeted approach to reducing expenditures. This can allow the city to balance budgets as it considers, or awaits the full implementation of, various revenue enhancement measures. These expenditure reduction solutions also allow the City time to determine longer-term impacts and develop service level adjustments, including changes to personnel and service delivery models, if necessary.

A tiered approach will prevent the City from having to make unnecessarily deep service cuts in the near-term that severely impact the community and the organization (See the example in Table 14 below). To balance a projected deficit, a short to medium-term "bridge" solution can be developed that relies on a combination of targeted reductions in operating accounts with underutilization trends, deferred capital project spending, and reduced transfers to other funds. The City could identify capital projects with funds that can be released back to fund balance either because the project is completed, or the project can be reduced without significant impacts. Planned expenditures for a second category of projects have been deemed non-critical in the near term and can be deferred for at least one year.

Table 14. Tiered Expenditure Reduction (Example)

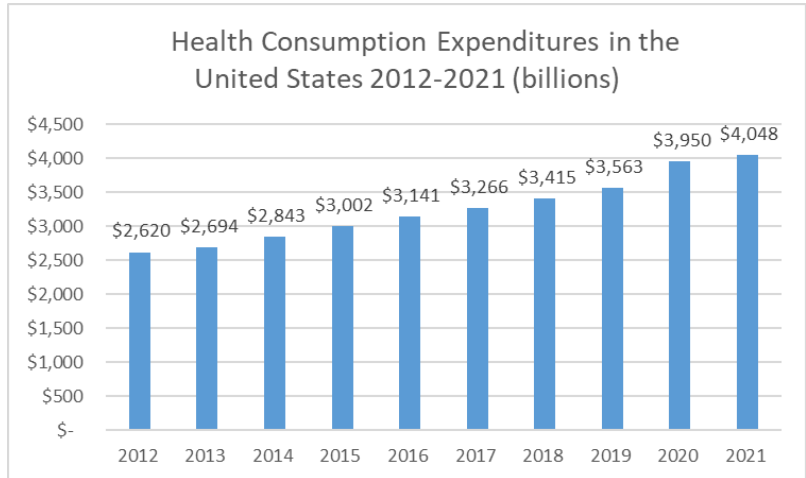
Financial First Aid - Bridging Options	Operating Cuts No Service Level Change Tier 1	Hiring Freeze Tier 2	Deferred Capital Funding & Spend Tier 3	ISF Charge Reductions Tier 4	Contingency Reserve Tier 5	Service Level Cuts Tier 6	TOTAL GAP FUNDING SOLUTIONS
<b>Salaries and Benefits</b>							
Salaries, Benefits and Other Pays		(\$75,000)					(\$75,000)
<b>Total Salaries and Benefits</b>	<b>\$0</b>	<b>(\$75,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$75,000)</b>
<b>Maintenance and Operations</b>							
Professional & Contract Services	(\$570,455)						(\$570,455)
Internal Service Premiums	(\$24,510)						(\$24,510)
Workers' Compensation							\$0
General Liability							\$0
Uninshured Claims							\$0
OPEB							\$0
Equipment Replacement/Maint	(\$13,456)						(\$13,456)
Information Technology							\$0
Maintenance & Repair	(\$48,975)						(\$48,975)
Supplies & Materials	(\$157,423)						(\$157,423)
Utilities	(\$87,941)						(\$87,941)
General Expenses	(\$53,477)						(\$53,477)
Travel & Training	(\$29,447)						(\$29,447)
Grant Operating Expenses							\$0
<b>Total Maintenance and Operations</b>	<b>(\$985,684)</b>						<b>(\$985,684)</b>
<b>Total Transfers Out</b>	<b>(\$770,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,971,368)</b>
<b>Capital</b>			<b>(\$2,451,600)</b>				<b>(\$2,451,600)</b>
<b>General Fund Discretionary Reserves</b>							<b>\$0</b>
<b>Total by Tier</b>	<b>(\$1,755,684)</b>	<b>(\$75,000)</b>	<b>(\$2,451,600)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,282,284)</b>
<b>Cumulative by Tier</b>	<b>(\$1,755,684)</b>	<b>(\$1,830,684)</b>	<b>(\$4,282,284)</b>	<b>(\$4,282,284)</b>	<b>(\$4,282,284)</b>	<b>(\$4,282,284)</b>	<b>(\$4,282,284)</b>

While some budgetary challenges can be absorbed by temporary cost cutting, opportunities to cut such things as salaries and benefits, and professional contact services expenditures, take time to evaluate, prioritize and implement, especially in order to understand the full service level impacts of these actions.

### **Strategy 9: Retiree Health Care Benefit**

Employees hired before July 1, 2010, receive a City contribution toward their retiree health premium equal to that provided to current active employees. The cost of healthcare has increased nationally as has the cost of consumption. Health consumption expenditures have increased annually by an average of 5% between 2011 and 2021 (see Figure 11 below).

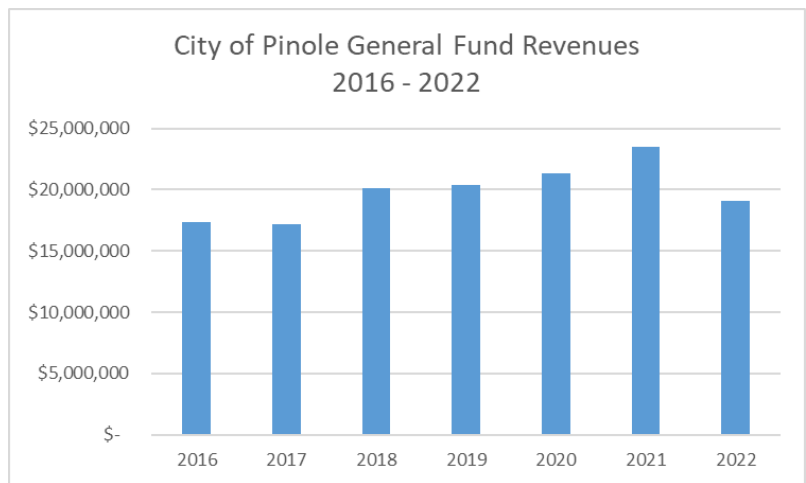
Figure 11. Health Consumption Expenditures



Source: United States Centers for Medicare & Medicaid Services CMS.gov

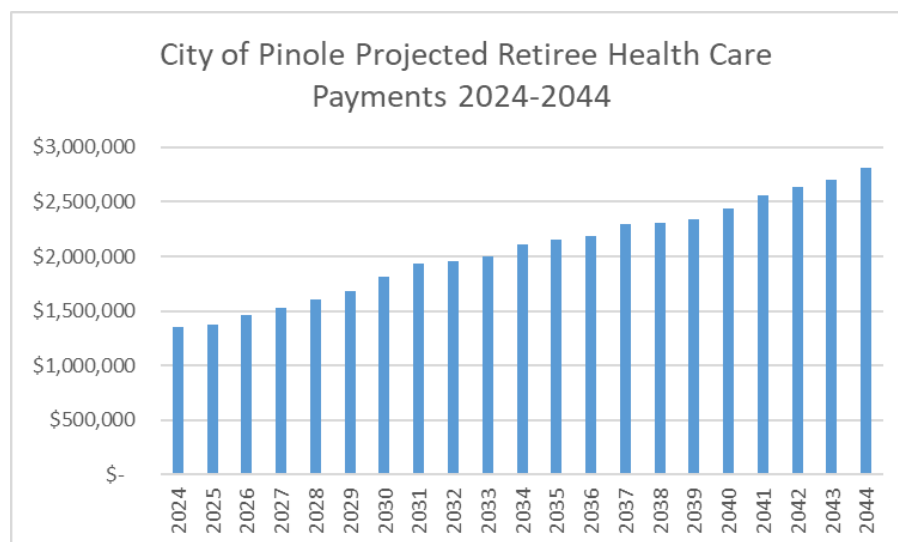
The increase in health care costs in recent years occurred at a time in which overall City revenues have stagnated (see Figure 12 below).

Figure 12. Pinole General Fund Revenues



In addition to health premiums increasing, municipalities have also seen growth in their pension and retiree health costs. The costs in all three of these areas are expected to continue to grow. Retiree health care payments are projected to more than double for the City of Pinole over the next 20 years (see Figure 13 below).

Figure 13. City of Pinole Projected Retiree Health Care Payments



Source: City of Pinole GASB 75 Disclosures for Fiscal Year Ending June 30, 2022

Such a trend combined with the overall costs of these benefits makes it necessary to consider options to contain costs and to operate more efficiently. The provision of health care payments to retirees has become increasingly less common among municipalities over the past decade (see comparison of benchmark cities in Table 15 below). Given the rise in health and pension costs, it is imperative that the City considers cost containment strategies.

Table 15. Summary Comparison of Medical Care Coverage for Retirees

Jurisdiction Name	Total OPEB Liability	Medical Health Coverage for Retirees
<b>Albany</b>	\$4,394,300	Yes.
<b>American Canyon</b>	\$12,529,860	Yes, lower coverage for those hired after 2016.
<b>Dixon</b>	\$4,244,808	Yes. One month's premium for employee and dependent for every year worked prior to retirement up to a maximum of 24 months.
<b>El Cerrito</b>	\$4,887,434	No.
<b>Emeryville</b>	\$9,889,028	Yes, up to maximum of \$363 for retiree and two or more dependents.
<b>Martinez</b>	\$21,042,287	Yes, no coverage for new employees.
<b>Pinole</b>	\$36,286,025	Yes.

It is not common for a city to levy a charge on employees for retiree medical benefits, as current employees do not feel it is their obligation to pay for benefits for retired employees. As such, most employers seek to mitigate these rising post-employment benefit costs by reducing or eliminating the benefit for future employees hired after a certain date. State law currently prohibits employers from eliminating such vested benefits from current employees, however there are court cases moving forward that will decide the extent to which employers are able to modify vested benefits unilaterally after the completion of a meet and confer process. The impact of closing the retiree medical benefit plan to future employees would require actuarial analysis, however in our experience, the annual required contribution would fall as eligible employees retire or separate from service with the City and are replaced with employees that are no longer eligible for such a benefit. So long as the City continues to participate in the CalPERS medical benefits program, the City would be required to contribute a certain amount for retirees as they do for current employees. The fiscal savings from such an action would take about 10 to 15 years to be noticeable. This remains a viable option for the City to consider for the future, however the fiscal impact of such a decision is presently unknown without further actuarial analysis.

#### **Strategy 10: Shift Medical Contribution Cost to Employees**

City employees receive medical benefits in accordance with the provisions of memoranda of understanding between the City and their respective bargaining units. For all bargaining units, full-time employees receive medical benefits that are paid by the City and equal to the Kaiser rate for the prior calendar year at each level of coverage. The City's total contribution toward health benefits for FY 2024-25 is projected to be \$2.0 million, of which \$1.5 million is attributable to General Fund operations. If employees were required to pay a greater share of their medical benefits, this cost would be reduced. Based on 63 full-time employees attributable to General Fund departments, a contribution of \$100 per month by each employee would yield savings to the City of \$75,600 to the General Fund.

Medical benefits are a mandatory subject of bargaining. Changing the benefit amounts would require a meet and confer process. All the City's contracts with bargaining groups expire 6/30/2025. Asking employees to contribute towards medical costs may impact the ability for the City to compete for labor in the marketplace; however other cities are also addressing the issue of continued rising medical costs. Furthermore, the impacts associated with health care reform at the federal level are currently unknown, which could have significant impacts on healthcare costs in the future that would require revisiting the proper allocation of healthcare costs between employer and employee.

## **Strategy 11: Increase Employee Pension Contributions**

Pinole’s full-time employees receive pension benefits through CalPERS. The employees’ required contributions for Classic Members (those that were CalPERS members prior to January 1, 2013) and PEPRAs Members (those that joined CalPERS after January 1, 2013 or had a gap in CalPERS service greater than 6 months) are shown in Table 15.

*Table 16. Pinole Employee Pension Plan Formulae and Contribution Rates for Classic and PEPRAs Members*

Retirement Benefit	Dept Managers/ Unrepresented	Police Emp Assoc	International Assoc of FireFighters	AFSCME	Local 1
Classic Safety	15% (3%@55)	15% (3%@55)	15% (3%@55)		
PEPRA Safety	13% (2.7%@57)	13% (2.7%@57)	13% (2.7%@57)		
Classic Misc	15% (2.5%@55)			15% (2.5%@55)	15% (2.5%@55)
PEPRA Misc	6.75% (2%@62)	13% (2.7%@57)		6.75% (2%@62)	6.75% (2%@62)

Our analysis using data from FY 2024-25 payroll records indicates that a 1% increase in the employee contribution for CalPERS classic members’ pension costs in the General Fund would start at approximately \$34,000 and increase in future years based on any changes in compensation subject to CalPERS contribution (“PERSable compensation”). Implementing a cost sharing arrangement of 1% with employees as allowed under the provisions of the Public Employees’ Pension Reform Act of 2012 (PEPRA) would result in expenditure savings of approximately \$64,562 but would likely place a hardship in recruiting and retaining employees based on competitive compensation packages provided by other jurisdictions within the area.

Negotiating a net 3% cost sharing arrangement with all classic employees would yield cost savings to the General Fund of approximately \$103,000.

## **Service Delivery and Governance Changes**

### **Strategy 12: Adoption of an OPEB Funding Policy**

The City of Pinole sponsors a single-employer defined benefit OPEB plan that provides medical and prescription drug coverage at retirement. Employees may continue health coverage with the City at retirement for themselves, their spouses, and dependents for life once they meet certain eligibility requirements and as long as required contributions are made. As of the latest actuarial report, the City has a substantial liability of \$44,238,462.

Table 17. City of Pinole OPEB Liability

Total OPEB Liability	As of June 30, 2021
Active employees	\$12,090,912
Retired employees	\$32,147,550
<b>Total</b>	<b>\$44,238,462</b>

The City's budgetary practice has been to pay all retiree expenses incurred in the current year on a pay-as-you-go basis. To address the long-term costs of this expense, it is standard best practice to pre-fund this benefit. The Government Finance Officers Association recommends that governments prefund their obligations for postemployment benefits other than pensions (OPEB) once they have determined that the employer has incurred a substantial long-term liability. In most cases, employers can make long-term investments to cover these obligations through a separate trust fund that should, over time, result in a lower total cost for providing postemployment benefits.

The development of an OPEB funding policy would document the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to City employees and retirees. The recommended policy will also:

- Demonstrate prudent financial management practices;
- Promote long-term and strategic thinking;
- Provide guidance in making annual budget decisions;
- Reassure bond rating agencies; and
- Demonstrate to employees and the public how OPEB will be funded to ensure adequate funding for negotiated benefits.

The OPEB funding policy objective would be to accumulate sufficient assets to fully fund the retiree healthcare benefits that the City's retired employees receive throughout retirement. In meeting this objective, the City will strive to meet the following funding goals:

- The City will strive to maintain assets in the OPEB trust equal to 100% of the Actuarial Liability for OPEB through regular contributions to the OPEB Trust.
- The City will strive to make regular contributions to the OPEB trust to achieve this goal.

- The funds in the OPEB trust will be used to pay the City's OPEB payments each year.
- The City will strive to contribute its Actuarially Determined Contribution (ADC) into the OPEB trust each year.

This Policy will be consistent with the City's financial goals and policy objectives and is intended to work in conjunction with the City's other adopted financial policies (see proposed Surplus Utilization Policy below). To the extent the City has undesignated or unobligated funds in excess of its reserve policies, it is recommended that the City consider applying a portion of such funds toward its unfunded OPEB liabilities.

### **Strategy 13: Adoption of a Surplus Utilization Policy**

Due to a variety of factors, such as economic expansion, frugal operations, or changes to various projects and programs, the City may end a fiscal year with a surplus of revenues over expenditures, encumbrances and reserve commitments. Budget surplus funds are those funds that result after closing the City's accounting records for a fiscal year. On an annual basis, the City Manager will recommend allocations to the City Council on the use of budget surplus funds consistent with the uses identified in the Fund Balance Policy.

#### **Surplus Utilization Policy Example:**

After deficits, reserve deficiencies and other matters of fiscal concern, the City Manager or his/her designee may recommend that any remaining budget surplus funds be allocated on a one-time basis as follows:

- 50% allocated to one-time payments that reduce long-term obligations such as unfunded pension or OPEB liability, bonded indebtedness, or lease obligations; and
- 50% allocated to facility or infrastructure improvements, equipment purchases, or other long-term capital needs that improve the community's safety, aesthetics, transportation, or quality of life.

To the extent that the City has excess reserves, unspent budget monies at year-end, unspent proceeds from capital projects, and/or one-time revenues or any additional resources as described in the section above, the City can consider establishing and allocating such available resources to a Section 115 Trust.

The Section 115 Trust allows the City to build its pension reserve while maintaining oversight of investment management and control over the risk tolerance of the portfolio. Money placed into the trust is irrevocable, meaning it cannot be withdrawn and used for another expenditure of the City. The benefits of the Section 115 Trust include:

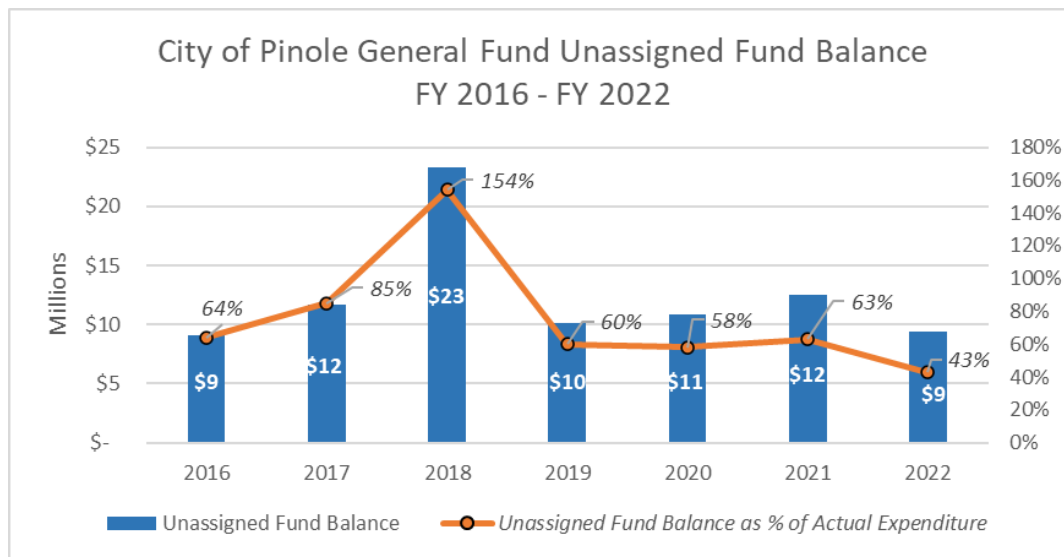
1. Assets in the trust will offset unfunded pension liabilities.
2. The City will control the risk tolerance of the portfolio.
3. Assets held in trust will allow for greater investment flexibility and risk diversification compared to the City's investment portfolio.
4. Assets can be used to stabilize rates – to offset unexpected contribution rate increases or be used as a rainy-day fund when revenues are impaired based on economic or other conditions.
5. A higher rate of return on investments may, under certain circumstances, be achieved than can be earned on the pooled investment portfolio or LAIF
6. City will have the flexibility to access trust assets any time, as long as it's used to pay employer pension and OPEB obligations.

Once the City transfers funds into such a trust, they can only be utilized for payment of employee pension or OPEB costs that can be used to offset an otherwise General Fund contribution.

#### **Strategy 14: General Fund Reserve Balance**

Per the City's Reserve Policy, the City shall budget to contain an amount equivalent to 50% of the City's annual General Fund ongoing operating expenditures. The Government Finance Officers Association (GFOA) recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their General Fund of no less than two months regular General Fund operating revenues or expenditures which, based on FY 2021-22 actuals, is equivalent to a \$3.6 million or a 17% contingency reserve in the City of Pinole. At the end of FY 2021-22, the City of Pinole had an unassigned General Fund balance of \$9.4 million which is equivalent to a 43% reserve. In the years prior to FY 2021-22, the City had a sizable unassigned General Fund Reserve well in excess of 50% of operating expenditures (see Figure 14 below).

Figure 14. City of Pinole General Fund Unassigned Fund Balance



According to the GFOA, the adequacy of the General Fund unreserved fund balance should be assessed based upon a government’s own specific circumstances. Credit rating agency Standard and Poor’s (S&P) considers an adequate level of “fund balance” to be a credit strength because the level of fund balance measures the flexibility of an issuer to meet essential services during transitional periods.

Baker Tilly conducted a survey of benchmark cities and found contingency reserve requirements mostly in the range of 25% of operating budget (see Table 16 below).

Table 18. Total General Fund Balance and General Fund Reserve Policy

Jurisdiction Name	Total General Fund Balance	General Fund Reserve Policy
<b>Albany</b>	\$11,588,267	25% of annual operating expenses
<b>American Canyon</b>	\$12,586,555	25% of annual operating expenses
<b>Dixon</b>	\$19,909,086	25% of annual operating expenses
<b>El Cerrito</b>	\$16,624,174	A minimum of 10% of annual operating expenses
<b>Emeryville</b>	\$58,883,427	50% of annual operating expenses
<b>Martinez</b>	\$20,677,967	A minimum of \$5,000,000 (16.2% of annual operating expense in FY 2021-22)
<b>Pinole</b>	\$35,256,850	50% of the City’s annual General Fund ongoing operating expenditures

The basic purpose of a General Fund reserve (a.k.a. rainy-day reserve) is to protect the City from unexpected or unforeseen fiscal disruptions such as catastrophic loss of critical infrastructure, unanticipated revenue shortfalls, and actions by another government that eliminates or shifts revenues from the City. The current projected General Fund reserve level for Fiscal Year ending 2022-23 is \$8.9 million, which is in excess of the reserve level suggested by the GFOA. However, there are several factors that are worth considering when determining the appropriate reserve level. Market volatility can exacerbate pension funding requirements, naturally occurring events such as earthquakes are a risk, and other unforeseeable events could have a major financial impact. The GFOA prescribed lower reserve level would likely prove sufficient to cover any extraordinary costs, but it should be acknowledged that all future risks cannot be foreseen. It is prudent to use the availability of funds that result from lowering the reserve level to address one or more priorities such as the City's OPEB liability, the establishment of an infrastructure replacement program, and the establishment of internal service funds (see section that follows).

### **Strategy 15: Develop an Internal Service Fund Cost Allocation and Reserve System**

Cities typically provide for the financing of certain operations using Internal Service Funds (ISF). An ISF is a fund used in governmental accounting to allocate centralized expenditures and services to departments on a cost reimbursement basis. All costs incurred for actual expenditures or services rendered in the ISF are charged to each department/fund at a predetermined rate based on their share of these expenditures. Funds are budgeted in, and collected from, each department/fund at a predetermined rate. Typical examples of ISFs include:

- **Insurance Reserve Fund:** used to account for the City's self-insured general liability, uninsured claims, and workers' compensation programs.
- **Equipment Maintenance and Replacement Fund (examples):** used to account for the cost of maintaining and replacing the City's rolling stock fleet, 800 MHz radio system, parking equipment/infrastructure, and recreation and fire medical equipment.
- **Compensated Absences Fund:** used to account for the City's accumulated liability for compensated absences.
- **Retiree Medical Insurance Fund:** used to account for the cost of providing post-employment health care benefits.

- **Information Technology Fund:** used to account for the cost of maintaining and replacing the City's information technology (computer) systems.

Utilizing ISFs is considered a best practice by the Government Finance Officers Association (GFOA) because it allows for an optimal cost allocation across all fund sources based on an equitable and pre-determined methodology; control and consistency in service, accurate accounting and reporting; and allows for a long-term outlook when planning and budgeting capital acquisitions.

GFOA recommends that governments follow these steps when considering an internal service pricing system:

- Identify goals of internal service pricing,
- Develop allocation strategy,
- Define level of costing detail,
- Determine cost of service, and
- Decide basis of allocation.

### **Strategy 16: Public Engagement in the Budget Process**<sup>6</sup>

While not a focus of this engagement, we have upon request of the City Council summarized some good public participation practices that can help the City be more accountable and responsive to the community.

Good public participation practices can help governments be more accountable and responsive to their communities and can also improve the public's perception of governmental performance and the value the public receives from their government. Transparency is a core value of governmental budgeting. Developing a transparent budget process will improve the government's credibility and trust within the community.

Traditionally, public participation meant voting, running for office, being involved in political campaigns, attending public hearings, and keeping informed on important issues of the day by reading government reports or the local newspaper. At an increased level of involvement, the public, acting as individuals and in groups,

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<sup>6</sup> Source: Government Finance Officers Association, Best Practices: Public Engagement in the Budget Process, September 28, 2018, <https://www.gfoa.org/materials/public-engagement-in-the-budget-process>

advocated specific government policies by attending or sponsoring public meetings, lobbying government officials, or bringing media attention to policy issues.

Governments have used new forms of public involvement - surveys, focus groups, neighborhood councils, social media, and Citizen Relationship Management systems, among others - as inputs to decisions about service levels and preferences, community priorities, and organizational performance. While public participation efforts can be extremely valuable, superficial or poorly designed efforts may simply waste valuable staff time and financial resources, and at worst can increase public cynicism if the public perceives that its input has not been taken seriously.

GFOA recommends that governments encourage effective and well implemented public engagement budget processes. This will enable the public to work with their government to help make beneficial budget decisions.

### **Decide Purpose of Public Engagement**

Articulating the purpose for conducting a public participation process is critical because the purpose becomes the foundation for deciding who to involve, how to select them, what activities they will be involved in, what information will be collected, and how the government will use the information. Consequently, determining the purpose should be the first step in designing a participation effort. Governments should not initiate public participation processes without first establishing a tangible purpose or objectives. Purposes may include one or more of the following, and, in addition, individual governments may identify other purposes for involving the public:

- ***Performance.*** Improve performance by better understanding what the public wants and expects from its government. Establish performance measures that incorporate the public's perspective. See GFOA's best practice on Performance measures.
- ***Service Levels.*** Adjust service levels more closely to citizens' preferences in the context of limited resources.
- ***Differentiate.*** Differentiate among the expectations of a jurisdiction's various demographic groups in policy and service design.
- ***Priorities.*** Understand public priorities in planning, budgeting, and managing services. This is especially true when revenues are not sufficient, new services are required, or in disaster recovery situations.

## Encourage People to Engage

The best way to assure a broad perspective is to collect information in a variety of ways and from a variety of sources. Consider the following items to get the public involved in the process.

- ***Schedule.*** Start early enough so that public input meaningfully influences decisions.
- ***Transparency.*** Provide information to the public in a format that they can understand. This approach is appropriate at all stages and may include:
  - Newsletters
  - Public notices in community media
  - Public hearings
  - Public reports, such as Budgets-in-Brief, Popular Annual Financial Reports, or performance reports
  - Web sites and Dashboards - GFOA has a best practice on Website Posting of Financial Documents
  - Individual or group emails, phone calls, and in-person contact
- ***Education.*** Educate the public about different budget options. This can make for more informed decision making. Reach a shared set of facts. Recruit volunteers to attend meetings and educate the public. Use formats that encourage discussion about trade- offs, (such as a "game" format).
- ***Fairness.*** Make sure that typically underrepresented groups are included. Recruit a diverse mix of participants.
- ***Groups.*** Create public or neighborhood advisory groups, committees, and informal task forces. These can be ongoing and can be used both to seek information during planning and information gathering, as well as with subsequent phases, including consideration of alternatives, decision making, implementation, evaluation, and reporting. It is important to identify specific groups that will be affected the most by the decisions made.
- ***Technology.*** Use technology, such as a Constituent Relationship Management (CRM) systems to manage service relationships as well as to identify public preferences and priorities. It can also be a resource as to certain services that the public may have an interest in.

- **Preferences.** Identify citizen preferences and satisfaction levels. Common methods for soliciting information include the following:
  - Surveys, either in person or via mail, phone, or Internet
  - Focus groups
  - Interviews
  - Comment (or point of service) cards
  - Public meetings, such as public hearings, "Town Hall meetings, and community vision sessions
  - Interactive priority setting tools

### **Provide the Engagement Medium**

Conversations will be more productive if the following concepts are kept in mind.

- **Facts.** Participants should have a common set of facts to work from. For instance, consider allocating budget dollars by discretionary and non-discretionary funds. Focus on the public process with the discretionary dollars (money not set aside for mandatory or fixed costs). Make your information readily accessible, such as through a dedicated web page.
- **Conversations.** The environment needs to be designed to facilitate conversation. For instance, a school setting may be less formidable than city hall. Smaller group settings may be more amenable than larger groups.
- **Enjoyable.** Make public participation an enjoyable experience.
- **Trade-Offs.** Financial sustainability requires making hard decisions between competing uses of the community's resources. To truly engage the public in decision-making, they too must make hard choices.

### **Show Opportunities for Future Engagement**

Governments should systematically collect, maintain, monitor, and analyze information gained from public involvement activities, maintain contact information on individuals and groups that wish to be kept informed. Governments should use multiple communication mechanisms to ensure that those involved or interested in the process are notified of opportunities for additional feedback and of decisions made based on the public involvement process. Most importantly, governments should explain how public involvement has made a difference in plans, budgets, and performance, and gather

public feedback on how successful the process has been through the public's eyes. Information derived from public involvement processes provides a critical perspective for making decisions in planning, budgeting, and management. However, such information should be considered along with expert knowledge and judgment (such as the engineering expertise necessary to build a bridge) and objective data (such as economic and demographic information, both of which are also critical to good decision making).

## Service Reductions and Eliminations

### Strategy 17: Take no action

The fiscal impact of taking no action would leave the City's General Fund fully depleted of reserves by FY 2028-29, at which point the City would be forced to implement hiring freezes or layoffs to avoid bankruptcy. The option of "doing nothing" is not feasible without forcing the City into bankruptcy proceedings. Cities that have done so have incurred millions of dollars to get their debt obligations lifted. However, since the General Fund has very little debt obligations, even bankruptcy does not provide much relief. Moreover, the City would face litigation from creditors, employee groups, residents, and agencies such as CalPERS, risk insurance pools, and others. Ultimately, the City would be placed into a form of receivership by the state and would then be overseen by an appointed court to implement the necessary actions to allow the City to operate.

The status quo fiscal model indicates that the City faces a structural deficit that would increase from an annual shortfall of \$7.8 million by FY 2034-35 to a deficit of \$10.5 million by FY 2044-45. Reserves would be fully depleted by FY 2028-29. Without taking any action, the City would face severe fiscal consequences, such as bankruptcy, which could mean significant reductions or full outsourcing of services, including police, parks, recreation, and public works. It would have negative impacts on economic development and quite possibly home prices. The City would face difficulties in recruiting and retaining its workforce as it would have a negative reputation in the labor market.



## **FINANCE SUBCOMMITTEE REPORT**

**4.B.**

**DATE:** APRIL 18, 2024  
**TO:** MAYOR AND COUNCIL MEMBERS  
**FROM:** MARKISHA GUILLORY, FINANCE DIRECTOR  
**SUBJECT:** FISCAL YEAR (FY) 2024/25 GENERAL FUND BASELINE BUDGET

### **RECOMMENDATION**

City staff recommends that the Finance Subcommittee receive a report on the Fiscal Year (FY) 2024/25 General Fund baseline budget.

### **BACKGROUND**

The City operates on an annual budget cycle. Through the budget, the City Council approves revenue estimates and authorizes City staff to expend the City's financial resources. City staff is responsible for preparing a proposed budget for City Council's consideration, modification, and adoption.

The first step in the annual budget development process is for City staff to create a "baseline" budget for the upcoming fiscal year. The baseline budget for the upcoming fiscal year (FY 2024/25, in this case) contains all of the ongoing revenue and expenditure items from the current budget (FY 2023/24) adjusted for known or anticipated changes in economic conditions, costs of goods and services, contractual agreements, etc. Staff uses the baseline budget to then develop the proposed budget for the upcoming fiscal year and the status quo long-term financial forecast.

The City's revenues and expenditures are partitioned into different "funds" to ensure that revenues that are intended for specific purposes are expended accordingly. The City's main fund, the General Fund, accounts for all of the City's general revenues and supports most of the City's core services, such as police, fire, community services and recreation, and street and facility maintenance. The General Fund includes revenue from Measure S 2006 and Measure S 2014. General Fund resources can be spent on many different City activities. Because the General Fund is the largest fund and most flexible pool of City resources, it is the focus of the City's budget. The City has other funds that account for revenues that are restricted for specific services and associated expenditures. These include the Recreation Fund, Building and Planning Fund, Pinole Cable Access Television (PCTV) Fund, and Sewer Enterprise Fund.

City staff has prepared the FY 2024/25 General Fund baseline budget to present to the Finance Subcommittee, both to seek the Subcommittee's feedback on the assumptions it contains as well as to inform the Subcommittee of the City's underlying General Fund budget condition at this point in the development process.

It is important to note that the baseline budget is not the same as the proposed budget. Once the baseline budget is set, it is built upon to produce the proposed budget, which will include non-recurring items, such as special initiatives and projects, and capital improvement projects. The City can adopt a balanced budget even if the baseline budget has a small shortfall. That would require that the City Council remove some activities and expenses from the baseline budget.

## **REVIEW AND ANALYSIS**

### **Budget Development Process**

As noted above, the City goes through an annual process of developing a budget for the upcoming fiscal year. The City's budget development process is considered an "incremental" budget process, meaning that the budget for the upcoming year is developed based on the current year's budget and includes incremental changes. City staff takes the following steps to create the Preliminary Proposed budget:

- Finance Department will use the current FY 2023/24 budget, which incorporates any mid-year changes approved by the City Council, as the starting point;
- Finance Department creates a "baseline budget" for FY 2024/25 by taking the ongoing revenues and expenditures included in the current FY 2023/24 budget and factoring in known or assumed changes, which department confirm, to ongoing revenues and expenditures for FY 2024/25 (i.e., forecasted changes to different revenue streams, general inflation, known changes to debt service, etc.);
- Departments submit requests for changes from the baseline budget to address proposed special projects or increased service levels; and
- Finance Department and City Manager consider department requests for changes to the baseline budget and prepare a Preliminary Proposed budget for the City Council's consideration.

### **General Fund Baseline Budget**

The FY 2024/25 General Fund baseline budget includes recurring General Fund revenues, such as the tax revenues, public safety charges, other revenues, and transfers in. Revenues have been adjusted to reflect growth rate assumptions. Recurring General Fund expenditures have also been adjusted. This includes increases in the salaries/wages to account for salary increases, increases in benefits consistent with updated rates, and inflationary increases in operations and maintenance. The baseline budget assumes no change in the staff levels or programs. The baseline budget illustrates whether, if the City maintains its current revenue mechanisms and staffing and service levels, the budget would be balanced or not. It is a public finance best practice, and a goal of the City's Financial Policy on a Structurally Balanced Budget, to create a proposed General Fund operating budget that is structurally balanced, meaning that ongoing revenues equal or exceed ongoing expenditures.

The FY 2024/25 baseline budget projection indicates a structural imbalance of

approximately \$1.3 million at this point as estimated ongoing expenditures exceed estimated ongoing revenues. This means that the City does not currently have the financial capacity to add new activities or expenditures to the General Fund budget unless it removes a commensurate amount of activities or expenditures. As we go through the budget development process, the City will work to identify and implement measures to balance the baseline budget.

One-time revenues and one-time expenditures for operating and capital improvements are not included in the baseline budget projection.

Following are descriptions of the components that are included in the FY 2024/25 baseline budget. Table 1 below compares the FY 2023/24 baseline budget to the FY 2024/25 baseline budget.

*Table 1 – Comparison of FY 2022/23 and FY 2023/24 General Fund Baseline Budgets*

	FY 2023/24	FY 2024/25	\$ Change	% Change
	Baseline (Revised)	Baseline		
<b>Sources</b>				
Property Tax	\$ 5,678,211	\$ 6,168,067	\$ 489,856	9%
Sales Tax (General, Measure S 2006 and 2014)	9,443,023	9,698,436	255,413	3%
Utility Users' Tax	2,185,485	2,240,000	54,515	2%
Franchise Tax	794,658	860,000	65,342	8%
Intergovernmental Tax	2,319,918	2,402,673	82,755	4%
Transient Occupancy Tax	453,200	460,000	6,800	2%
Business License	450,014	460,000	9,986	2%
Charges for Services	1,693,539	1,774,307	80,768	5%
Other Revenues	635,578	852,160	216,582	34%
<b>Total Revenues</b>	<b>23,653,626</b>	<b>24,915,643</b>	<b>1,648,769</b>	<b>7%</b>
Transfer In	2,245,480	2,425,000	179,520	8%
<b>Total Sources</b>	<b>25,899,106</b>	<b>27,340,643</b>	<b>1,828,289</b>	<b>7%</b>
<b>Uses</b>				
<b>By Category</b>				
Salaries & Wages	9,722,569	10,286,254	563,685	6%
Benefits	6,328,446	7,682,665	1,354,219	21%
Professional Services	8,257,544	8,768,527	510,983	6%
Other Operating	292,711	322,711	30,000	10%
Materials and Supplies	183,200	185,033	1,833	1%
Interdepartmental Charges	(944,990)	(923,260)	21,730	-2%
Asset/Capital Outlay	275,774	278,440	2,666	1%
Debt Service	611,107	611,107	-	0%
<b>Total Expenditures By Category</b>	<b>24,726,361</b>	<b>27,211,476</b>	<b>2,485,115</b>	<b>10%</b>
Transfers Out	1,459,255	1,459,255	-	0%
<b>Total Uses By Category</b>	<b>26,185,616</b>	<b>28,670,731</b>	<b>2,485,115</b>	<b>9%</b>
<b>By Department</b>				
City Council	197,212	213,001	15,789	8%
City Manager	517,710	619,937	102,227	20%
City Clerk	588,054	692,929	104,875	18%
City Treasurer	8,727	9,986	1,259	14%
City Attorney	320,428	330,035	9,607	3%
Finance	797,336	853,772	56,436	7%
Human Resources	888,227	933,808	45,581	5%
Information Technology	3,600	-	(3,600)	-100%
Non-Departmental	2,952,610	3,036,737	84,127	3%
Police	11,070,288	12,590,430	1,520,142	14%
Fire (CCCFPD Service Agreement)	6,016,735	6,428,461	411,726	7%
Public Works	1,956,752	2,020,201	63,449	3%
Community Development	497,201	514,537	17,336	3%
Community Services	370,736	426,898	56,162	15%
<b>Total Uses By Department</b>	<b>26,185,616</b>	<b>28,670,731</b>	<b>2,485,115</b>	<b>9%</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ (286,510)</b>	<b>\$ (1,330,088)</b>		

## General Fund Revenues

### Property Tax

Property tax is an ad valorem tax imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (movable property). The fixed statutory rate is 1% of assessed valuation of which the City of Pinole receives approximately 19%.

Assessed value is based on the 1975 property values with subsequent increases limited to 2% or CPI growth, whichever is less. Property tax is made up of four components—secured (basic and Redevelopment Property Tax Trust Fund (RPTTF); unsecured; supplemental; and property transfer tax. The FY 2024/25 baseline budget assumes a 9% growth rate from FY 2023/24 due to an increase in the residual RPTTF revenue as a result of retirement of former Redevelopment debt and dissolution of the Successor Agency.

### Sales Tax

Sales tax is imposed on taxable goods and services purchased from the following industry groups: autos and transportation, building and construction, business and industry, food and drugs, fuel and service stations, general consumer goods, restaurants and hotels, and online. The overall sales tax rate on purchases made in Pinole is 9.75%. Of that amount, the City receives the statewide standard 1% (referred to as the Bradley Burns sales tax) plus 0.5% due to Measure S 2006 and 0.5% due to Measure S 2014. The FY 2024/25 baseline budget assumes a 3% growth rate in the City's sales tax revenue, consistent with projections provided by HdL, the City's sales tax consultant.

### Utility Users Tax

Utility Users' Tax (UUT) is levied in accordance with Chapter 3.26 of the Municipal Code, amended in 2018 which levies an 8% tax on the value of public utilities services consumed within the City limits for electricity, natural gas, and telecommunications. Low-income households are eligible for exemption from payment. The Electorate ratified renewal of the taxing authority in November 2018 with no sunset date. The FY 2024/25 baseline budget assumes a 2% growth rate based on historical trends. The electricity and gas segments in particular continue to increase substantially year over year in line with rate increases set by service providers.

### Franchise tax

Franchise tax is levied on public utilities and other corporations that use the public right of way to furnish gas (PG&E) (1%), electric (PG&E) (2%), refuse (Republic Services) (10%), and cable television (Comcast and AT&T) (5%) to citizens living within city boundaries. The various fees are delineated in franchise agreements and are paid directly to the city by these franchisees. The FY 2024/25 baseline budget assumes an 8% growth rate based on historical trends.

### Intergovernmental Taxes

Motor vehicle in-lieu fee (VLF) is the City's share of motor vehicle license fees levied, collected and apportioned by the State. VLF is a tax on the ownership of registered motor vehicles which takes the place of taxation of this personal property. The VLF is paid annually at the time vehicle licenses are renewed based on current value adjusted for depreciation. The FY 2024/25 baseline budget assumes a 4% growth rate, consistent with projections provided by HdL, the City's property tax consultant.

### Transient Occupancy Tax

Transient occupancy tax (TOT) is a 10% tax levied by the City for the privilege of occupying quarters on a transient basis in accordance with Chapter 3.24 of the Municipal Code. This tax is imposed upon persons staying 30 days or less in a motel or lodging facility. The FY 2024/25 baseline budget assumes a 2% growth rate based on historical trends.

### Business License Tax

Business license tax is assessed on all businesses doing business within City limits in accordance

with Municipal Code Title 5. The City charges business license tax in accordance with the provisions of Government Code 37101. Pinole's tax is computed based on a flat tax (currently \$160) per year combined with a variable tax component based on the number of employees. The FY 2024/25 baseline budget assumes a 2% growth rate based on historical trends.

### Charges for Services

Charges for services is comprised of public safety charges which are received for dispatch services provided to the cities of Hercules and San Pablo under an Intergovernmental Service Sharing agreement. A portion of the costs of this activity are reimbursed by the City of Hercules and the City of San Pablo. Under the current agreement, the City recovers approximately 67% of the activity's budget. The FY 2024/25 baseline budget assumes a 5% growth rate based on projections provided in the five-year agreement that went into effect on July 1, 2023.

### Other Revenue

Other revenue is made up of all other revenue sources, such as fees, permits, interest income, grants, reimbursements, and other miscellaneous revenue. These revenues are projected primarily using historical trend analysis. The FY 2024/25 baseline budget assumes a 34% growth rate. The substantial growth is mostly due to increased revenue resulting from the imposition of updated fees following the comprehensive user fee study that was conducted in 2022.

### Transfers In

The transfer in comes from the Pension Section 115 Trust to offset the increase in pension costs in the General Fund. The amount transferred is based on the difference between the City's base year (FY 2018/19) contribution towards employee pensions and the forecasted required City contribution in the budget year.

## **General Fund Expenditures**

### Salaries & Wages

Salaries and wages expenditures in the baseline budget are computed based on the City's current staffing level of 115 full-time equivalents (FTEs). It does not assume any new positions. The FY 2024/25 baseline budget assumes a net 6% increase and includes a 4% cost of living adjustment for all employee bargaining groups and the management group, and market equity adjustments for several position classifications as approved in current labor agreements.

Also, the baseline budget includes a vacancy savings factor to account for estimated cost savings resulting from unfilled positions. The vacancy savings factor is \$510,000, or 3% of total personnel expenditures.

### Benefits

Retirement benefits are the City's annual required contribution as determined by the most recent actuarial valuation reports as of July 2023 provided by the California Public Employees' Retirement System (CalPERS). The FY 2024/25 baseline budget reflects the estimated cost net of the required employer contribution minus employee contributions. Based on labor contracts between the City and its employees, employees contribute the 8% required employee contribution plus an additional 7% toward the required employer contribution, for a total of 15% for classic members. It should be noted that the pension unfunded liability increased significantly from FY 2023/24 to FY 2024/25 due to CalPERS' investment losses in the previous year. In turn, the required employer contribution increased by 16%, approximately \$700,000.

Other benefits costs include employee medical/dental/vision care, workers' compensation, and

others. The benefits cost in the FY 2024/25 baseline budget is based primarily on historical trends and rates established by benefit providers. The FY 2024/25 baseline budget assumes a net 21% increase mostly due to significant increases in pension and healthcare costs.

#### Professional Services

Professional services include consulting and administrative services, building and equipment maintenance, office expenses, travel & training, and various other professional services. Contracted services provided by other government agencies, including the Contra Costa County Fire Protection District (CCCFPD) for fire services and County animal and library services, are included in this category. The FY 2024/25 baseline budget assumes a net 6% growth rate primarily based on contractual escalators.

#### Other Operating

Other operating expenditures include water, electricity & power, and cable utility costs. The FY 2024/25 baseline budget assumes a 10% growth rate based on rate increases, primarily electricity.

#### Materials and Supplies

Materials and supplies include fuel, maintenance supplies, and safety equipment. The FY 2024/25 baseline budget assumes a 1% increase based on historical trends.

#### Interdepartmental Charges

Interdepartmental charges include administrative charges and reimbursements for services provided by one City department to another, such as finance, human resources, information technology, and legal services. This category also includes general liability insurance premiums. The FY 2024/25 baseline budget assumes a net 2% decrease based on lower reimbursements to the General Fund from other funds.

#### Asset/Capital Outlay

Capital outlay includes non-major asset acquisition and improvements, such as computer equipment and furniture. The FY 2024/25 baseline budget assumes a 1% growth rate based on the cost estimates of specific items to be purchased.

Major capital improvements funded by the General Fund and Measure S are not reflected in the FY 2024/25 baseline budget. Though they may span multiple fiscal years, capital projects are non-recurring in nature and are not accounted for in the baseline budget.

#### Debt Service

Debt service includes the payment of principal and interest on the 2006 pension obligation bonds (POBs) that were issued to finance the City's unfunded accrued actuarial liability with CalPERS. The required annual payment is based on the long-term debt obligation schedule.

#### Transfers Out

Transfers out includes the transfer of funds from the General Fund and Measure S to other funds to support Recreation and Pinole Community Television (PCTV) operations. The transfer helps to stabilize the budgets in those areas as the operating costs are not fully recoverable. The FY 2024/25 baseline budget assumes a flat dollar amount consistent with past practice. However, increases may be necessary to keep up with the increase in Recreation and PCTV operating expenditures.

**Next Steps**

The City Council will hold a special meeting (workshop) on April 30, 2024. At that time, staff will present an overview of the FY 2024/25 operating baseline budget and get direction on Council Members' requests for potential additions/deletions to the baseline budget for incorporation into the Preliminary Proposed budget.

**FISCAL IMPACT**

There is no fiscal impact as a result of the Finance Subcommittee receiving this report.

**ATTACHMENTS**

None



## FINANCE SUBCOMMITTEE REPORT

4.C.

**DATE:** APRIL 18, 2024  
**TO:** FINANCE SUBCOMMITTEE  
**FROM:** SANJAY MISHRA, PUBLIC WORKS DIRECTOR  
**SUBJECT:** FISCAL YEAR (FY) 2024/25 CAPITAL IMPROVEMENT PLAN BASELINE BUDGET

### **RECOMMENDATION**

Receive an overview of the draft fiscal Year (FY) 2024-25 through 2028-29 Capital Improvement Plan (CIP) and provide recommendations.

### **BACKGROUND**

The Capital Improvement Plan (CIP) is a multi-year plan/forecast of the City's capital improvement projects. The City creates an updated CIP each year based on the condition of the City's current capital assets, the desire for new capital assets, and available funding. The CIP serves as a tool for staff to plan, implement, and manage improvements and ongoing upgrades to the City's infrastructure.

A variety of funding sources support projects in the CIP. The first year's program is adopted by the City Council as the Capital Budget, as a counterpart to the annual Operating Budget. The fiscal resources are appropriated only in the first year, the subsequent four years of the CIP are important for long term planning and subject to further review and modification.

The draft FY 2024-25 through 2028-29 CIP is comprised of projects that fall into the following broad categories:

- Facilities
- Parks
- Sanitary Sewer
- Stormwater
- Streets and Roads
- Infrastructure Assessments

### **REVIEW AND ANALYSIS**

Many projects in the CIP currently underway have been carried over from previous years, several of which are multi-year efforts. Over the past few years, due to limited staff and resources, certain projects were prioritized projects because they were either already underway, had a regulatory component, or were grant funded and had sensitive funding timelines. Several projects were recommended for deferral due to various factors, which include:

- Dependency on completion of precursor capital projects/master plans in progress;

- Dependency on other capital projects for coordinated, efficient implementation;
- Pending grant award results and obligations to complete grant funded projects;
- Coordination with private developers and utilities on associated projects; and
- Limited staff resources

### **FISCAL IMPACT**

The draft FY 2024-25 through 2028-29 Capital Improvement Plan (CIP) includes \$73,443,464 in identified projects of which, \$29,050,000 are listed as unfunded. The draft FY 2024-25 through 2028-29 CIP constitutes the proposed FY 2024-25 budget in the amount of \$12,898,464. Years two through five of the CIP will be used in forecasting funding needs.

### **ATTACHMENTS**

- A. CIP\_Summary\_Sheet
- B. Planning\_Commission\_CIP\_Project\_Sheets



**CITY OF PINOLE**  
**CAPITAL IMPROVEMENT PLAN: FY 2024/25 THROUGH FY 2028/29**  
**FUNDING SUMMARY**

SOURCES BY FUND	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
100 - General Fund	\$ 90,000	\$ 480,000	\$ -	\$ -	\$ -	\$ 570,000
106 - Measure S 2014	\$ 4,075,262	\$ 1,840,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 6,725,262
200 - Gas Tax	\$ 1,195,000	\$ 381,082	\$ -	\$ -	\$ -	\$ 1,576,082
214 - Solid Waste	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
215 - Grant: TLC	\$ 133,579	\$ -	\$ -	\$ -	\$ -	\$ 133,579
215 - Grant: HSIP	\$ 239,040	\$ -	\$ -	\$ -	\$ -	\$ 239,040
215 - Grant: OBAG	\$ 464,000	\$ 556,000	\$ -	\$ -	\$ -	\$ 1,020,000
276 - Growth Impact Fees	\$ 1,225,000	\$ 65,000	\$ -	\$ -	\$ -	\$ 1,290,000
325 - City Street Improvements	\$ 850,000	\$ 1,117,321	\$ 350,000	\$ 350,000	\$ 350,000	\$ 3,017,321
325 - Grant: TDA Article 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
325 - Grant: STMP Fees	\$ 1,650,189	\$ 99,000	\$ -	\$ -	\$ -	\$ 1,749,189
325 - Grant: HBP	\$ 41,394	\$ -	\$ -	\$ -	\$ -	\$ 41,394
377 - Arterial Streets Rehabilitation	\$ 895,000	\$ -	\$ -	\$ -	\$ -	\$ 895,000
500 - Sewer Enterprise Fund	\$ 2,040,000	\$ 11,646,597	\$ 6,610,000	\$ 4,005,000	\$ 2,835,000	\$ 27,136,597
<b>Sources Total</b>	<b>\$ 12,898,464</b>	<b>\$ 16,185,000</b>	<b>\$ 7,230,000</b>	<b>\$ 4,625,000</b>	<b>\$ 3,455,000</b>	<b>\$ 44,393,464</b>
<b>Unfunded Total</b>	<b>\$ -</b>	<b>\$ 29,050,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,050,000</b>
<b>Total Sources Required</b>	<b>\$ 12,898,464</b>	<b>\$ 45,235,000</b>	<b>\$ 7,230,000</b>	<b>\$ 4,625,000</b>	<b>\$ 3,455,000</b>	<b>\$ 73,443,464</b>

FACILITIES							
PRJ #	PROJECT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
FA2302	Plum St. Parking Lot Improvements	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
FA2301	Public Safety Building Modernization	\$ 300,000	\$ 350,000	\$ -	\$ -	\$ -	\$ 650,000
FA2202	Senior Center Modernization	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 350,000
FA1901	Senior Center Auxiliary Parking Lot	\$ 1,060,000	\$ 470,000	\$ -	\$ -	\$ -	\$ 1,530,000
FA1703	City Hall Modernization	\$ 400,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 600,000
FA1702	Citywide Roof repairs and replacement	\$ 600,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 900,000
PARKS							
PRJ #	PROJECT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
PA2202	Skatepark Rehabilitation	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
PA2201	Pocket Parks - Galbreth Rd.	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000
PA1901	Pinole Valley Park Soccer Field Rehabilitation	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
SANITARY SEWER							
PRJ #	PROJECT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
SS2404	WPCP Boiler Replacement	\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ 660,000
SS2403	WPCP Centrifuge Replacement	\$ -	\$ 990,000	\$ -	\$ -	\$ -	\$ 990,000
SS2402	Pinon-2 Capacity	\$ -	\$ -	\$ -	\$ 125,000	\$ 2,835,000	\$ 2,960,000
SS2401	Lower Tennent Trunk Sewer Capacity	\$ -	\$ -	\$ 170,000	\$ 3,880,000	\$ -	\$ 4,050,000
SS2203	Effluent Outfall*	\$ 150,000	\$ 1,000,000	\$ 2,000,000	\$ -	\$ -	\$ 3,150,000
SS2201	Sanitary Sewer Rehabilitation	\$ 1,185,000	\$ 6,810,000	\$ -	\$ -	\$ -	\$ 7,995,000
SS2101	Secondary Clarifier - Center Column Rehabilitation*	\$ 425,000	\$ -	\$ -	\$ -	\$ -	\$ 425,000
SS2002	Storm Drain Master Plan	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
SS1702	Sewer Pump Station Rehabilitation	\$ 100,000	\$ 2,760,000	\$ 4,440,000	\$ -	\$ -	\$ 7,300,000
STORMWATER							
PRJ #	PROJECT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
SW2402	Storm Drain Creek Discharge Improvements	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 600,000
SW2001	Roble Road Drainage Improvements	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000
STREETS & ROADS							
PRJ #	PROJECT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
RO2402	Sidewalk Rehabilitation Program	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
RO2401	Road Maintenance Repairs	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,750,000
RO2303	Pinole Smart Signals	\$ 154,302	\$ -	\$ -	\$ -	\$ -	\$ 154,302
RO2302	Safety Improvements on Arterial Roadways	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ 275,000
RO2301	Road Rehabilitation	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,000,000
RO2107	Brandt St. Improvements	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ 170,000
RO2102	Tennent Ave. Rehabilitation	\$ 20,000	\$ 735,000	\$ -	\$ -	\$ -	\$ 755,000
RO2101	Arterial Rehabilitation	\$ 1,990,000	\$ -	\$ -	\$ -	\$ -	\$ 1,990,000
RO1902	Pedestrian Improvements at Tennent Ave. near R X R	\$ 515,000	\$ 905,000	\$ -	\$ -	\$ -	\$ 1,420,000
RO1710	San Pablo Ave. Bridge over BNSF Railroad	\$ 1,974,162	\$ 28,800,000	\$ -	\$ -	\$ -	\$ 30,774,162
RO1708	Pinole Valley Road Improvements	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
INFRASTRUCTURE ASSESSMENTS							
PRJ #	ASSESSMENT	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	5-Year Total
IN2301	Facilities & Real Estate Master Plan	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
IN2103	Recycled Water Feasibility	\$ 60,000	\$ 140,000	\$ -	\$ -	\$ -	\$ 200,000
IN2101	Emergency Power for Critical Facilities	\$ 30,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 200,000
IN2105	Appian Way Complete Streets	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
IN1703	Storm Drainage Master Plan	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
<b>Uses by Project Total</b>		<b>\$12,898,464</b>	<b>\$45,235,000</b>	<b>\$7,230,000</b>	<b>\$4,625,000</b>	<b>\$3,455,000</b>	

**LEGEND:**

- Project numbers: **FA** = Facilities; **PA** = Parks; **SS** = Sanitary Sewer; **SW** = Storm Water; **RO** = Streets & Roads; **IN** = Infrastructure Assessments
- \* Project cost to be split 50% with the City of Hercules

## FA2302 - PLUM ST. PARKING LOT IMPROVEMENTS

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> : 12	
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
<b>Project Start</b> : 7/1/2024					<b>Estimated Completion</b> : 6/30/2025		
<b>Description</b>							

To provide a secure parking area for Police vehicles in the Plum St. parking lot. The parking lot will remain open for the public. A portion of the parking lot, approximately 25 spaces will be secured with a chain-link fence with security gates for Police vehicles. The layout of the parking lot is in the preliminary design phase.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy CS.2.6

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 7,950					\$ 7,950
Construction	\$ 65,500					\$ 65,500
Contingency	\$ 6,550					\$ 6,550
<b>TOTAL USES</b>	<b>\$ 80,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,000</b>
SOURCE(S)						
276 - Growth Impact Fees	\$ 80,000					\$ 80,000
<b>TOTAL FUNDS</b>	<b>\$ 80,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,000</b>

## FA2301 - PUBLIC SAFETY BUILDING MODERNIZATION

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> 34	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 300,000	\$ 350,000	\$ -	\$ -	\$ -	\$ 650,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

To extend the useful life of the Public Safety building, there are several items that require attention including but not limited to replacement of the HVAC system, carpet, flooring, water heaters, light fixtures, fans, etc. In addition, the building requires painting (interior and exterior), and the locker rooms also require renovation.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy CS.2.6, Goal CS.1, Policy CS.1.1, Policy SE.1.3

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ -	50,000				\$ 50,000
Construction	\$ 270,000	270,000				\$ 540,000
Contingency	\$ 30,000	30,000				\$ 60,000
<b>TOTAL USES</b>	<b>\$ 300,000</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 650,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 225,000	\$ 350,000				\$ 575,000
276 - Growth Impact Fees	\$ 75,000					\$ 75,000
<b>TOTAL FUNDS</b>	<b>\$ 300,000</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 650,000</b>

## FA2202 - SENIOR CENTER MODERNIZATION

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> 37	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 7,896	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 357,896
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

The project includes a facilities condition assessment and design and construction of improvements to modernize the existing Senior Center building located at 2525 Charles Avenue. Work will include upgrades to energy system, and interior renovations.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy CS.2.6, Goal CS.1, Policy CS.1.1, Policy SE.1.3

### Summary of Capital Cost

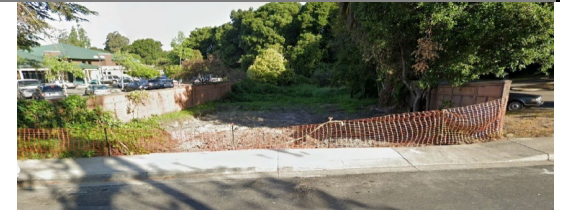
USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ 230,000	\$ 90,000				\$ 320,000
Contingency	\$ 20,000	\$ 10,000				\$ 30,000
<b>TOTAL USES</b>	<b>\$ 250,000</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 105,000	\$ 100,000				\$ 205,000
276 - Growth Impact Fees	\$ 145,000					\$ 145,000
<b>TOTAL FUNDS</b>	<b>\$ 250,000</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350,000</b>

## FA1901 - SENIOR CENTER AUXILIARY PARKING LOT

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : Fowler Lot Re-Use Committee				<b>Priority Score</b>		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>					<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>		
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation							
<input type="checkbox"/> Land/Row Acq. Required								
<input type="checkbox"/> Rehabilitation								
<b>Estimated Expenditures to-date</b>	\$ 126,655	\$ 1,060,000	\$ 470,000	\$ -	\$ -	\$ -	\$ 1,656,655	
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025			

### Description

On February 2, 2021 City Council adopted Resolution 2021-07 and awarded a contract to a consultant for the preliminary engineering and design for the parking lot. The parking lot will be designed to be a multi-benefit project that includes pavement structural section, striping, lighting, bicycle parking, electric vehicle charging stations, stormwater capture and retention, and drought tolerant landscaping. The final design will offer the maximum number of parking spaces while allowing access for both vehicles and pedestrians and include aesthetic design components. On June 7, 2022, City Council directed staff to incorporate the installation of a solar canopy and backup battery system at the site.



### History, Status, or Impact if Delayed

On April 16, 1990 City Council adopted Resolution 2380 authorizing the purchase of 2548 Charles Street. At the time of purchase, City Council determined that construction of a Senior Center was necessary, and that this property was needed to provide sufficient parking for the Center. The parcel is surrounded by municipal parking lots which serve the Senior Center and Old Town Pinole. The Fowler House tenants remained in the property till 2010 and many discussions took place to determine the best use of the property. It was determined that the house had asbestos and lead paint. On July 17, 2018, City Council adopted Resolution 2018-67 to create the Fowler Lot Re-use Committee to evaluate the reuse and redevelopment of the property. The Committee evaluated uses for the lot and determined the best use of the property is a parking lot. On October 16, 2018, the City Council adopted Resolution No. 2018-93 to approve a contract with a construction company to abate and demolish the Fowler house. The property demolition was completed on March 11, 2019. On July 21, 2020, City Council adopted Resolution 2020-68 to accept the final recommendation of the Committee.

### General Plan Goals/Policies

Goal CE.5, Goal CS.1, Policy GM.4.1

### Summary of Capital Cost

USE(S)	Budget		Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
Design	\$ 100,000					\$ 100,000	
Construction	\$ 870,000	\$ 430,000				\$ 1,300,000	
Contingency	\$ 90,000	\$ 40,000				\$ 130,000	
<b>TOTAL USES</b>	<b>\$ 1,060,000</b>	<b>\$ 470,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,530,000</b>	
SOURCE(S)							
106 - Measure S 2014	\$ 1,060,000	\$ 470,000				\$ 1,530,000	
<b>TOTAL FUNDS</b>	<b>\$ 1,060,000</b>	<b>\$ 470,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,530,000</b>	

## FA1703 - CITY HALL MODERNIZATION

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> 35	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 400,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 600,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

To extend the useful life of the City hall building, there are several items that require attention including but not limited to carpet, flooring, window coverings, light fixtures, etc. The interior and exterior surfaces of the building require repainting as the paint system has reached the end of its useful life. Exterior painting is necessary to maintain external protection from the environment. Fading, chipping paint, along with water and mildew damage necessitates the painting project. *The IN2201 Energy Conservation, Generation, and Storage Assessment recommended upgrades including boiler replacement, fire station garage air handler unit (AHU) rehabilitation and demand-controlled ventilation system (DCV), zone temperature, LED lighting retrofit, and interior occupancy*



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy CS.2.6, Goal CS.1, Policy CS.1.1, Policy SE.1.3

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 80,000	\$ -				\$ 80,000
Construction	\$ 290,000	\$ 180,000				\$ 470,000
Contingency	\$ 30,000	\$ 20,000				\$ 50,000
<b>TOTAL USES</b>	<b>\$ 400,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>
<b>SOURCE(S)</b>						
276 - Growth Impact Fees	\$ 125,000					\$ 125,000
106 - Measure S 2014	\$ 275,000	\$ 200,000				\$ 475,000
<b>TOTAL FUNDS</b>	<b>\$ 400,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>

## FA1702 - CITYWIDE ROOF REPAIRS AND REPLACEMENT

<b>Functional Area</b> : Facilities		<b>Project Origin</b> : End of life cycle			<b>Priority Score</b> 43		
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 600,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 900,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

In October 2022, City staff received quotes for the rehabilitation of the roofs at City Hall, Public Safety Building, Senior Center, and the Water Pollution Control Plant. It was determined that the Public Safety building roof needs immediate replacement.



### History, Status, or Impact if Delayed

In 2015, comprehensive visual roof inspections were completed by a contractor on various City owned facilities. The purpose of the inspection was to identify the extent, if any, of moisture intrusion into the existing roof assemblies, document observed roof system deficiencies, determine the overall condition of the existing roof systems and to estimate the service life of the in-place roof assemblies.

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.1, Goal CS.9, Policy CS.9.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 60,000	\$ -				\$ 60,000
Construction	\$ 490,000	\$ 270,000				\$ 760,000
Contingency	\$ 50,000	\$ 30,000				\$ 80,000
<b>TOTAL USES</b>	<b>\$ 600,000</b>	<b>\$ 300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 900,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 600,000	\$ 300,000				\$ 900,000
<b>TOTAL FUNDS</b>	<b>\$ 600,000</b>	<b>\$ 300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 900,000</b>

## PA2202 - SKATEPARK REHABILITATION

<b>Functional Area</b> : Parks		<b>Project Origin</b> : Council Request				<b>Priority Score</b> 34	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

The ramps at the skatepark have settled and need to be replaced.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Goal CS.2, Goal CS.3, Policy CS 2.6 & 3.1, Policy GM.4.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ -	\$ 135,000				\$ 135,000
Contingency	\$ -	\$ 15,000				\$ 15,000
<b>TOTAL USES</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ -	\$ 150,000				\$ 150,000
<b>TOTAL FUNDS</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>

**PA2201 - POCKET PARKS - GALBRETH RD.**

<b>Functional Area</b> : Parks		<b>Project Origin</b> : Council Request				<b>Priority Score</b> 15	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ -	\$ 65,000.00	\$ -	\$ -	\$ -	\$ 65,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

**Description**

Installation of two ADA compliant benches and waste receptacles within two pocket parks at a suitable location on Galbreth Ave. A lot line adjustment may be required to develop the pocket parks.



**History, Status, or Impact if Delayed**

**General Plan Goals/Policies**

Goal CS.3, Policy GM.4.1

**Summary of Capital Cost**

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction		\$ 58,500				\$ 58,500
Contingency		\$ 6,500				\$ 6,500
<b>TOTAL USES</b>	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000
SOURCE(S)						
276 - Growth Impact Fees		\$ 65,000				\$ 65,000
<b>TOTAL FUNDS</b>	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000

**PA1901 - PINOLE VALLEY PARK SOCCER FIELD REHABILITATION**

<b>Functional Area</b> : Parks		<b>Project Origin</b> : Council Request			<b>Priority Score</b> 33		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

**Description**

There are two soccer fields at Pinole Valley Park which are utilized on an annual basis, the Wright Avenue Soccer Field at the southerly end, and Savage Avenue Soccer Field at the northern end. Both fields are heavily used by soccer leagues and the general public. The Savage Avenue Soccer Field requires substantial rehabilitation which includes: upgrading the irrigation system and ongoing turf maintenance. Turf maintenance includes mowing, fertilizing, aeration, overseeding, and topdressing.



**History, Status, or Impact if Delayed**

This project has been delayed pending the development of a Park Master Plan (CIP Project# SS2401).

**General Plan Goals/Policies**

Goal CS.1, Goal CS.3, Policy CS 3.1, Policy GM.4.1

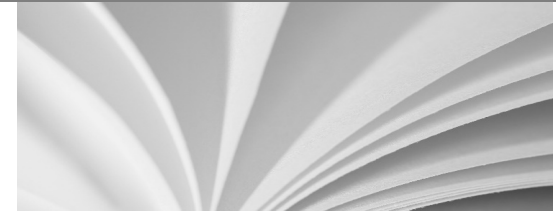
**Summary of Capital Cost**

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ 180,000					\$ 180,000
Contingency	\$ 20,000					\$ 20,000
<b>TOTAL USES</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
SOURCE(S)						
276 - Growth Impact Fees	\$ 200,000					\$ 200,000
<b>TOTAL FUNDS</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>

## SS2405 - Lower Tennent Trunk Sewer Capacity

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : Master Plan				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>		\$ -	\$ -	\$ 170,000	\$ 3,880,000	\$ -	\$ 4,050,000
<b>Project Start</b>	7/1/2026				<b>Estimated Completion</b> 6/30/2028		
<b>Description</b>							

Tennent-1 improvements as identified in the Sanitary Sewer Collection System Master Plan.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.6, Policy CS.6.1

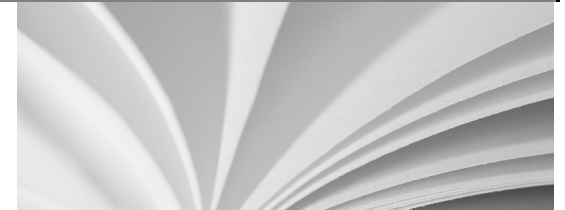
### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Planning						\$ -
Design			\$ 170,000	\$ 170,000		\$ 340,000
Construction				\$ 3,370,000		\$ 3,370,000
Contingency				\$ 340,000		\$ 340,000
<b>TOTAL USES</b>	\$ -	\$ -	\$ 170,000	\$ 3,880,000	\$ -	\$ 4,050,000
<b>SOURCE(S)</b>						
500 - Sewer Enterprise Func			\$ 170,000	\$ 3,880,000		\$ 4,050,000
<b>TOTAL FUNDS</b>	\$ -	\$ -	\$ 170,000	\$ 3,880,000	\$ -	\$ 4,050,000

## SS2404 - WPCP Boiler Replacement

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : End of life cycle				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>		\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ 660,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

This project includes replacement of the boiler at the WPCP.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Goal CS.1, Goal CS.6, Policy CS.6.1

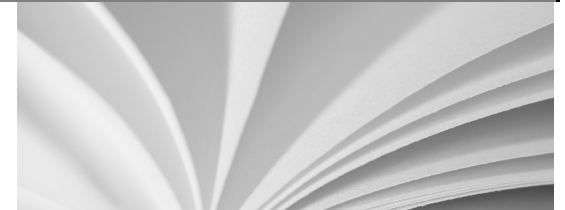
### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ 600,000					\$ 600,000
Contingency	\$ 60,000					\$ 60,000
<b>TOTAL USES</b>	<b>\$ 660,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 660,000</b>
SOURCE(S)						
500 - Sewer Enterprise Fund	\$ 660,000					\$ 660,000
<b>TOTAL FUNDS</b>	<b>\$ 660,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 660,000</b>

## SS2403 - WPCP Centrifuge Replacement

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : End of life cycle			<b>Priority Score</b>		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>		\$ -	\$ 990,000	\$ -	\$ -	\$ -	\$ 990,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

This project includes replacement of the centrifuge at the WPCP.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Goal CS.1, Goal CS.6, Policy CS.6.1

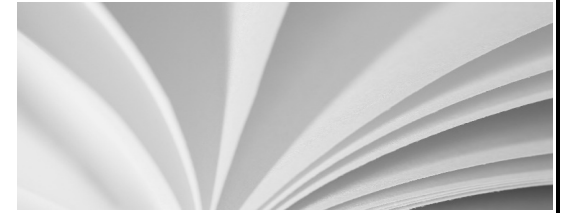
### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2024-2029
Construction		\$ 900,000				\$ 900,000
Contingency		\$ 90,000				\$ 90,000
<b>TOTAL USES</b>	\$ -	\$ 990,000	\$ -	\$ -	\$ -	\$ 990,000
SOURCE(S)						
500 - Sewer Enterprise Func		\$ 990,000				\$ 990,000
<b>TOTAL FUNDS</b>	\$ -	\$ 990,000	\$ -	\$ -	\$ -	\$ 990,000

## SS2402 - Pinon-2 Capacity

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : Master Plan				<b>Priority Score</b>		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>					<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>		
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation							
<input type="checkbox"/> Land/Row Acq. Required								
<input type="checkbox"/> Rehabilitation								
<b>Estimated Expenditures to-date</b>	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 2,835,000	\$ 2,960,000	
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025			
<b>Description</b>								

Pinon-2 improvements as identified in the Sanitary Sewer Collection System Master Plan.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.6, Policy CS.6.1

### Summary of Capital Cost

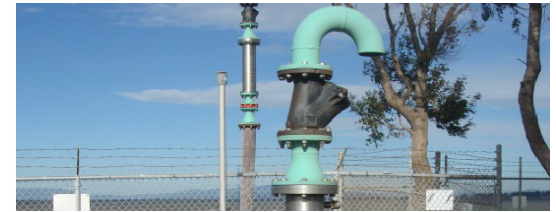
USE(S)	Budget	Projected Budget					Project Estimate
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2024-2029	
Planning							
Design				\$ 1,417,500	\$ 125,000	\$ 1,542,500	
Construction					\$ 2,460,000	\$ 2,460,000	
Contingency					\$ 250,000	\$ 250,000	
<b>TOTAL USES</b>	\$ -	\$ -	\$ -	\$ 1,417,500	\$ 2,835,000	\$ 4,252,500	
<b>SOURCE(S)</b>							
500 - Sewer Enterprise Fund				\$ 125,000	\$ 2,835,000	\$ 2,960,000	
<b>TOTAL FUNDS</b>	\$ -	\$ -	\$ -	\$ 125,000	\$ 2,835,000	\$ 2,960,000	

## SS2203 - EFFLUENT OUTFALL

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : Regulatory Requirement			<b>Priority Score</b> 52		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 150,000	\$ 1,000,000.00	\$ 2,000,000.00	\$ -	\$ -	\$ 3,150,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

### Description

The Effluent Outfall project is intended to reduce pressure in the effluent pipe during extreme storm events. Effluent pumping capacity of the treatment plant is limited by the capacity of the pipe size at the effluent outfall in Rodeo. Increasing the pipe size at the Effluent Outfall Eductor Station will increase the wet weather effluent pumping capacity and increase the lifespan of the effluent pipe by reducing the pressure in the line during storm events. This project requires coordination with Rodeo.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.6, Policy CS.6.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 135,000					
Construction		\$ 900,000	\$ 1,800,000			\$ 2,700,000
Contingency	\$ 15,000	\$ 100,000	\$ 200,000			\$ 315,000
<b>TOTAL USES</b>	<b>\$ 150,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,150,000</b>
SOURCE(S)						
500 - Sewer Enterprise Fund	\$ 150,000	\$ 1,000,000	\$ 2,000,000			\$ 3,150,000
<b>TOTAL FUNDS</b>	<b>\$ 150,000</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,150,000</b>

## SS2201 - SANITARY SEWER REHABILITATION

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : Regulatory Requirement			<b>Priority Score</b> : 57		
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 345,000	\$ 1,185,000	\$ 6,810,000	\$ -	\$ -	\$ -	\$ 8,340,000
<b>Project Start</b> : 7/1/2024				<b>Estimated Completion</b> : 6/30/2025			
<b>Description</b>							

Phase 1 (Tennent to Orleans) and Phase 2 (Orleans to San Pablo) of the Pinon-1 improvements to the Sanitary Sewer collection system, as identified in the Sanitary Sewer Collection System Master Plan.



### History, Status, or Impact if Delayed

On October 4, 2022, City staff released an RFP for preliminary engineering design services for phase 1 of the Pinon project described in the City's recently adopted Sanitary Sewer Master Plan. On January 18, 2023, a one-year contract was executed with West Valley Construction Company, Inc. for the work.

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.6, Policy CS.6.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 60,000	\$ 20,000				\$ 80,000
Construction	\$ 1,023,900	\$ 6,170,000				\$ 7,193,900
Contingency	\$ 101,100	\$ 620,000				\$ 721,100
<b>TOTAL USES</b>	<b>\$ 1,185,000</b>	<b>\$ 6,810,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,995,000</b>
<b>SOURCE(S)</b>						
500 - Sewer Enterprise Func	\$ 585,000	\$ 6,810,000				\$ 7,395,000
276 - Growth Impact Fees	\$ 600,000					\$ 600,000
<b>TOTAL FUNDS</b>	<b>\$ 1,185,000</b>	<b>\$ 6,810,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,995,000</b>

## SS2101 - SECONDARY CLARIFIER REHABILITATION

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : End of life cycle			<b>Priority Score</b> 46		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 425,000	\$ -	\$ -	\$ -	\$ -	\$ 425,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

The Water Pollution Control Plant (WPCP) has five secondary clarifiers which slow the flow to allow the microorganisms and other solids to settle to the bottom of the clarifier where they can be returned to aeration tanks to continue treating waste.



### History, Status, or Impact if Delayed

Secondary Clarifiers 1 and 2 (SC1 and SC 2) were constructed in the early 1970s and are peripheral feed clarifiers. Secondary Clarifiers 3 and 4 (SC 3 and SC 4) were constructed in the early 1980s and are center feed clarifiers. Secondary Clarifier 5 (SC 5) was constructed in early 2000 and is a center feed, flocculator clarifier. In the first quarter of FY 2022-23, a preliminary inspection of the center column of the SC 5 was completed to examine the current condition and determine the scope of work for rehabilitation. In the second quarter of FY 2022-23, it was determined that SC 3 & SC 4 also require rehabilitation. Previously, this project was titled, "Secondary Clarifier - Center Column Rehabilitation" which only focused on the rehabilitation work required for SC 5.

### General Plan Goals/Policies

Goal CS.1, Goal CS.6, Policy CS.6.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2024-2029
Construction SC 5	\$ 315,000					\$ 315,000
Construction SC 3, SC 4	\$ 67,500					\$ 67,500
Contingency	\$ 42,500					\$ 42,500
<b>TOTAL USES</b>	<b>\$ 425,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 425,000</b>
SOURCE(S)						
500 - Sewer Enterprise Func	\$ 425,000					\$ 425,000
<b>TOTAL FUNDS</b>	<b>\$ 425,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 425,000</b>

## SS2002 - WATER POLLUTION CONTROL PLANT LAB REMODEL

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : Regulatory Requirement			<b>Priority Score</b> : 49		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

### Description

The California Environmental Laboratory Accreditation Program (ELAP) is responsible for accrediting environmental testing labs including the Pinole - Hercules WPCP. The 2019 ELAP inspection results indicated the lab apparatus, countertops, and the fume hood are past their useful life and recommended replacement.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.1, Policy CS.2.6

### Summary of Capital Cost

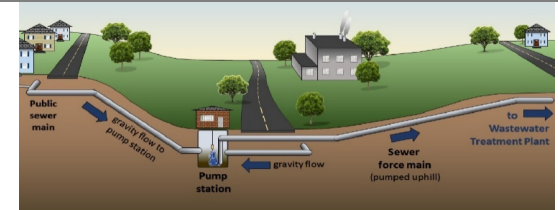
USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 6,000					\$ 6,000
Construction	\$ 85,000					\$ 85,000
Contingency	\$ 9,000					\$ 9,000
<b>TOTAL USES</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
SOURCE(S)						
500 - Sewer Enterprise Func	\$ 100,000					\$ 100,000
<b>TOTAL FUNDS</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>

## SS1702 - SEWER PUMP STATION REHABILITATION

<b>Functional Area</b> : Sanitary Sewer		<b>Project Origin</b> : End of life cycle			<b>Priority Score</b> 50		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required	<input type="checkbox"/> Rehabilitation						
<b>Estimated Expenditures to-date</b>	\$ -	\$ 100,000	\$ 2,760,000	\$ 4,440,000	\$ -	\$ -	\$ 7,300,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

The City owns and operates two lift stations to convey flow from low lying areas to high elevations where the flow continues by gravity to the wastewater treatment plant. Both pump stations have reached the end of their useful life and need to be rehabilitated. The two pump stations are located on San Pablo Ave. and Hazel St. In FY 2019/20, this project was renamed to include both pump stations. Previously, this project was titled, "Hazel Street Sewer Pump Rehabilitation." *+SP force main + planning I&I reduction 1st Hazel 2nd SP*



### History, Status, or Impact if Delayed

The City recently completed a Sanitary Sewer Master Plan. In FY 2024-25, the Hazel Street Lift Station will be replaced, followed by the replacement of the San Pablo Ave. Lift Station. The Hazel Street Lift Station will be replaced in coordination with RO2401.

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.6, Policy CS.6.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Planning	\$ 100,000					\$ 100,000
Design		\$ 230,000	\$ 370,000			\$ 600,000
Construction		\$ 2,300,000	\$ 3,700,000			\$ 6,000,000
Contingency		\$ 230,000	\$ 370,000			\$ 600,000
<b>TOTAL USES</b>	<b>\$ 100,000</b>	<b>\$ 2,760,000</b>	<b>\$ 4,440,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,300,000</b>
<b>SOURCE(S)</b>						
500 - Sewer Enterprise Fund	\$ 100,000	\$ 2,760,000	\$ 4,440,000			\$ 7,300,000
<b>TOTAL FUNDS</b>	<b>\$ 100,000</b>	<b>\$ 2,760,000</b>	<b>\$ 4,440,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,300,000</b>

## SW2401 - STORM DRAIN CREEK DISCHARGE IMPROVEMENTS

<b>Functional Area</b> : Stormwater		<b>Project Origin</b> : End of life cycle				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 600,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

Condition assessments have identified a number of storm drain pipelines that are structurally deteriorated and failing where they discharge into Pinole Creek. A systematic rehabilitation or replacement of failing storm drain infrastructure will be prioritized as part of the Storm Drain Master Plan.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.7, Policy CS.7.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Construction	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 450,000
Contingency	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
<b>TOTAL USES</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 600,000</b>
<b>SOURCE(S)</b>						
106 - Measure S 2014	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 600,000
						\$ -
<b>TOTAL FUNDS</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 600,000</b>

## SW2001 - ROBLE ROAD STORM DRAINAGE IMPROVEMENTS

<b>Functional Area</b> : Stormwater		<b>Project Origin</b> : Staff Recommendation			<b>Priority Score</b> : 33		
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000
<b>Project Start</b> : 7/1/2024					<b>Estimated Completion</b> : 6/30/2025		
<b>Description</b>							

The existing system appears to have capacity issues at Roble Ave. and Encina Ave. that warrant review and upgrade. This project will assess the collection system for capacity and hydraulic profile and upgrade the system as necessary.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Goal CS.7, Policy CS.7.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 135,000					\$ 135,000
Construction	\$ 500,000					\$ 500,000
Contingency	\$ 65,000					\$ 65,000
<b>TOTAL USES</b>	<b>\$ 700,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 700,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 700,000					\$ 700,000
<b>TOTAL FUNDS</b>	<b>\$ 700,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 700,000</b>

## RO2402 - SIDEWALK REHABILITATION PROGRAM

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> 49	
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input checked="" type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>		\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

This project involves removing barriers to accessibility for persons using wheelchairs or other personal assistance devices and improving pedestrian accessibility and safety by reconstructing or upgrading curb ramps at various locations throughout the City.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy CE.1.4, Policy CS.2.6, Policy CS.3.3, Policy H.3.1, Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget					Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
Construction	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 675,000	
Contingency	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 75,000	
<b>TOTAL USES</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 750,000</b>	
<b>SOURCE(S)</b>							
106 - Measure S 2014	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000	
<b>TOTAL FUNDS</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 750,000</b>	

## RO2402 - ROAD MAINTENANCE REPAIRS

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,750,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

Road repair and rehabilitation at various locations.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ -					\$ -
Construction	\$ 320,000	\$ 320,000	\$ 320,000	\$ 320,000	\$ 320,000	\$ 1,600,000
Contingency	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
<b>TOTAL USES</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 1,750,000</b>
<b>SOURCE(S)</b>						
325 - City Street Improvements	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,750,000
						\$ -
						\$ -
<b>TOTAL FUNDS</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>	<b>\$ 1,750,000</b>

## RO2303 - PINOLE SMART SIGNALS

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Staff Recommendation			<b>Priority Score</b> : 33		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 154,302	\$ -	\$ -	\$ -	\$ -	\$ 154,302
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

### Description

The Smart Signals project will develop, manage, and implement ITS initiatives that improve the safety and efficiency of multimodal mobility, maximize highway and arterial system throughput, and improve operational efficiency, safety, and reduce environmental impact throughout Contra Costa County. Contra Costa Transportation Authority is the project lead and will coordinate the project throughout the county. Twelve traffic signals have been identified as candidates for the Smart Signals project. These signals are located on Pinole arterial roadways (Appian Way & San Pablo Avenue).



### History, Status, or Impact if Delayed

Deployment of the Smart Signals Project is expected to result in operational and safety improvements for all modes of transportation, such as decrease in travel time and total delay, reduction in number of stops and secondary accidents, reduction of fuel consumption and greenhouse gas emissions, and reduction of response time for emergency vehicles. The initial cost estimate of construction is \$1,499,829 of which CCTA will receive \$1,345,527 in OBAG funds. The City's match requirement is \$154,302.

### General Plan Goals/Policies

Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ 154,302					\$ 154,302
<b>TOTAL USES</b>	<b>\$ 154,302</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 154,302</b>
SOURCE(S)						
106 - Measure S 2014	\$ 154,302					\$ 154,302
						\$ -
<b>TOTAL FUNDS</b>	<b>\$ 154,302</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 154,302</b>

## RO2302 - SAFETY IMPROVEMENTS ON ARTERIAL ROADWAYS

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> : 38	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ 275,000
<b>Project Start</b> : 7/1/2024					<b>Estimated Completion</b> : 6/30/2025		

### Description

This project will install pedestrian crossing enhancements at three mid-block crossings on arterial roadways. The enhancements include continental markings, median refuge islands, advanced stop bars and Rectangular Rapid Flash Beacons. The three mid-block crossings are: San Pablo Ave. & Third Ave.; San Pablo Ave. & Quinan St.; and Pinole Valley Road & Savage Ave.



### History, Status, or Impact if Delayed

Funding for improvements was secured through Cycle 11 HSIP grant funds.

### General Plan Goals/Policies

Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Construction	\$ 265,000					\$ 265,000
Contingency	\$ 10,000					\$ 10,000
<b>TOTAL USES</b>	<b>\$ 275,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 275,000</b>
SOURCE(S)						
215 - Grant: HSIP	\$ 239,040					\$ 239,040
106 - Measure S 2014	\$ 35,960					\$ 35,960
<b>TOTAL FUNDS</b>	<b>\$ 275,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 275,000</b>

## RO2301 - ROAD REHABILITATION

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Pavement Management Program			<b>Priority Score</b> 34		
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,000,000
<b>Project Start</b>	7/1/2024			<b>Estimated Completion</b> 6/30/2025			

### Description

Based on the most current P-TAP report and field inspections, various segments will be recommended annually for rehabilitation. Recommended treatment include patch paving, slurry seal, cape seal, mill and fill. This project includes two projects which appeared in previous CIP's known as RO2501 and RO2401.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 50,000	\$ 50,000				\$ 100,000
Construction	\$ 410,000	\$ 410,000				\$ 820,000
Contingency	\$ 40,000	\$ 40,000				\$ 80,000
<b>TOTAL USES</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>
<b>SOURCE(S)</b>						
325 - City Street Improvements	\$ 500,000	\$ 500,000				\$ 1,000,000
<b>TOTAL FUNDS</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>

## RO2107 - BRANDT ST. IMPROVEMENTS

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Council Request				<b>Priority Score</b> 27	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ 170,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

Provide improvements on Brandt St. including application of pavement treatments based on type and severity of distresses on existing pavement.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Goal CE.4, Goal CS.10, Policy CS.10.2, Policy GM.3.3, Goal CS.10

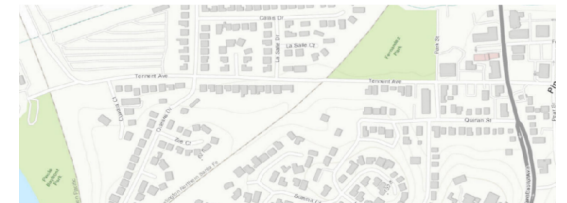
### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2024-2029
Design		\$ 30,000				\$ 30,000
Construction		\$ 120,000				\$ 120,000
Contingency		\$ 20,000				\$ 20,000
<b>TOTAL USES</b>	<b>\$ -</b>	<b>\$ 170,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 170,000</b>
<b>SOURCE(S)</b>						
100 - General Fund		\$ 170,000				\$ 170,000
<b>TOTAL FUNDS</b>	<b>\$ -</b>	<b>\$ 170,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 170,000</b>

## RO2102 - TENNENT AVE. REHABILITATION

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Pavement Management Program			<b>Priority Score</b> 43		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 37,805	\$ 20,000	\$ 735,000	\$ -	\$ -	\$ -	\$ 792,805
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

The construction impacts from the WPCP upgrade project resulted in pavement deterioration. This project will rehabilitate Tennent Ave. from San Pablo Ave. to WPCP. In February 2021, the City selected a consultant to complete the preliminary engineering for this project.



### History, Status, or Impact if Delayed

In preparation of this project, the City retained a consultant to perform internal CCTV on this section of roadway. The inspection was completed in early 2021. Coordinating collection system improvements with street resurfacing projects ensures that sewer improvements are made prior to the resurfacing so that manholes and valve covers may be properly realigned, and repairs and replacements are made in a cost-effective manner. This also avoids cutting and patching recently paved streets. The City of Hercules will reimburse \$86,430 for this project. In addition, this project is being coordinated with RO1902 for efficient implementation.

### General Plan Goals/Policies

Policy CE.1.4, Policy CS.2.6, Policy CS.3.3, Policy H.3.1, Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 20,000	\$ 80,000				\$ 100,000
Construction		\$ 623,000				\$ 623,000
Contingency		\$ 32,000				\$ 32,000
<b>TOTAL USES</b>	<b>\$ 20,000</b>	<b>\$ 735,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 755,000</b>
SOURCE(S)						
200 - Gas Tax		\$ 381,082				\$ 381,082
500 - Sewer Enterprise Fund	\$ 20,000	\$ 86,597				\$ 106,597
325 - City Street Improvements		\$ 267,321				\$ 267,321
<b>TOTAL FUNDS</b>	<b>\$ 20,000</b>	<b>\$ 735,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 755,000</b>

## RO2101 - ARTERIAL REHABILITATION

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Pavement Management Program			<b>Priority Score</b> 37		
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 58,480	\$ 1,990,000	\$ -	\$ -	\$ -	\$ -	\$ 2,048,480
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

The project is currently in the design phase and aims to maximize the funding available to complete rehabilitation work beginning at the southern city limit on Pinole Valley Road to the bridge west of Savage Ave. The project will include replacement, modification, or installation of a ADA compliant curb ramps, road rehabilitation, and striping.



### History, Status, or Impact if Delayed

Based on the 2019 P-TAP report, various segments were recommended for treatment by StreetSaver®. The recommendations were further validated through a comparative pavement analysis and coring samples to explore additional treatment options which are not discussed in the P-TAP report. This will allow the City to optimize the available funding. The section of roadway selected based on the analysis was Pinole Valley Road from the southern city limits.

### General Plan Goals/Policies

Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 10,000					\$ 10,000
Construction	\$ 1,800,000					\$ 1,800,000
Contingency	\$ 180,000					\$ 180,000
<b>TOTAL USES</b>	<b>\$ 1,990,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,990,000</b>
SOURCE(S)						
200 - Gas Tax	\$ 1,095,000					\$ 1,095,000
377 - Arterial Streets Rehabilitation	\$ 895,000					\$ 895,000
<b>TOTAL FUNDS</b>	<b>\$ 1,990,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,990,000</b>

## RO1902 - PEDESTRIAN IMPROVEMENTS AT TENNENT AVE. near RXR

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b> 50	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 55,300	\$ 515,000	\$ 905,000	\$ -	\$ -	\$ -	\$ 1,475,300
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

In 2018, the East Bay Regional Park District completed a trail link to connect Pinole Shores Regional Shoreline to Bayfront Park trail. There remains one very small gap on Tennent Ave. from Bayfront Park to Railroad Ave. Improvements to Tennent Ave. at the Railroad Crossing will facilitate safe movement of bicycles and pedestrians. Since project inception, the scope of work has evolved to include improvements that would maximize parking on Railroad Avenue for park users. In February 2021, the City selected a consultant to complete the preliminary engineering for this project.



### History, Status, or Impact if Delayed

WCCTAC held its STMP Call for Projects in 2018 which committed \$100k in funding for preliminary engineering from the 2006 STMP program for this project. City staff also submitted an OBAG 3 application in July 2022 to compete for funding for this project. If awarded, the City will need a match of \$345k.

### General Plan Goals/Policies

Policy CE.1.4, Policy CS.2.6, Policy CS.3.3, Policy H.3.1, Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 45,000					\$ 45,000
Construction	\$ 425,000	\$ 825,000				\$ 1,250,000
Contingency	\$ 45,000	\$ 80,000				\$ 125,000
<b>TOTAL USES</b>	<b>\$ 515,000</b>	<b>\$ 905,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,420,000</b>
SOURCE(S)						
325 - Grant: STMP Fees	\$ 51,000	\$ 99,000				\$ 150,000
215 - Grant: OBAG	\$ 464,000	\$ 556,000				\$ 1,020,000
Unfunded		\$ 250,000				\$ 250,000
<b>TOTAL FUNDS</b>	<b>\$ 515,000</b>	<b>\$ 905,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,420,000</b>

## RO1710 - SAN PABLO AVENUE BRIDGE OVER BNSF RAILROAD

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : End of life cycle				<b>Priority Score</b> 55	
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input checked="" type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 1,110,737	\$ 1,974,162	\$ 28,800,000	\$ -	\$ -	\$ -	\$ 31,884,899
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

The San Pablo Avenue bridge over the Burlington Northern Santa Fe Railroad is an integral part of the area's transportation network. The age and condition assessment of the bridge supports replacement. The City was approved for initial funding from the Caltrans Highway Bridge Program (HBP). In February 2020, the City awarded a contract to a consultant for preliminary engineering (PE) to advance the project. The PE will be completed in two phases due to funding limitations. Completion of preliminary design is necessary to develop a final cost estimate for the project. Unfunded portions of this project appear in the Unfunded list.



### History, Status, or Impact if Delayed

The total budget identified to complete the PE exceeds the amount of funding Caltrans committed to the project of the State's share in the current HBP. In October 2022, a draft type selection report was submitted to Caltrans for review. This report is the first step to request additional funding allocations from the Caltrans HBP to complete the PS&E phase and construction phase of the project.

### General Plan Goals/Policies

Policy CS.3.3, Goal H.3, Policy H.3.1, Goal CE.3, Goal CE. 7, Policy CE.7.3, Goal CS.10.

### Summary of Capital Cost

USE(S)	Budget		Projected Budget			Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Project Management	\$ 133,579	\$ 4,150,000				\$ 4,283,579
Planning & Design	\$ 1,840,583					\$ 1,840,583
Construction	-	\$ 24,650,000				\$ 24,650,000
<b>TOTAL USES</b>	<b>\$ 1,974,162</b>	<b>\$ 28,800,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,774,162</b>
<b>SOURCE(S)</b>						
325 - Grant: HBP	\$ 41,394					\$ 41,394
325 - Grant: STMP Fees	\$ 1,499,189					\$ 1,499,189
215 - Grant: TLC	\$ 133,579					
106 - Measure S 2014	\$ 300,000					
Unfunded		\$ 28,800,000				\$ 28,800,000
<b>TOTAL FUNDS</b>	<b>\$ 1,974,162</b>	<b>\$ 28,800,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,774,162</b>

## RO1708 - PINOLE VALLEY ROAD IMPROVEMENTS

<b>Functional Area</b> : Streets & Roads		<b>Project Origin</b> : Council Request				<b>Priority Score</b> 33	
<b>Type of CIP</b>		<b>Budget</b>		<b>Unappropriated Subsequent Years</b>			<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input checked="" type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

As part of the high school construction project WCCUSD provided road improvements along the school frontage. Improvements to Pinole Valley Road - from Shea Dr. to Helena Ct. will extend the useful life of the pavement. The existing pavement score is high in this area, so a slurry seal may be the recommended treatment.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Design	\$ 10,000					\$ 10,000
Construction	\$ 80,000					\$ 80,000
Contingency	\$ 10,000					\$ 10,000
<b>TOTAL USES</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b>SOURCE(S)</b>						
200 - Gas Tax	\$ 100,000					\$ 100,000
<b>TOTAL FUNDS</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>

## IN2301 - FACILITIES & REAL ESTATE MASTER PLAN

<b>Functional Area</b> : Infrastructure Assessment		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

The facilities master plan will serve as a roadmap for achieving identified strategic objectives to improve service delivery and utilization of real estate and facility assets. The masterplan will serve to aid decision-making on capital improvements for a defined list of City owned facilities and provide information on potential major maintenance needs (e.g., repairs vs. replace) as applicable.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Planning	\$ 200,000					\$ 200,000
Contingency						\$ -
<b>TOTAL USES</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 200,000					\$ 200,000
<b>TOTAL FUNDS</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>

## IN2105 - APPIAN WAY COMPLETE STREETS

<b>Functional Area</b> : Infrastructure Assessment		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		

### Description

Completion of preliminary engineering and design to provide continuous sidewalks and bike lanes along Appian Way beginning from unincorporated El Sobrante to about 1500 lineal feet north of the City limit within Pinole. In December 2021, City Council approved a Cooperative Funding Agreement with WCCTAC to receive STMP funds to complete preliminary design for this project.



### History, Status, or Impact if Delayed

This project will connect with the Contra Costa County's project to provide continuous sidewalks and bike lanes along Appian Way from San Pablo Dam Rd. in unincorporated El Sobrante. This project will involve coordination with Contra Costa County. The construction phase of this project is unfunded and appears in the Unfunded and Unprogrammed list.

### General Plan Goals/Policies

Policy CE.1.4, Policy CS.2.6, Policy CS.3.3, Policy H.3.1, Policy GM.3.3, Goal CE.3, Goal CS.10, Policy CS 10.2

Budget

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Engineering Design	\$ 100,000					\$ 100,000
<b>TOTAL USES</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b>SOURCE(S)</b>						
325 - Grant: STMP Fees	\$ 100,000					\$ 100,000
<b>TOTAL FUNDS</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>

## IN2103 - RECYCLED WATER FEASIBILITY

<b>Functional Area</b> : Infrastructure Assessment		<b>Project Origin</b> : Council Request				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 15,152	\$ 60,000	\$ 140,000	\$ -	\$ -	\$ -	\$ 215,152
<b>Project Start</b>	7/1/2024				<b>Estimated Completion</b> 6/30/2025		

### Description

A feasibility study will allow the City to plan and phase the construction of future recycled water distribution system infrastructure. The study will identify potential recycled water customers, evaluate the quantity, quality, and recycled water distribution system options to address the needs of potential users in surrounding areas, seek opportunities to phase the construction of a recycled water delivery system, and develop planning-level cost options for the phased system.



### History, Status, or Impact if Delayed

Recycled water delays or eliminates the need to construct more potable water facilities, sustains the economy with increased water supply reliability, protects the environment, safeguards investments in parks and landscaping with drought proof or drought resistant water supply, and contributes to a green and healthy environment. In 2019, East Bay Municipal Utility District (EBMUD) prepared an Updated Recycled Waster Plan which considered the potential for potable reuse in EBMUD’s water service area. The development of a new recycled water supply for the Phillips 66 refinery in Rodeo using effluent from the Pinole-Hercules and Rodeo wastewater treatment plants was among the recommended non-potable reuse projects. This project is estimated to deliver up to 3.67 MGD of recycled water to the refinery for use in their boilers and cooling towers. The combined final disinfected effluent from both plants would be pumped at the Rodeo Pump Station to the refinery for treatment a new advanced recycled water treatment plan. This project was recommended by EBMUD because it would deliver a large amount of water to a single customer, with comparatively few pipelines required due to the short distance between the sources of wastewater and the Phillips 66 Refinery

### General Plan Goals/Policies

Policy OS.8.1, Policy OS.8.7, Goal SE.9, Policy SE.9.1, Policy SE.9.4

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Planning	\$ 60,000	\$ 140,000				\$ 200,000
Contingency						\$ -
<b>TOTAL USES</b>	<b>\$ 60,000</b>	<b>\$ 140,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
<b>SOURCE(S)</b>						
100 - General Fund	\$ 60,000	\$ 140,000				\$ 200,000
<b>TOTAL FUNDS</b>	<b>\$ 60,000</b>	<b>\$ 140,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>

## IN2101 - EMERGENCY POWER FOR CRITICAL FACILITIES

<b>Functional Area</b> : Infrastructure Assessment		<b>Project Origin</b> : Council Request				<b>Priority Score</b>		
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>					<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>		
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation							
<input type="checkbox"/> Land/Row Acq. Required								
<input type="checkbox"/> Rehabilitation								
<b>Estimated Expenditures to-date</b>	\$ -	\$ 30,000	\$ 170,000	\$ -	\$ -	\$ -	\$ 200,000	
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025			

### Description

During severe natural hazard events, it is highly likely that utility power will not be available for an extended period of time. Critical facilities will need reliable sources of sustained electrical power to continue operations. This project will: 1) identify critical facilities in need of back-up power in coordination with an Emergency Operations Plan (EOP) , 2) assess power loads in each critical facility that requires back-up power, 3) determine the costs and technology options including solar battery storage, and 4) make any additional recommendations to Council before advancing to construction.



### History, Status, or Impact if Delayed

The Public Safety Building, Fire Station 74, and the Water Pollution Control Plant have stand by generators.

### General Plan Goals/Policies

Policy GM.4.1, Policy CS.2.6, Goal CS.9, Goal HS.4

### Summary of Capital Cost

USE(S)	Budget	Projected Budget					Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
Design	\$ 30,000						\$ 30,000
Construction		\$ 170,000					\$ 170,000
<b>TOTAL USES</b>	<b>\$ 30,000</b>	<b>\$ 170,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 200,000</b>
SOURCE(S)							
100 - General Fund	\$ 30,000	\$ 170,000					\$ 200,000
<b>TOTAL FUNDS</b>	<b>\$ 30,000</b>	<b>\$ 170,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 200,000</b>

## IN1703 - STORM DRAIN MASTER PLAN

<b>Functional Area</b> : Infrastructure Assessment		<b>Project Origin</b> : Staff Recommendation				<b>Priority Score</b>	
<b>Type of CIP</b>		<b>Budget</b>	<b>Unappropriated Subsequent Years</b>				<b>Estimated Project Life cycle cost</b>
<input type="checkbox"/> New	<input type="checkbox"/> Expansion	<b>Year 1 FY 2024-25</b>	<b>Year 2 FY 2025-26</b>	<b>Year 3 FY 2026-27</b>	<b>Year 4 FY 2027-28</b>	<b>Year 5 FY 2028-29</b>	
<input type="checkbox"/> Replacement	<input type="checkbox"/> Renovation						
<input type="checkbox"/> Land/Row Acq. Required							
<input type="checkbox"/> Rehabilitation							
<b>Estimated Expenditures to-date</b>	\$ 100,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
<b>Project Start</b> 7/1/2024					<b>Estimated Completion</b> 6/30/2025		
<b>Description</b>							

Preparation of a storm drain master plan will provide an analysis of the existing collection system. The plan will identify system deficiencies related to capacity, functionality, and permit compliance. The plan can serve to guide future budget allocations for improvements to the system.



### History, Status, or Impact if Delayed

### General Plan Goals/Policies

Policy GM.4.1, Policy CS.7.1

### Summary of Capital Cost

USE(S)	Budget	Projected Budget				Project Estimate FY 2024-2029
	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
Planning	\$ 150,000					\$ 150,000
Contingency						\$ -
<b>TOTAL USES</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
SOURCE(S)						
106 - Measure S 2014	\$ 150,000					\$ 150,000
<b>TOTAL FUNDS</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>