

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: 2/7/2011

Reviewed by: JL

SUBJECT: Capital Improvement Plan: FY2010/2011 – FY2014/15

REPORT BY: Judy Lieberman, Assistant City Administrator

STAFF RECOMMENDATION

1. Receive a presentation on capital projects completed, underway, and contemplated, capital program responsibilities of the City, and financial implications.
2. Approve Resolution No. 2011-9 approving the Capital Improvement Plan 2011 – 2015.

BACKGROUND

The Capital Improvement Plan (CIP) for FY FY2010/2011 to FY2014/15 provides a roadmap to the upcoming capital improvements in the City, and helps to define upcoming project funding needs. The CIP typically covers a five year period and is updated every two years.

The attached CIP provides a review of projects upcoming in the next five years, along with a brief review of the past five year period, which was a time of significant accomplishment for the City of Albany. The CIP discusses funding sources, upcoming projects, and implications of future capital improvements throughout the City. Following the summary discussions, the document is organized into the City's five Work Group areas: Facilities, Parks, Sewers, Storm Drains and Transportation. Each section begins with a brief overview of the Work Group area, and is followed by individual worksheets on each project. It is important to remember that these worksheets present a "snapshot" in time, particularly for projects that are in the planning and design stages.

There are 31 capital improvement projects being planned or implemented during this period, totaling approximately \$28.6 million dollars. Over the prior five year period, 2005-2010, the City completed \$30.5 million of capital improvements, included the Civic Center Seismic Retrofit and Renovation; \$6 million in sewer improvements; \$5 million in park upgrades and renovations; \$3 million of transportation and street improvements; and \$2.7 million in storm drain and creek improvements.

Most of the significant projects in the upcoming project period focus on facilities, sewers, and transportation. As noted above, the prior period has seen the renovation of all of the City's parks, as well as the completion of significant storm drain and creek improvements.

The 31 projects in the CIP are briefly summarized below according to their project status.

1. Projects Ongoing: On-going projects are carried out throughout the year. These include the following: Street Paving (S20); Sidewalk Ramps (P27); Sidewalk Repairs (P42); Storm Drain Improvements (T02); Sewer Rehabilitation(P20); Transportation projects, misc. (P14); and Traffic Calming (S45).
2. Projects in Construction or Implementation Stages: The Codornices Creek Phase 3 project (P22) is currently in the construction stage, and completion is anticipated in March of 2011. Projects which are in the bid or pre-bid process include Pierce Street Paving and Bicycle Path, Segment 1(P70), and the Traffic Signal Improvements at Santa Fe/Marin (P64). The Pierce Street parcel acquisition (P78) is in the implementation stage, as is the Albany Hill Master Plan update (P34), both of which are hoped to be completed by the end of the fiscal year.
3. Projects in Planning and Design Stages: Most of the projects in the CIP fall into this category. These are projects which are in the design stages, have just gotten underway, may need additional funding resources, or are planned for the mid or later years of the project period, such as the Sewer improvements. Projects in this category also include the redevelopment funded projects such as the Maintenance Center and Cleveland Avenue Improvements.
4. Conceptual Projects that are unfunded include the Solano Avenue Improvements, Phase 2 (P08); Senior Center Expansion; Veterans Memorial Building (P30); and Waterfront Trail Improvements (P40). The Pierce Street Park project (P08) and Buchanan/Marin Undergrounding (P63) do have partial funding but are still in the conceptual stages.
5. Future Projects: There is an additional set of projects that are not yet part of the CIP, but may become projects within the upcoming project period. These are: Buchanan Over-Crossing Pavement Resurfacing; Albany Bulb Improvements; El Cerrito Plaza Traffic Calming; I80/580 Culverts; Codornices Creek Phases 4&5; Complete Streets Design; Post BART Retrofit Improvements to Ohlone Greenway; and projects related to the Climate Action Plan, and/the Active Transportation Plan that is currently under development.

DISCUSSION

It is worthwhile to understand the rationale for how projects are prioritized and become part of the City's overall Capital Improvement Plan. The criteria to consider include the following broad categories.

- Safety: Is there an unsafe situation in the City that must be corrected? Examples would be unsafe play equipment, degradation of streets, sewer conditions that have public health implications, unsafe traffic conditions, or seismic safety.
- Legal mandate: Are there legal or regulatory requirements that must be met? One example of this is the new "Municipal Regional Permit" that replaced the

individual county-wide NPDES permit in late 2009, per the Clean Water Act. Another example of a new legal mandate, is AB32, “California Global Warming Solutions Act” which requires reduction of Greenhouse Gas Emissions to 1990 levels by the year 2020.

- **Liability:** Is there a liability involved in a particular condition that must be resolved? One example of this is alleviating flooding conditions, or to repair streets and paths to avoid claims from the public.
- **Cost-benefit:** Does the project provide some economic benefit to the City, either directly or indirectly? One example of direct benefit would be to change from a leased maintenance center to a City owned Maintenance Center. An indirect benefit would be the proposed Cleveland Avenue Improvements or Solano Avenue Improvements, which would make the area more attractive to commercial activity. Another example was the changeover to LED street lighting throughout the City. As part of the cost-benefit assessment, the impact on operating budget, particularly maintenance, is a vitally important factor. A project that can reduce maintenance costs would be of benefit. Other projects may increase maintenance costs, and concomitant funds must be allocated. New projects that cannot be appropriately maintained, such as parks or facilities, will become liabilities in the near future.
- **Community enhancement:** Unfortunately lowest on the prioritization list are projects that would provide enhancements to existing features. Luckily, grants and dedicated funds are often available for parks, trails, and creek restoration. Other examples of this type of project are expansion of the Senior Center and the potential acquisition of the Veteran’s Memorial building, which could provide significant enhancements to community classes and recreational activities.

SUSTAINABILITY IMPACT

Sustainability Impact is an important part of the City’s CIP. The City’s recently adopted Climate Action plan has provided a clear set of project priorities, particularly in the area of transportation. The City has been successful at obtaining grants for projects to provide bicycle and pedestrian pathways and for creek restoration. In addition, projects must comply with the City’s Green Building Ordinance, which requires LEED energy and water conservation, recycling and waste reduction, and use of sustainable materials.

FINANCIAL IMPACT

There are 31 capital improvement projects being planned or implemented during this period, totaling approximately \$28 million dollars. Funding sources for these projects include Reinvestment Agency funds (\$10 million); Sewer Funds (\$6.6 million); Grants (\$6 million); Measure F2002 and Measure F2006 funds (\$4.7 million); and miscellaneous other funds. It should be mentioned that the fate of the City’s ability to use funds from our Reinvestment Agency is currently subject to the ultimate resolution of the State’s budget problems. In addition to the \$27.6 million, there is also approximately \$16 million in unfunded projects that have been included in the project period, since they remain potential priorities. These include the Phase 2 Solano Avenue Improvements (\$2 Million); the Senior Center Expansion (\$2.5 Million); and the Veteran’s Center purchase and renovation (\$10 million.)

A companion policy discussion for the City Council is developing funding approaches and mechanisms for conceptual and future projects. While some projects have grant potential, others will require local funding beyond the scope of current revenue sources.

Attachment:

City of Albany Capital Improvement Plan 2011-2015