



City Council Staff Report

DATE: June 15, 2016 UNFINISHED BUSINESS

SUBJECT: CONTINUED DISCUSSION OF MEASURE J CAPITAL PROJECTS AND AUTHORIZATION TO APPROPRIATE FUNDS AS PART OF THE FISCAL YEAR 2016-17 BUDGET

FROM: David H. Ready, City Manager

BY: Office of the City Manager

SUMMARY

At the City Council meeting of June 1, 2016, the Fiscal Year 2016-17 Budget was adopted, and Council continued the discussion on allocation of Measure J capital expenditures to the meeting of June 15th.

RECOMMENDATION

1. Authorize the City Manager to appropriate the Measure J Unallocated Capital Improvement Projects as directed by the City Council.

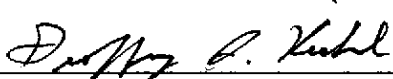
STAFF ANALYSIS

City Council's approval of the Fiscal Year 2016-17 budget included Measure J projects that were continued from the previous fiscal year, and an unallocated amount for new projects. Staff is seeking City Council direction on the unallocated portion.


Exhibit A - "Unfunded Capital Requests - Staff Priorities," was presented to the Measure J Commission at their meeting of May 19th. The Commission considered the staff requests and added additional recommendations as noted in Exhibit B. Exhibit C highlights the available funding for the new fiscal year of \$808,000 and a contingency reserve of \$1 million. However, as the City Council will also be discussing proposed bike lane routes – a portion of the \$2.5 million Measure J allocation for that project from 2015-16 could be reallocated to other priorities.

The new downtown park project, which could range between \$4 and \$8 million depending upon the final design approved by City Council, is not anticipated to be completed in the next fiscal year. Continuing design costs and initial construction costs that may occur within the next 12 months would be appropriate expenditures from the developer fee-based Quimby Parks Fund, which currently has a balance of approximately \$2.4 million.

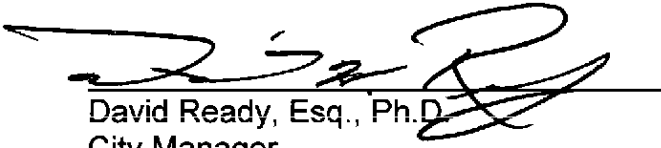
Also, one of the Measure J Commission's recommendations was the Dog Park Renovation Project. Staff received formal construction bids on the project last week of \$390,000 which includes improvements to the temporary Demuth Dog Park.



Geoffrey S. Kiehl
Director of Finance and Treasurer



James Thompson
Chief of Staff/City Clerk



David Ready, Esq., Ph.D.
City Manager

Attachments:

- 1) Exhibit A – Unfunded Capital Requests, Staff Priorities.
- 2) Exhibit B – Unfunded Capital Requests, Measure J Commission Recommendations
- 3) Exhibit C – Multi-Year Summary of Available Measure J Funds

EXHIBIT A

Unfunded Capital Requests - Staff Priorities City of Palm Springs Updated from June 1 Meeting

Title	Requested 2016-17
A. Evaluation of all City Facilities (Maintenance, plumbing, electrical, structural)	\$350,000
B. Demuth Park ADA Design, Compliance & Retrofits - Phase 1	500,000
C. Roof Replacements (City Hall / Leisure Center / Demuth Ctr)	275,000
D. Swim Center Replaster	250,000
E. HVAC Chiller, Cooling Towers Maintenance / WiFi Controllers	210,000
F. IT - Server Backup, Firewalls & Network Security	100,000
G. Hot / Cold Water Lines Design Phase (City Hall)	350,000
H. Police - Body Cameras and Technology Equipment	815,000
I. Cornelia White House Restoration / Repairs	200,000
J. Library Infrastructure - Phase 1 - Design	500,000
L. Council Office Space (General Fund)	200,000
Total	<u>\$3,750,000</u>

Airport Fund:

Hot / Cold Water Lines Design Phase (Airport)	\$350,000
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Unfunded Capital Requests
 Measure J Commission Recommendations
 Updated from June 1 Meeting

Title	Requested 2016-17
<i>Agreement With Staff's Priorities:</i>	
B. Demuth Park ADA Design, Compliance & Retrofits - Phase 1	\$500,000
C. Roof Replacements (City Hall / Leisure Center / Demuth Ctr)	275,000
D. Swim Center Replaster	250,000
I. Cornelia White House Restoration / Repairs	200,000
J. Library Infrastructure - Phase 1 - Design	500,000
Total	<u>\$1,725,000</u>
<i>Additional Priorities Established by the Commission:</i>	
Chino Cone Trail	\$238,000
Dog Park Renovation	350,000
Swim Center Pool Cover	80,000
Downtown Holiday Lighting	100,000
Fire Training Tower	50,000
Total	<u>\$818,000</u>
Grand Total	<u>\$2,543,000</u>
<i>Policy Recommendations:</i>	
#1 Funded projects should be "visible as Measure J projects"	
#2 Funded projects should be 'true' capital projects that have permanence	

EXHIBIT C

Multi-Year Summary of Available Measure J Funds City of Palm Springs

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Projected Revenue *		\$13,100,000 +2%	\$13,400,000 +2%	\$13,700,000 +2%
<i>Existing Budget Obligations:</i>				
Multi-Year Projects:				
Street Repairs		\$3,000,000	\$2,000,000	\$2,000,000
NMTP / Biking Issues	\$2,400,000	0	0	0
"Buzz" Program		947,962	947,962	947,962
Downtown Project		1,500,000	0	0
Uptown Parking Structure (Andaz agreement)		0	2,000,000	0
Police Department Remodel		1,250,000	1,250,000	0
Community Projects		911,725	1,202,125	1,000,000
Trash Service - Trails		7,200	7,200	7,200
Total Multi-Year Projects		\$7,616,887	\$7,407,287	\$3,955,162
Other Approved Projects and Expenses:				
Debt Service		\$3,200,000	\$3,200,000	\$3,200,000
Downtown Prop Maint & Other Expenses		475,000	500,000	525,000
Total Existing Budget Obligations		\$11,291,887	\$11,107,287	\$7,680,162
Capital Projects Contingency Reserve		\$1,000,000		
Net New Funds Available for Budgeting		\$808,113	\$2,292,713	\$6,019,838

* Note: The Director of Finance is assuming a 2% annual growth in revenues in 2016-2017 through 2018-2019.