



W2.4

APPROVED
BY THE CITY COUNCIL

JUN 9 1998

DEPARTMENT OF
UTILITIES

BUSINESS SERVICES

CITY OF SACRAMENTO
CALIFORNIA

OFFICE OF THE CITY CLERK
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June 1, 1998

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: PROPOSED 1999-2003 STORM DRAINAGE FUND CAPITAL IMPROVEMENT PROGRAM; AMENDMENTS TO FY98 AND FY99 STORM DRAINAGE FUND CAPITAL IMPROVEMENT PROGRAMS

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution to amend the FY98 Storm Drainage Fund Capital Improvement Program.

CONTACT PERSONS: Michael Stamper, Business Services Manager, 433-6608
Edward Otte, Administrative Analyst, 433-6600

FOR COUNCIL MEETING OF: June 9, 1998

SUMMARY

This report presents information on the proposed 1999-2003 Storm Drainage Fund Capital Improvement Program, recommends that the City Council approve amendments to the FY98 Storm Drainage Fund Capital Improvement Program, and recommends changes to the proposed FY99 Storm Drainage Fund Capital Improvement Program. Final recommendations to the FY99 Storm Drainage Fund Capital Improvement Program will be presented as part of the City Manager's Addendum on June 30, 1998.

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Proposed 1999-2003 Storm Drainage Fund Capital Improvement Program; Amendments to FY98 and FY99 Storm Drainage Fund Capital Improvement Programs

COMMITTEE/COMMISSION ACTION: None.

BACKGROUND INFORMATION

The Storm Drainage Enterprise Fund supports the operations, maintenance, repair, and rehabilitation of the storm drainage system. This system consists of in-ground pipes, 90 storm drainage pumping stations, ditches, channels, and secondary levees. Revenues are generated primarily by user fees.

The Department of Utilities has established the following goals that guide the planning and implementation of the Storm Drainage Fund Capital Improvement Program:

- Provide for the safe and reliable collection and conveyance of storm water runoff.
- Prevent streets from flooding higher than the top of the curb during 10-year return storms and prevent flooding of structures during 100-year return storms at complete buildout in each drainage basin.
- Ensure the storm drainage collection system complies with all government regulations.
- Ensure that expansion of the storm drainage collection and pumping systems conforms to the City's General Plan.
- Upgrade or replace existing storm drainage collection and pumping systems in conformance with the storm drainage master plans.
- Increase reliability and reduce maintenance costs by upgrading or replacing inadequate or deteriorated systems.

All maintenance, rehabilitation, and development projects are further scrutinized for conformance to the City's General Plan. Revisions to the City's General Plan are incorporated into the Department master planning process upon adoption by the Planning Commission and City Council. The planning efforts of the Department of Utilities for the Storm Drainage Capital Improvement Program have been detailed in the "Utility Infrastructure Report," November 1995, and were presented to the City Council in January 1996.

CURRENT CAPITAL IMPROVEMENT PROGRAM

In order to ensure that the current Storm Drainage Fund Capital Improvement Program (FY98) is meeting the needs of its residential and commercial customers, the Department has evaluated all of the projects in the current program and recommends that the City Council amend the FY98 Storm Drainage Fund Capital Improvement Program as shown in the following table.

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Project Nnumber	Project Title	Modified Budget 5/1/98	FY98 Budget Adjustments	Explanation for Budget Adjustment
WA51	Misc. Drainage Improvmt	225,001	58,000	Special projects required in support of other work.
WA52	Drainage Inlet Replacement	80,000	230,000	Replacement of DIs in advance of street overlays that were postponed from FY97
WB01	American Rvr Flood Control	1,469,000	-68,767	Project completed.
WB86	El Monte/Del Paso Drain	800,000	-142,802	Project completed.
WC02	Drainage Ramps	406,000	-132,161	Project completed.
WE01	Emergency Flood Operations	915,000	-119,000	Project completed.
WE71	Base CIP Reserve-Drainage	27,241	1,414,373	
WE86	Fiber Optic Telemetry	376,950	-71,265	Project completed.
WF07	Pump Station Generators	750,000	-663,663	Revised project scope; reduced reliance on portable units; new project in FY99 for permanent mounted generators.
WF76	Sump 151 Forebay/Access	2,252,000	51,000	Revised scope of work requires additional funding.
WG26	Pump Imp at Sumps/Tideflex	145,000	-85,795	Project completed.
WG41	Marina Entry Dredging	250,000	-237,000	Project completed.
WG46	B Drain Canal Improvements	280,000	2,000	Project completed.
WH06	Sumps 67,68,69,139,158 Imp	1,647,399	-87,399	Project completed.
WH26	Strawberry Manor Drain Imp	756,206	-147,521	Project completed.
XC42	13th St. Sewer - F to J Streets	1,200,000	75,000	Revised scope of work requires additional funding.
XD42	Combined Sewer Sys Reserve	5,053,445	33,203	
XG01	Sewer/Drainage Book GIS Digitizing	0	125,000	Storm drainage funding added for related portion of work.
XM12	15th St Sewer Replac, N/L	506,250	-430,303	Project canceled due to construction of State office buildings at this location.
XM58	CSS Misc Rehab--PW	0	197,100	New project to participate in sewer work related to Public Works projects.
NET TOTAL CHANGE			0	

1999-2003 CAPITAL IMPROVEMENT PROGRAM

The total appropriations recommended for the FY99 Storm Drainage Fund Capital Improvement Program are \$9,400,000. This amount is \$37,617,000 less than the FY98 Capital Improvement Program. This reduction is the result of funding the Sump 1/1A/Pioneer Reservoir Improvement Project and the Sump 2 Improvements Project in FY98. In addition,

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the Department has achieved cost savings in its Storm Drainage Fund capital projects construction costs over the past year and received approval to apply the net savings to additional projects to improve the storm drainage pumping and collection systems. The FY99 Storm Drainage Fund Capital Improvement Program conforms to the directive of the City Council that at least 50% of new funding be directed to projects outside the combined system: \$8,414,000 is requested for projects and programs outside the combined system, and \$986,000 is requested for combined system projects.

Three of the largest storm drainage projects for which funding is proposed in FY99 include:

- ◆ WH41 Strawberry Manor Improvements - Phase 2: Continue the program of replacing existing drainage pipes with larger pipes to further prevent flooding in the area.
- ◆ WH96 Basin 68 Detention at Sacramento Regional Waste Water Treatment Plant: Obtain property rights and construct a detention facility in this strategic location to reduce flooding in several areas of Valley Hi.
- ◆ WH91 Permanent Mounted Generators: Purchase and install permanent mounted generators to provide reliable power and prevent flooding caused by power outages in areas served by Sump 92, Sump 101, and Sump 152.

Since publication of the proposed 1999-2003 Storm Drainage Fund Capital Improvement Program in April 1998 there have been three changes that resulted from the completion of plans and specifications for current projects. The projects are:

- Alley Sewer, 15th - 16th, U - V Sts (PN:XM38)
- Sump 46 Switchgear Replacement (PN:WG91)
- Sump 54 Switchgear Replacement (PN:WG96)

In order to move the projects to the construction phase, the City Council approved the transfer of funds from current resources and the award of the contracts. Therefore, the appropriations that had been proposed in the FY99 Capital Improvement Program are no longer needed. The changes in the five year plan are shown in the following table.

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Proposed 1999-2003 Storm Drainage Fund Capital Improvement Program; Amendments to
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Project Number	Project Title	Budget (in thousands)				
		FY99	FY00	FY01	FY02	FY03
STORM DRAINAGE FUND - 425						
Current Proposed						
WE71	Base CIP Reserve	-1,625	400	400	400	400
WG91	Sump 46 Switchgear	70				
WG96	Sump 54 Switchgear	70				
XM38	Alley Swr, 15-16-/U-V	97	0	0	0	0
XD42	Combined Sewer Sys Reserve	-5,598	993	2,091	2,879	2,879
Revised Proposed						
WE71	Base CIP Reserve	-1,485	400	400	400	400
WG91	Sump 46 Switchgear	0				
WG96	Sump 54 Switchgear	0				
XM38	Alley Swr, 15-16-/U-V	0	0	0	0	0
XD42*	Combined Sewer Sys Reserve	-5,501	993	2,091	2,879	2,879

These changes result in no net change in the proposed 1999-2003 Storm Drainage Fund Capital Improvement Program.

FINANCIAL CONSIDERATIONS

The proposed FY99 Storm Drainage Fund Capital Improvement Program will be accomplished with available resources and does not require an increase in user fees. However, because the City must begin repayment of the State Revolving Fund loan on the Sump 1/1A project in FY99 and on the Sump 2 project in FY01, and in order to allocate and direct additional resources to the Storm Drainage Fund Capital Improvement Program in future years because of the backlog of deferred maintenance, the Department anticipates the need for increases in user fees. The following table provides the revenue and expenditure projections for the Storm Drainage Fund for the next five years. The five-year projection forecasts rate increases of 3% to 4% beginning in FY00.

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STORM DRAINAGE FUND FIVE YEAR PROJECTION*

	FY99	FY00	FY01	FY02	FY03
BEGINNING BALANCE	8,841	10,272	12,041	10,544	8,364
RATE INCREASE PROJECTED	0.00%	3.00%	4.00%	4.00%	3.00%
REVENUES					
User Fees	27,154	27,425	28,531	29,969	31,479
Revenue from Rate Increase**	0	823	1,141	1,199	944
Interest	2,193	2,237	2,282	2,327	2,374
Other	116	57	6	0	0
Regional Sanitation SRF payment	375	375	375	375	375
Bond Proceeds	0	0	0	0	0
Total Revenues	29,838	30,917	32,334	33,870	35,172
EXPENDITURES					
Operating	18,183	18,757	19,377	20,019	20,652
Debt Service	823	952	2,817	2,817	2,817
Capital Improvement Program	9,400	9,440	11,637	13,213	13,213
Total Expenditures	28,406	29,149	33,831	36,049	36,682
Other Reimbursements	0	0	0	0	0
ENDING BALANCE	10,272	12,041	10,544	8,364	6,855

* Dollars expressed in thousands. ** Gross revenue

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ENVIRONMENTAL DETERMINATION

There are no new environmental impacts associated with the proposed Storm Drainage Fund Capital Improvement Program budget. The appropriate level of environmental review, under CEQA, will be performed in conjunction with the project planning and design stage of future capital improvement projects.

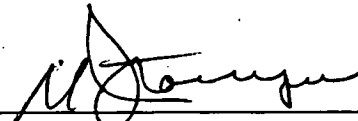
POLICY CONSIDERATIONS

The actions requested are consistent with Resolution 97-379, Section 9, para 9.6 and 9.7, approved by the City Council on June 24, 1997.

MBE/WBE

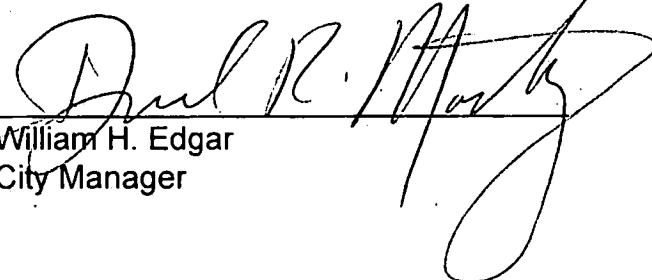
Not applicable. There are no goods or services being purchased as a direct result of this action.

Respectfully submitted,



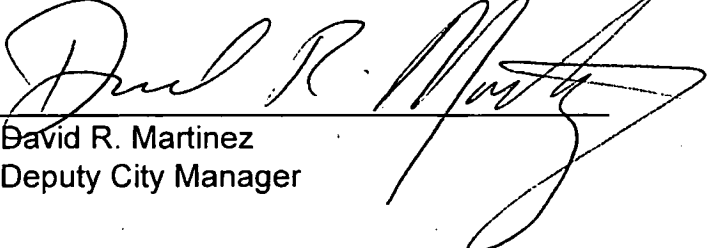
for Jim Sequeira
Director of Utilities

RECOMMENDATION APPROVED:



for William H. Edgar
City Manager

APPROVED:



David R. Martinez
Deputy City Manager

RESOLUTION NO. 98-255

ADOPTED BY THE SACRAMENTO CITY COUNCIL

APPROVED
BY THE CITY COUNCIL

JUN 9 1998

ON DATE OF _____

OFFICE OF THE
CITY CLERK

RESOLUTION TO AMEND THE FY98 STORM DRAINAGE FUND CAPITAL IMPROVEMENT PROGRAM

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

The FY98 Storm Drainage Fund Capital Improvement Program is hereby amended as follows:

CIP No.	Project Title		FY98 Budget Adjustments
WA51	Misc. Drainage Improvmt	425-500-WA51-4820	58,000
WA52	Drainage Inlet Replacement	425-500-WA52-4820	230,000
WB01	American Rvr Flood Control	425-500-WB01-4820	-68,767
WB86	El Monte/Del Paso Drain	425-500-WB86-4820	-142,802
WC02	Drainage Ramps	425-500-WC02-4820	-132,161
WE01	Emergency Flood Operations	425-500-WE01-4820	-119,000
WE71	Base CIP Reserve-Drainage	425-500-WE71-4414	1,416,373
WE86	Fiber Optic Telemetry	425-500-WE86-4820	-71,265
WF07	Pump Station Generators	425-500-WF07-4820	-663,663
WF76	Sump 151 Forebay/Access	425-500-WF76-4820	51,000
WG26	Pump Imp at Sumps/Tideflex	425-500-WG26-4820	-85,795
WG41	Marina Entry Dredging	425-500-WG41-4820	-237,000
WH06	Sumps 67,68,69,139,158 Imp	425-500-WH06-4820	-87,399
WH26	Strawberry Manor Drain Imp	425-500-WH26-4820	-147,521
XC42	13th St. Sewer - F to J Streets	425-500-XC42-4820	75,000
XD42	Combined Sewer Sys Reserve	425-500-XD42-4820	33,203
XG01	Sewer/Drainage Book GIS Digitizing	425-500-XG01-4820	125,000
XM12	15th St Sewer Replac, N/L	425-500-XM12-4820	-430,303
XM58	CSS Misc Rehab-PW	425-500-XM58-4820	197,100
TOTAL			0

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____