



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Presentation on Major Components of Fiscal Year 2010/11 Budget
MEETING DATE: May 5, 2010
PREPARED BY: City Manager

RECOMMENDED ACTION: Receive presentation on major components of Fiscal Year 2010/11 Budget.

BACKGROUND INFORMATION: The Fiscal Year (FY) 2010/11 budget will be balanced with revenues in excess of expenses. The budget has several components, policy decisions, and a major cornerstone. The major cornerstone of the FY 2010/11 budget is proposed labor agreements that prevent the necessity of layoffs and major service reductions. Currently, management is meeting with all labor groups and agreements are expected to be reached soon. Until, at a minimum, tentative agreements have been reached, it is premature to release the FY 2010/11 budget. Again, it is expected that agreements are forthcoming in the very near future. A total of eight agreements need to be reached.

The budget is on schedule to be ready for public review mid-May in time for adoption in early June.

It is proposed, depending upon the status of the budget, to provide the Council with the basic information and major variables that make up the FY 2010/11 budget.

For example:

- General Fund Budget will be balanced without the use of reserves;
- Status of unrestricted General Fund reserves;
- Impacts of the Lodi Energy Center on the budget;
- Unintended consequences of cutting costs in the FY 2009/10 budget – the build up of Compensatory Time Off;
- Impact of increased cost for retirement and health insurance;
- The proportionate distribution of the General Fund revenue among departments;
- Efforts to reduce Police Department costs;
- No proposed changes in funding for arts programs, 4th of July, economic development, and contribution to organizations;
- Labor costs; and
- Capital projects.

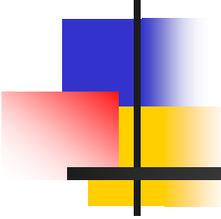
FISCAL IMPACT: The All Funds budget expenditures for FY 2010/11 are \$179,630,540. The General Fund is \$41,321,750.


 Blair King
 City Manager

APPROVED: 
 Blair King, City Manager

Budget Presentation

FY 2010/11



City Council

May 5, 2010



Overview

- Good News
- Employee Costs and Contributions
- Unintended Consequences of FY 2009/10 cost cutting
- Lodi Energy Center
- Capital Program
- General Fund
- All Funds



Overview

- Employee contributions allow for a balanced General Fund Budget



How Others are Faring

- Tracy
 - FY 09-10--\$7M shortfall; covered by reserves; eliminated 70 positions
 - FY 10-11--\$5M estimated shortfall; expect to cover with reserves
- Lathrop
 - FY 09-10--\$2.4M shortfall; 23 layoffs; 10% furloughs
 - FY 10-11--\$600,000 shortfall expected



General Fund Revenue

- Base General Fund revenue flat



General Fund Revenues

- 2009/10 budget \$39,870,900*
- 2010/11 estimate \$40,136,850**
- Net increase of \$265,950

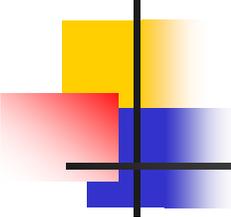
* Includes LEC Sales Tax - \$136,900

** Excludes LEC Sales Tax - \$1,184,900



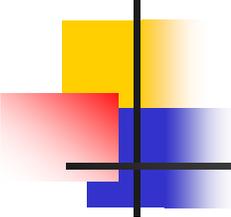
Revenues

- New revenues
 - COPS Hiring Grant \$370,000
 - DIVCA Fees \$85,000
- Other Revenue increases
 - Sales Tax - \$133,000
 - Card Room fees - \$115,250
 - Engineering Inspection fees - \$113,000
 - Police Reimbursements - \$73,000
 - SB 90 - \$45,000
 - Animal Licenses - \$25,000



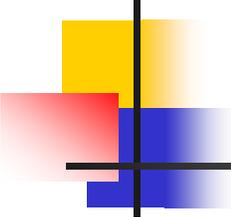
Revenues

- Revenue decreases
 - One time PILOT re-capture – (\$500,000)
 - Property Tax – (\$166,520)
 - POST Reimbursements – (\$30,000)
- PILOT remains flat at \$6.9M



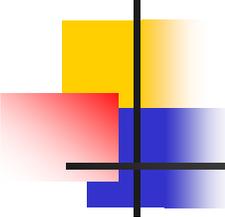
General Fund Revenue

- Revenues are over \$5 million lower than 3 years ago



General Fund Expenditures

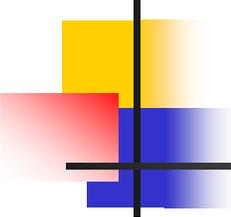
- Expenditure increases outside our control
 - PERS
 - Medical Insurance



Expenditures

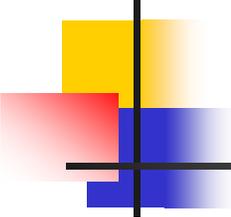
- PERS cost increasing about 2% per year for the next few years
 - Estimated General Fund increase of \$420,000 for 2010/11
 - Total City PERS contribution for 2010/11 \$7.2M
 - \$4.9M employer
 - \$2.3M employee

YEAR	Safety	Misc
2010/11	34.02%	19.08%
2011/12 est.	36.3%	20.9%
2012/13 est.	38.3%	22.9%



Expenditures

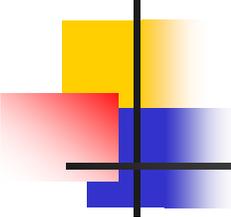
- Medical insurance costs estimated to increase by 6%
 - Estimated General Fund increase of \$66,000
 - Total Citywide medical contribution
 - \$4.99M



Expenditures

- 2009/10 budget \$39,870,900
- 2010/11 estimate \$40,728,850
- Variance of \$592,000*

* Excluding one-time revenues of \$1,184,900

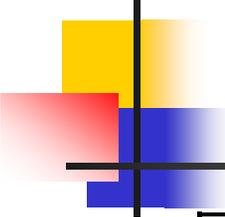


Hidden Expenses

- Property Tax Administration Fee - \$290,000
 - Up \$80,800 since 2007/08
- ERAF shift continues
 - Approximately \$3.1M per year

Employee Contributions

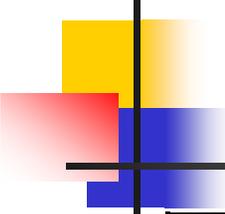
	Salary Reduction	Furlough	Waive Def. Comp Match	Waive OT	No CTO Cashout	No Holiday Cashout	No Vacation Cashout	Total Est. Savings
Executive Management		96 hours (4.6%)	✓					\$93,766
Mid-Mgmt incl. Confidential		96 hours (4.6%)	✓					\$264,421
Maintenance & Operators		48 hours (2.3%)						\$106,534
General Services		96 hours (4.6%)	✓					\$374,625
Confidential (GS)		96 hours (4.6%)	✓					\$14,234
Firefighters	2.5%		✓	✓	✓		✓	\$336,684
Fire Mid- Management		103 hours (4.96%)	✓	✓	✓			\$86,937
Dispatchers		58 hours (2.8%)	✓	✓		✓		\$178,493
Police Officers		48 hours (2.3%)	✓	✓	✓	✓		\$638,335
Police Mid-Mgmt		108 hours (5.2%)		✓	✓	✓		\$183,904
IBEW	Reduced COLA from 3.5% to 2%	24 hours (1.15%)						\$50,147
TOTAL								\$2,328,080



Proposed Expenditures

Department	FY 2010/11 Appropriation		FY 2009/10 Appropriation		Difference
City Attorney	\$468,150		\$462,890		\$5,260
City Clerk	606,100		546,606		59,494
City Manager	564,600		538,610		25,990
Economic Development	583,050		556,527		26,523
Fire	9,125,280		8,696,662		428,618
Internal Services	3,411,600		3,667,493		(255,893)
Non-Departmental	1,169,010		1,140,534		28,476
Parks	2,292,770		2,293,696		(926)
Police	15,970,480		14,955,058		1,015,422
Public Works	1,709,690		1,920,501		(210,811)
Info Systems Replacement	0		65,000		(65,000)
Bldg Repair/Maint	0		50,000		(50,000)
Streets	661,270		789,371		(128,101)
Library	1,349,180		1,352,026		(2,846)
Community Development	150,200		162,100		(11,900)
Community Center	1,162,570		1,166,095		(3,525)
Recreation	493,180		494,130		(950)
Debt Service	1,011,720		1,013,602		(1,882)
Total Appropriation	\$40,728,850		\$39,870,901		\$857,949
Revenue*	\$40,136,850		\$39,870,901		\$265,949
Variance	(\$592,000)		\$0		(\$592,000)

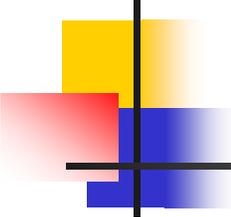
* Excludes One-time Sales Tax Revenue



General Fund Ratios

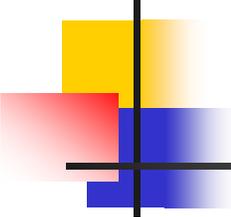
Department	2009/10 Ratio	2010/11 Proposed Budget	2010/11 Ratio*	Change 2009/10 vs. 2010/11	Ratio Change
City Clerk	1.37%	\$606,100	1.49%	\$59,494	0.12%
City Manager	1.35%	\$564,600	1.39%	\$25,990	0.04%
City Attorney	1.16%	\$468,150	1.15%	\$5,260	-0.01%
Internal Services Department Total	9.20%	\$3,411,600	8.38%	(\$255,893)	-0.82%
Non-Departmental	5.57%	\$2,180,730	5.35%	(\$38,406)	-0.21%
Economic Development	1.40%	\$583,050	1.43%	\$26,523	0.04%
Police	37.51%	\$15,970,480	39.21%	\$1,015,422	1.70%
Fire	21.81%	\$9,125,280	22.40%	\$428,618	0.59%
Public Works	4.94%	\$1,709,690	4.20%	(\$260,811)	-0.74%
Parks	5.75%	\$2,292,770	5.63%	(\$926)	-0.12%
Library	3.39%	\$1,349,180	3.31%	(\$2,846)	-0.08%
Community Development	0.41%	\$150,200	0.37%	(\$11,900)	-0.04%
Community Center	2.92%	\$1,162,570	2.85%	(\$3,525)	-0.07%
Recreation	1.24%	\$493,180	1.21%	(\$950)	-0.03%
Streets	1.98%	\$661,270	1.62%	(\$128,101)	-0.36%
Capital Projects		\$592,900		\$592,900	
Total	100.00%	\$41,321,750	100.00%	\$1,450,849	

* Exclusive of One-Time Capital Project Funding



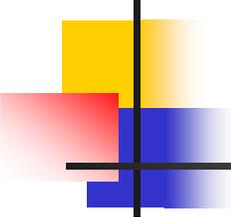
Public Safety Costs

- Police and Fire budgets combined account for 61.61% of General Fund revenues
- Police budget consumes all of the ongoing Property Tax and Sales Tax revenue



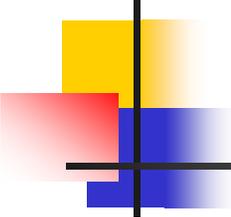
Labor Costs

- City-wide--\$48.0 million
- General Fund--\$29.3 million
 - 71.0% of expenditures



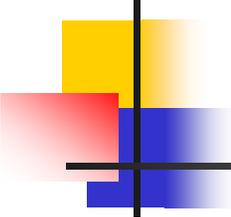
Actions Taken

- Departmental budgets prepared to absorb increases beyond our control where ever possible
 - Some PERS, some Medical
- Recommended appropriations increased where absorption not possible
 - Elections, some PERS, some Medical, OT



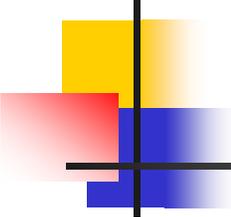
Actions Taken

- Maximize Police ARRA Hiring Grant
 - Layoff 2 officers and re-hire under the grant
- Unfund another Police Officer position
- Unfund another Dispatcher position
- Remove appropriations for unreimbursed training and travel in General Fund (except Council)
 - Savings of \$112,060 for General Fund



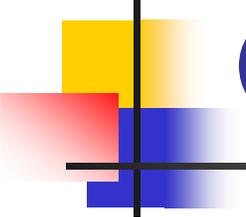
Actions Taken

- Fund Economic Development and Arts at same levels as FY 2009/10
- At the end of the day, all costs could not be absorbed and staff recommended using one-time revenue to fill the gap



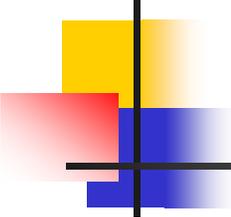
Compensating Time Off

- Increased banks of CTO to 480 hours maximum for Public Safety
 - Beyond this, the City must pay cash overtime
 - 28 individuals over 200 hours at April 18, 2010
 - 11 individuals over 300 hours
 - 5 individuals over 400 hours



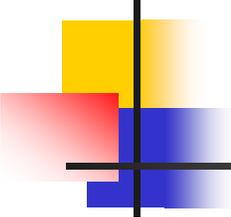
Unintended Consequences of Cutting Costs

- Accumulation of CTO
 - Max of 480 hours/ 3 months
- Buy down balances
 - Police/PMM/Dispatch
 - Over 200 hrs-buy down to 200 hrs
 - Between 100 & 200 hrs-buy down to 100 hrs
 - Between 75 & 100 hrs-buy down to 75 hrs
 - Fire
 - FMM-Over 200 hrs-buy down to 150 hrs
 - Fire-Over 200 hrs-buy down to 200 hrs



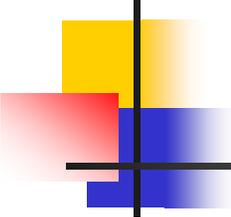
Compensating Time Off

- Budget includes funding to buy down hours
 - Police -- \$100,820
 - Dispatch -- \$2,070
 - Fire -- \$97,110



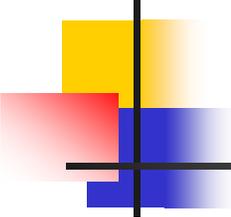
Hardship Overtime

- Public Safety operations occasionally require overtime instead of CTO
- Budget for Police and Fire include \$50,000 each for 'hardship' overtime
 - Department heads will develop guidelines for use of these funds



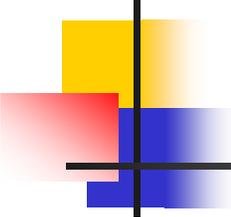
Impact of Lodi Energy Center

- One Time Revenues
 - Connection Fee - \$300,000 (Wastewater)
 - Sales Tax - \$1,468,600 spread over three fiscal years
 - Sale of Conservation Easement - \$504,000
 - Received in FY 2009/10
 - Requesting action to transfer for Capital expenditure



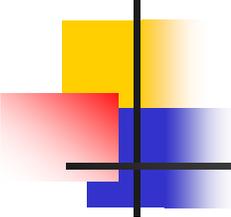
Impact of Lodi Energy Center

- On-going Revenues
 - Ground Lease – Additional \$40,000/year on top of existing \$20,310/year
 - Water Sales - \$960,000 guaranteed/year
 - Additional revenue for sales over 1,600 acre feet per year
- Totals
 - One time revenue--\$2,272,000
 - On-going--\$1,000,000/year minimum



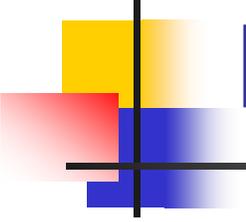
One-Time Revenue

- One-time sales tax revenue of \$1,184,900
 - Derived from NCPA power island purchase for the Lodi Energy Center



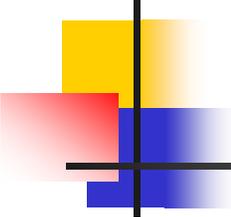
Use of One-Time Revenue

- Close gap between revenue and expenditures (\$592,000)
- Begin to address deferred maintenance



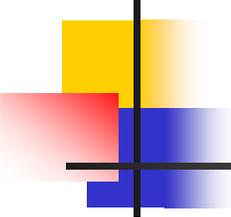
Proposed Capital Projects Funding

- Council direction to use one time revenue for capital projects
- Expect about \$900,000 available



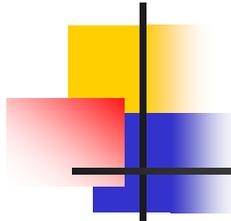
Capital Maintenance Projects

Carnegie Forum Roof Replacement	\$20,000
Carnegie Forum Miscellaneous Repairs	\$10,000
City Hall HVAC Controls Replacement	\$105,000
City Hall Carpet Replacement	\$75,000
Fire Station No. 2 Roof Replacement	\$41,500
Information Systems Computer Upgrades	\$65,000
Phase 1 Public Safety Building Retrofit	\$500,000
Contingency	\$83,500
Total	<u>\$900,000</u>



Vehicles

- City has a replacement fund, however, it is underfunded
- Current balance - \$2,101,232
- Needed balance - \$4,064,890 (based on life of vehicles)
- Shortfall - \$1,963,658
- Not addressed at this time



Summary Data

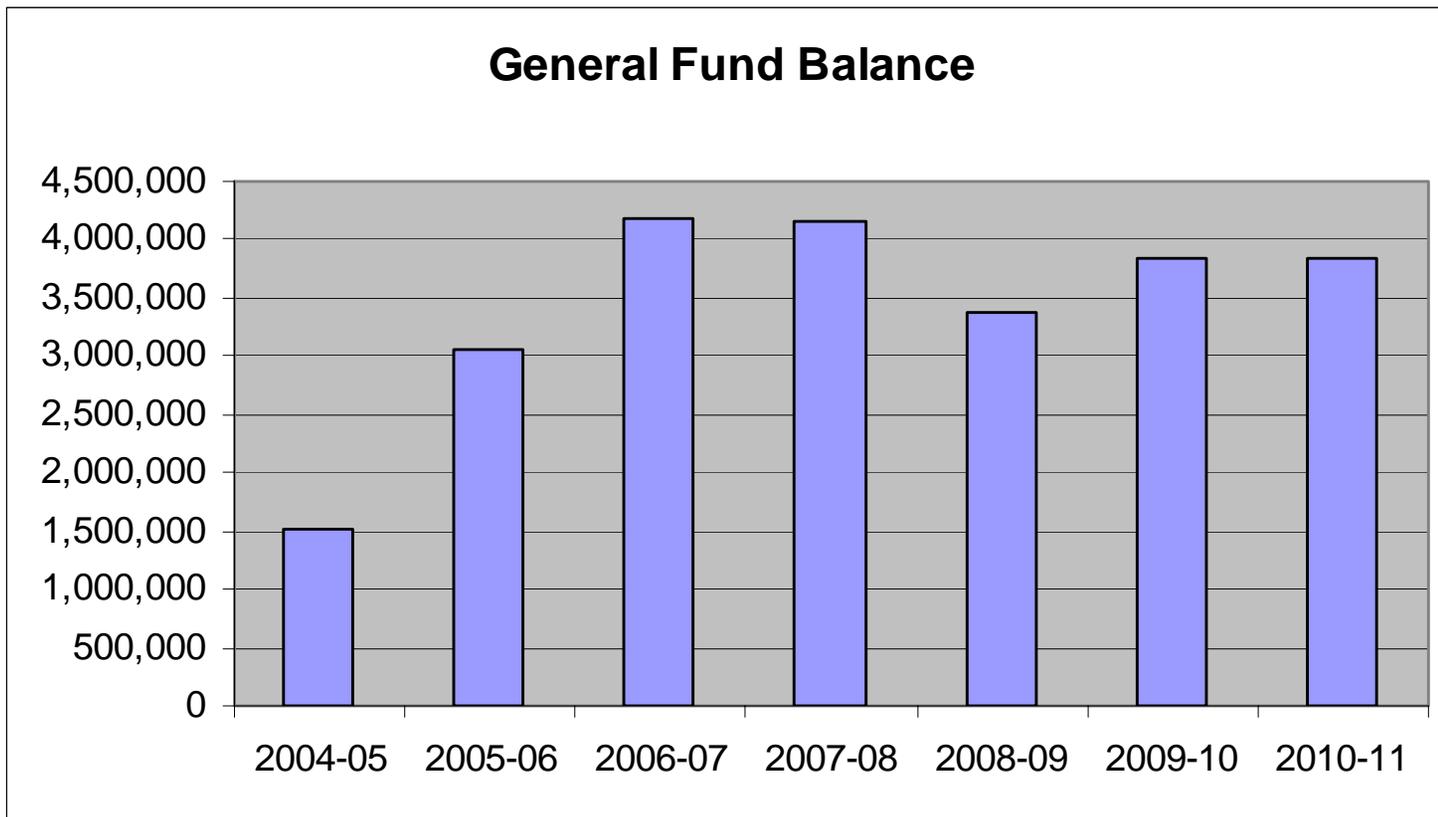
- Balanced Budget

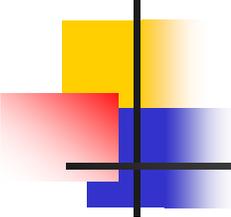
Revenue	\$41,321,750
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Expenditures	<u>\$41,321,750</u>
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Variance	<u>\$0</u>
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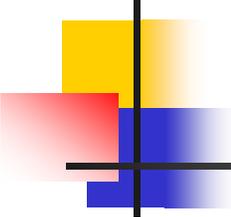
General Fund Reserves





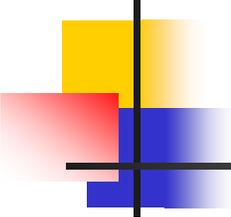
General Fund Reserves

- Proposed Reserve Policy
 - Catastrophic Reserve
 - 8% of General Fund Revenues
 - Fund in FY 2010/11
 - Accessed only upon Council declared emergency
 - Economic Reserve
 - 8% of General Fund Revenues
 - Begin funding in FY 2011/12
 - Accessed upon resolution of Council
 - Council Designated Reserves
 - Fund after Economic Reserve



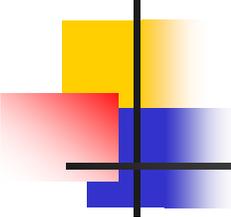
General Fund Debt Service

- FY 2010/11 Debt Service
 - Police Station - \$758,660 (45%)
 - Hutchins Street Square - \$662,100 (40%)
 - School Street - \$253,060 (15%)



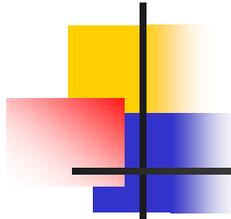
Economic Dev. organizations

- Visit Lodi! Conference & Visitors Bureau (\$76,000)
- San Joaquin Partnership (\$30,000)
- Lodi District Chamber of Commerce (\$2,120)
- Fireworks (\$16,000)
- SJC Enterprise Zone administration (\$22,500)
- Downtown Lodi Business Partnership (\$28,500)
- Arts grants (\$42,500)



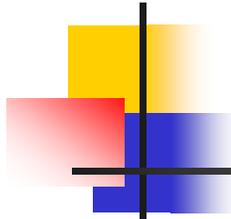
General Fund Transfers Out

■ General Fund support to other funds	Library	\$1,349,180
	Community Development	\$150,200
	Recreation	\$493,180
	Community Center	\$1,162,570
	Streets	\$661,270
	Total	<u>\$3,816,400</u>

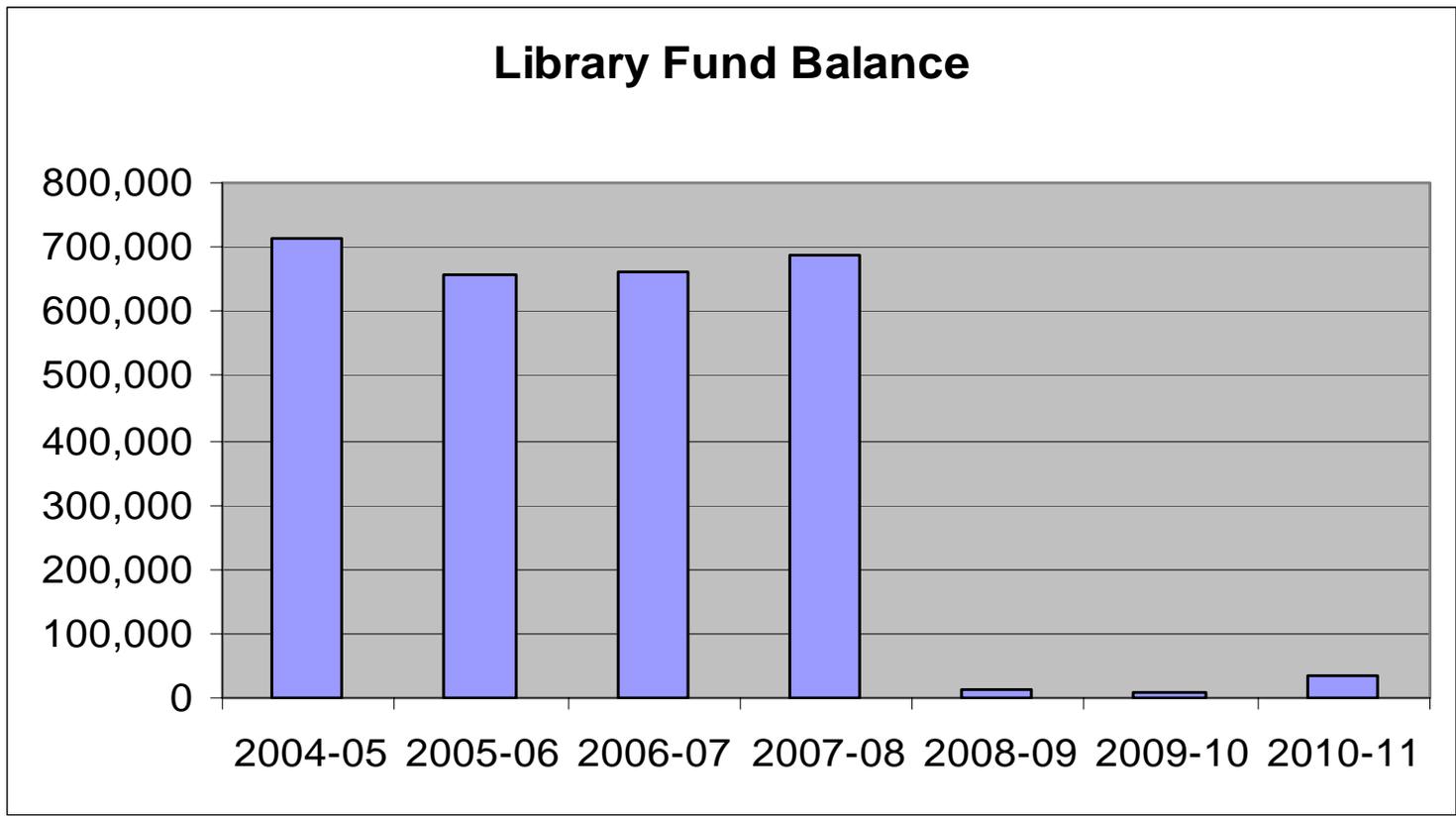


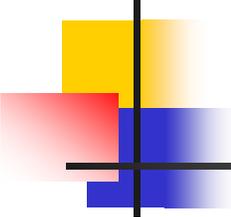
Library

	Audited 2007-08 Actuals	Audited 2008-09 Actuals	2009-10 Budget	Estimated 2009-10 Actuals	2010-11 Budget
Library Fund					
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	659,572	685,687	79,758	11,903	9,974
Revenues	1,764,025	1,573,856	1,453,901	1,692,009	1,452,700
Expenditures	<u>1,737,910</u>	<u>2,247,640</u>	<u>1,667,519</u>	<u>1,693,938</u>	<u>1,427,930</u>
Net Difference (Revenues Less Expenditures)	26,115	(673,784)	(213,618)	(1,929)	24,770
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	<u>685,687</u>	<u>11,903</u>	<u>(133,860)</u>	<u>9,974</u>	<u>34,744</u>



Library

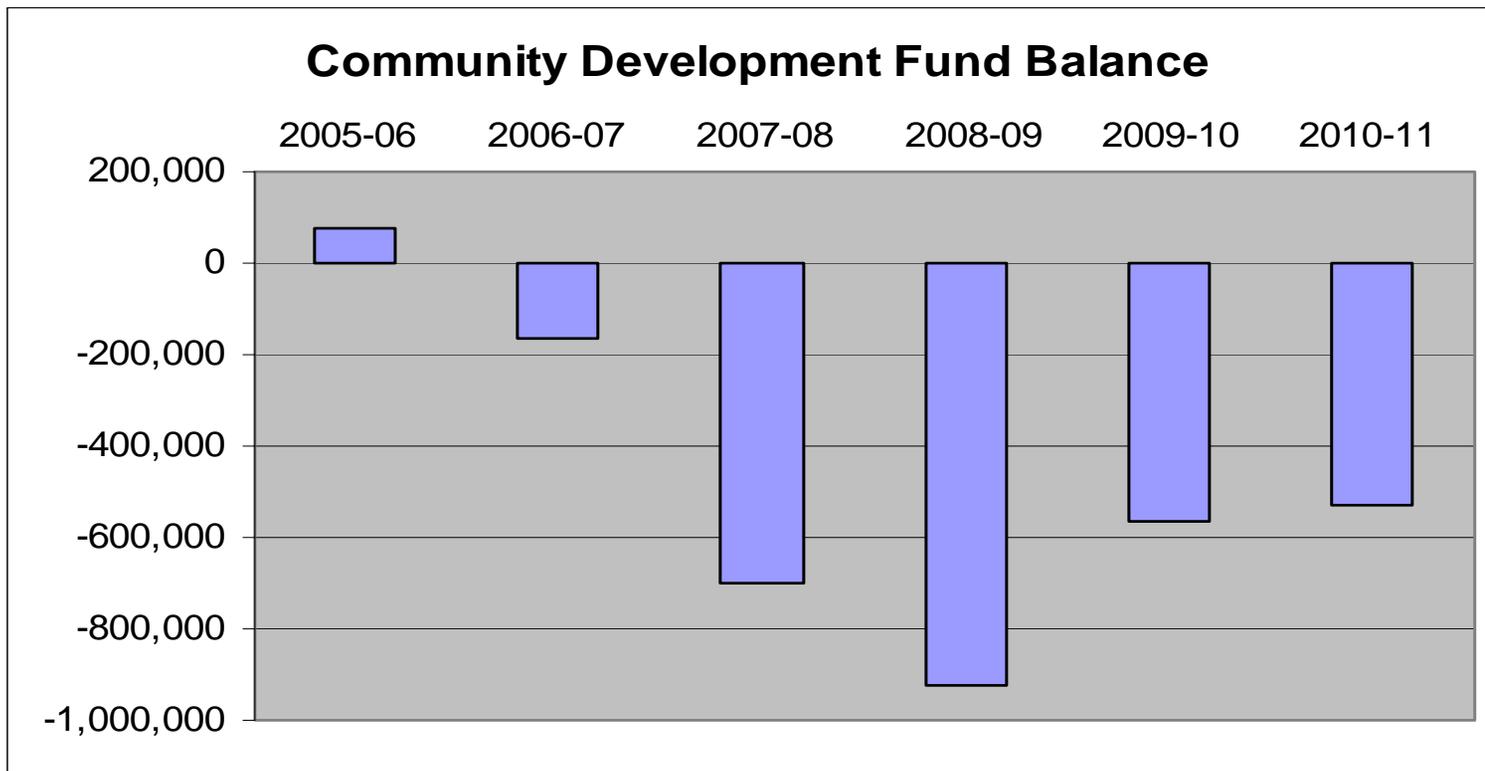


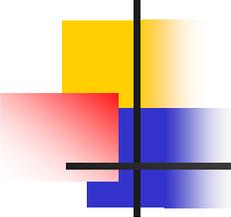


Community Development

	Audited 2007-08 Actuals	Audited 2008-09 Actuals	2009-10 Budget	Estimated 2009-10 Actuals	2010-11 Budget
Community Development Fund					
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	(167,024)	(702,127)	(713,886)	(921,716)	(566,223)
Revenues	1,479,536	1,126,039	1,427,891	1,468,290	1,102,990
Expenditures	<u>2,014,639</u>	<u>1,345,628</u>	<u>1,126,074</u>	<u>1,112,797</u>	<u>1,065,500</u>
Net Difference (Revenues Less Expenditures)	(535,103)	(219,589)	301,817	355,493	37,490
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	<u>(702,127)</u>	<u>(921,716)</u>	<u>(412,069)</u>	<u>(566,223)</u>	<u>(528,733)</u>

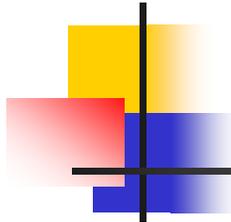
Community Development



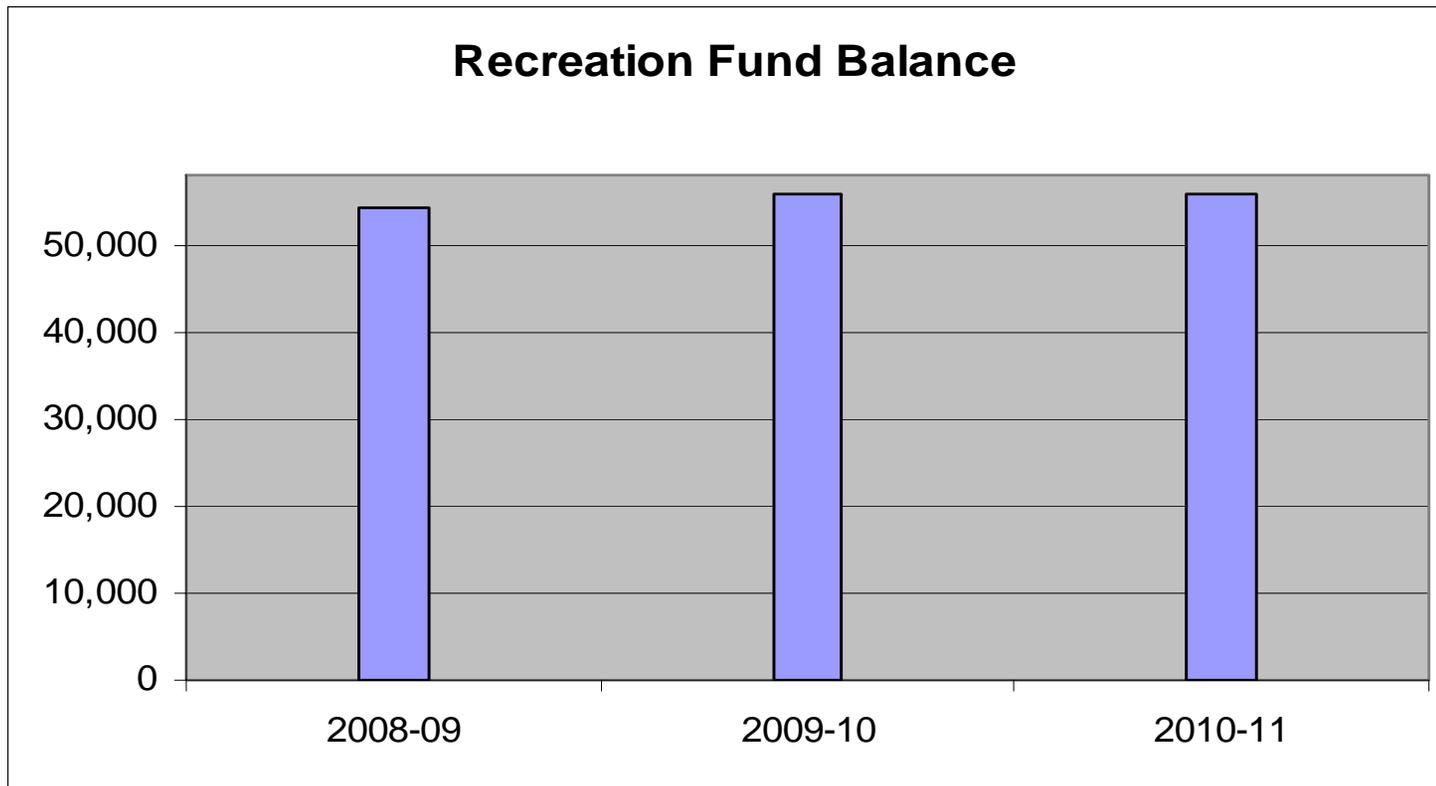


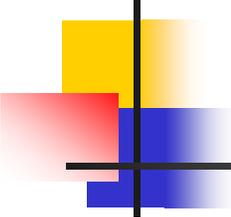
Recreation

	Audited 2007-08 Actuals	Audited 2008-09 Actuals	2009-10 Budget	Estimated 2009-10 Actuals	2010-11 Budget
Recreation Fund					
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	-	-	-	54,410	55,722
Revenues	-	1,675,808	1,844,318	1,858,318	2,004,990
Expenditures	-	1,621,398	1,856,178	1,857,006	2,004,790
Net Difference (Revenues Less Expenditures)	-	54,410	(11,860)	1,312	200
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	-	54,410	(11,860)	55,722	55,922



Recreation

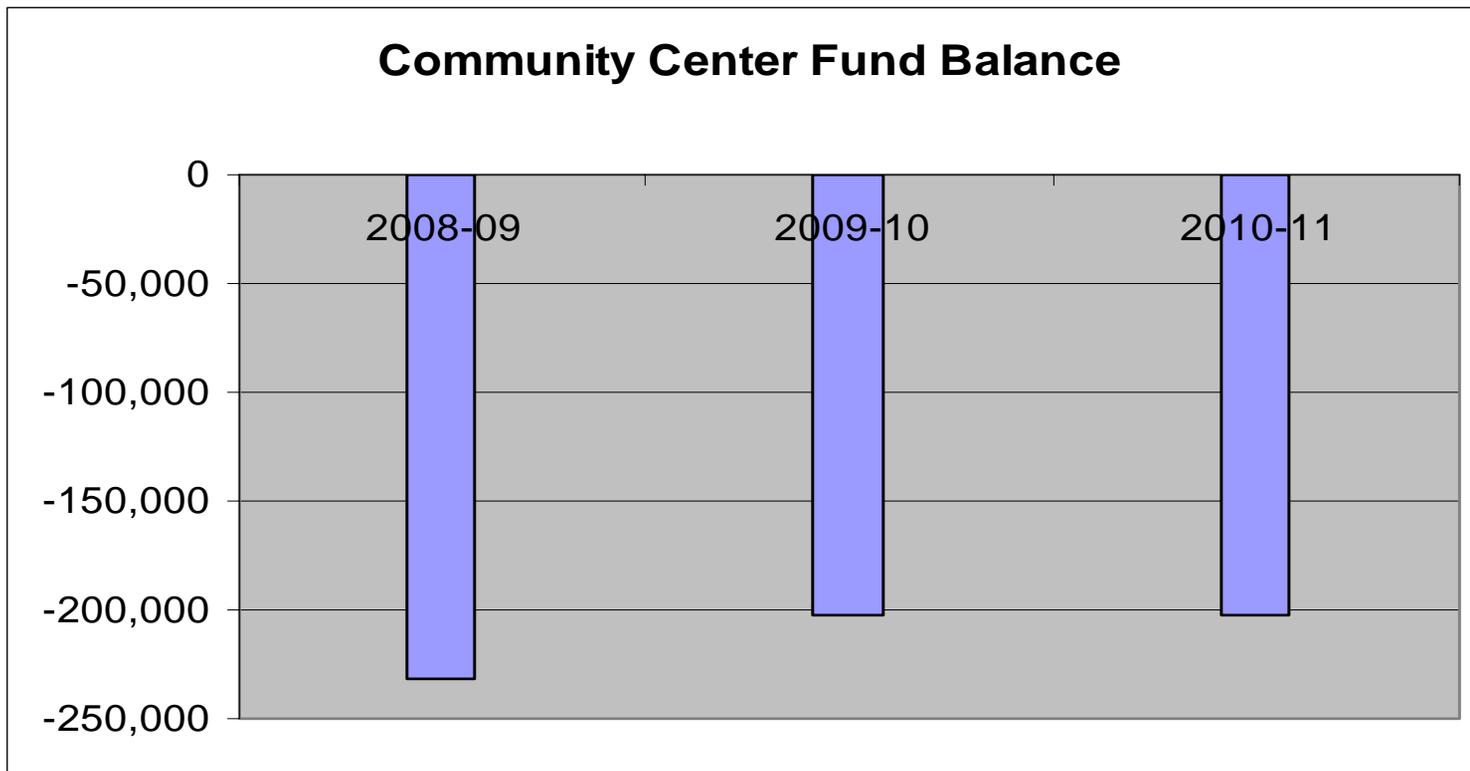


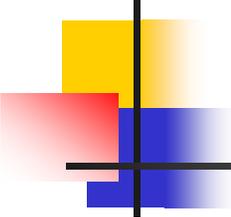


Community Center

	Audited 2007-08 Actuals	Audited 2008-09 Actuals	2009-10 Budget	Estimated 2009-10 Actuals	2010-11 Budget
Community Center Fund					
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	-	-	-	(232,211)	(201,833)
Revenues	-	1,944,784	1,859,673	1,859,673	1,850,570
Expenditures	-	2,176,995	1,861,923	1,829,295	1,850,570
Net Difference (Revenues Less Expenditures)	-	(232,211)	(2,250)	30,378	-
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	-	(232,211)	(2,250)	(201,833)	(201,833)

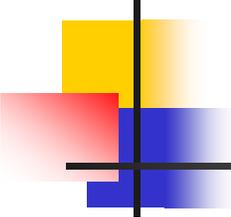
Community Center





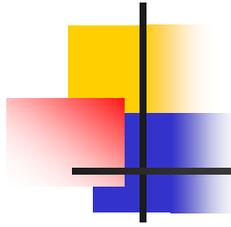
Streets

- Structural Funding Problem
 - Not enough funds for maintenance materials
 - Gas Tax revenue - \$1.0 million
 - Salaries and Benefits - \$1.3 million
- Propose laying off 2 positions
 - Tree Operations Supervisor
 - Maintenance Worker III

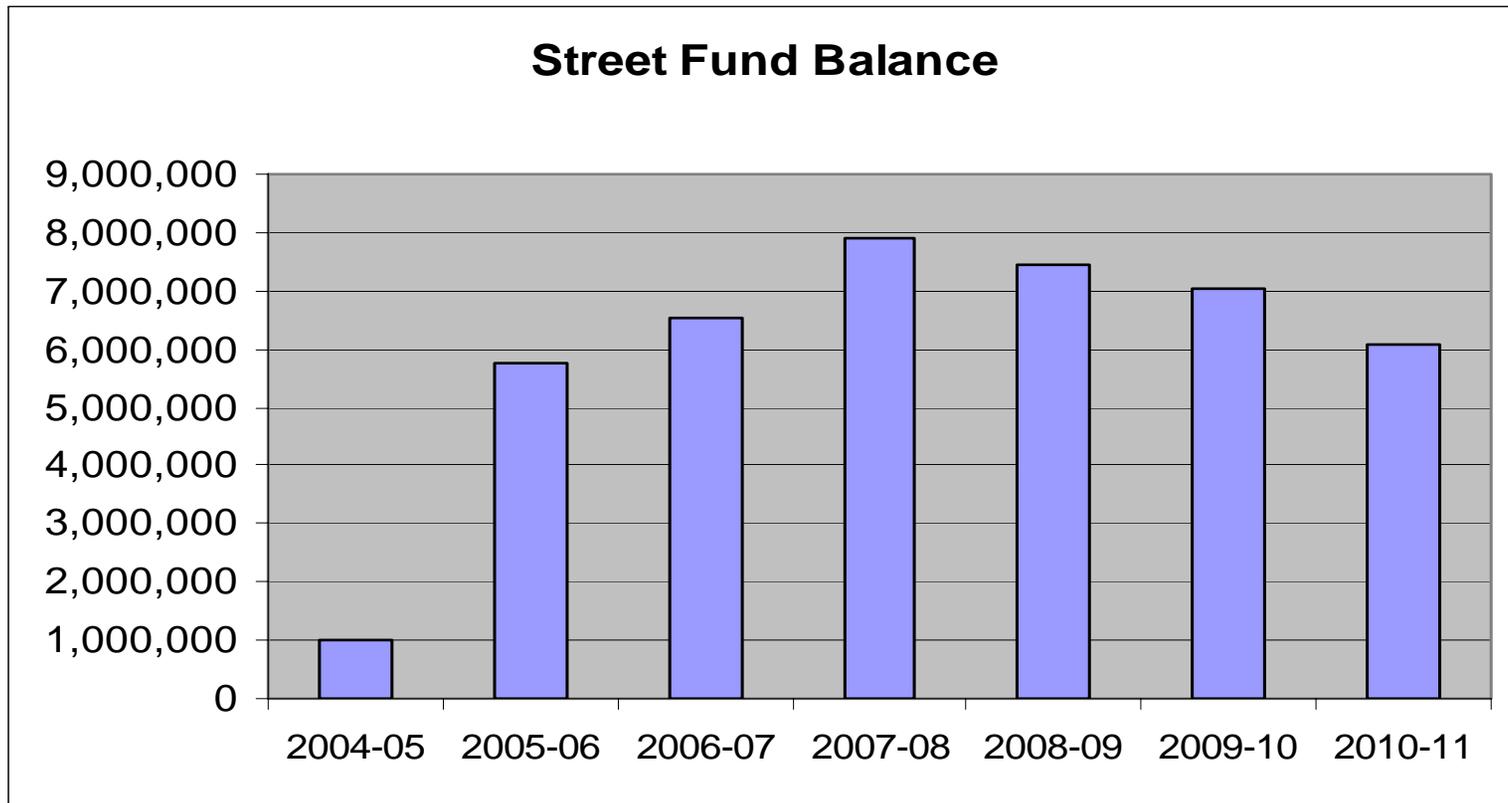


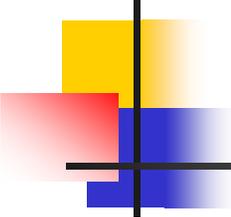
Streets

	Audited 2007-08 Actuals	Audited 2008-09 Actuals	2009-10 Budget	Estimated 2009-10 Actuals	2010-11 Budget
Street Fund					
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	6,546,231	7,907,130	8,512,374	7,443,639	7,035,734
Revenues	5,612,485	4,054,484	5,754,174	4,688,909	4,940,150
Expenditures	<u>4,251,586</u>	<u>4,517,975</u>	<u>8,137,000</u>	<u>5,096,814</u>	<u>5,903,360</u>
Net Difference (Revenues Less Expenditures)	1,360,899	(463,491)	(2,382,826)	(407,905)	(963,210)
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	<u>7,907,130</u>	<u>7,443,639</u>	<u>6,129,548</u>	<u>7,035,734</u>	<u>6,072,524</u>



Streets





All Funds Expenditures

Fund	Budget 2010-11
Electric Fund	76,618,920
General Fund	41,321,750
Wastewater Fund	14,194,540
Water Fund	11,528,790
Fleet, Transit, TDA Funds	8,215,980
Benefits Fund	6,999,300
Street Fund	5,903,360
Self Insurance Fund	2,803,000
Vehicle, Equip. Capital Outlay Funds	1,925,500
Recreation Fund	2,004,790
Community Center Fund	1,850,570
Debt Service Fund	1,673,820
Library Fund	1,427,930
CDBG Fund	1,160,610
Community Development Fund	1,065,500
Trust and Agency Fund	520,280
Public Safety Fund	119,000
Grand Total	179,333,640

GENERAL GOVERNMENT

ACTIVITY: Capital Improvement Project(s) **FUND:** Capital Outlay Fund
DEPARTMENT: Public Works

Capital Improvement Project Descriptions:

Development Impact Fee Program Update	270,000
Develop cost estimates and prepare recommended Development Impact Fee Program update per the newly adopted General Plan. This is a jointly funded project across all the Impact Fee Funds (\$645,000 project total).	
DeBenedetti Park Improvements	557,000
Improvements to DeBenedetti Park including storm pump station, storm drain piping, control structures, fencing, irrigation, landscaping, electrical and lighting. This also includes equipment, a turf truck and mower for the new facility. This is a jointly funded project with additional funding from the Streets and Electric Utility funds (\$1,272,000 project total).	
Miscellaneous Projects	900,000
Various maintenance projects such as City Hall HVAC repairs (\$105,000); Carneige Forum roof replacement (\$20,000); Carneige Forum repairs (\$10,000); City Hall carpet replacement (\$75,000) Fire Station #2 roof replacement (\$41,500); Information Systems Computer upgrades (\$65,000); Phase I Pubic Safety Building retrofit (\$500,000); Contingency (\$83,500)	

PUBLIC UTILITIES

ACTIVITY: Capital Improvement Project(s) **FUND:** Electric Utility Capital Outlay
DEPARTMENT: Electric Utility

Capital Improvement Project Descriptions:

Westside Substation **175,000**

Preliminary engineering and design of the Westside Substation.

Westside Line Extensions **116,000**

Extend overhead lines from McLane-Westside Line and Henning-Westside Line to Westside Substation at Westgate Drive and Kettleman Lane.

DeBenedetti Park Improvements **250,000**

Improvements to DeBenedetti Park including storm pump station, storm drain piping, control structures, fencing, irrigation, landscaping, electrical and lighting. This is a jointly funded project with additional funding from the Capital Outlay and Streets funds (\$1,145,000 project total).

Cable Rejuvenation **1,496,110**

Transformer and cable/conductor rejuvenation or placement in grids 14, 19, 20, 31, 46, 47, 48, 56, and 57.

Substation Compliance **173,000**

Update substations to meet safety or compliance requirements.

MSC Improvements **50,000**

Security improvements and replace rusted out gutters on the warehouse building at MSC. The gutter replacement is a joint project with funding from Water and Wastewater funds (\$40,000 project total).

AMR System Installation **916,750**

Phase 3 residential and Phase 1 commercial AMR meter and fixed network installation.

SCADA and Fiber Optics Project **149,300**

Update SCADA system, extend fiber optics to fire stations and attach to fiber loop.

Streetlights **348,520**

Update streetlight grounding and fusing in grids A and B.

GENERAL GOVERNMENT

ACTIVITY: Capital Improvement Project(s) **FUND:** Transit Fund
DEPARTMENT: Public Works

Capital Improvement Project Descriptions:

American Recovery and Reinvestment Act Projects	1,774,770
Construct ancillary structure and solar panels for Transit maintenance shop (\$1,000,000); purchase and installation of cameras and security lighting at Lodi Transit Station (\$323,140); purchase and install automated fare boxes on buses (\$20,160); and Galt pass-through (\$431,470).	
Lodi Transit Station Improvements	131,000
Lodi Transit Station improvements including roof, gutter, downspout repairs; painting passenger shelter; install louver covers; and painting of south annex, north annex and main depot.	
CNG Fueling Station Improvements	50,000
Replace CNG control panel and ongoing maintenance to fueling station.	

GENERAL GOVERNMENT

ACTIVITY: Capital Improvement Project(s) **FUND:** Street Funds
DEPARTMENT: Public Works

Capital Improvement Project Descriptions:

Development Impact Fee Program Update	175,000
Develop cost estimates and prepare recommended Development Impact Fee Program update per the newly adopted General Plan. This is a jointly funded project across all the Impact Fee Funds (\$645,000 project total).	
Decommission Old Fleet Services Shop	15,000
Work to prepare old fleet shop for other uses: abandon/remove underground oil tank; remove oil containers and piping; remove lifts, remove methane detection system; reconfigure electrical services; repairs to mezzanine. This is a jointly funded project with additional funding from Water and Wastewater funds (\$45,000 project total).	
Lodi Avenue Reconstruction	150,000
Complete the reconstruction of Lodi Avenue.	
Removal of Rail Crossing	418,800
Remove the Kentucky House Branch rail crossing along Lockeford Street.	
Asphalt Overlays	1,000,000
Asphalt overlays of Vine Street (Fairmont Avenue to Mills Avenue) and Ham Lane (Kettleman Lane to Harney Lane).	
Modesto Ash Trees	15,000
Removal of up to 30 diseased Modesto Ash trees.	
DeBenedetti Park Improvements	895,000
Improvements to DeBenedetti Park including storm pump station, storm drain piping, control structures, fencing, irrigation, landscaping, electrical and lighting. This is a jointly funded project with additional funding from the Capital Outlay and Electric Utility funds (\$1,145,000 project total).	
Miscellaneous Capital Maintenance Projects	238,000
Replace approximately 500 tons of asphalt and four tons of crack sealant (\$198,000); lane line painting (\$40,000).	
Harney Lane Improvements	470,000
Various studies and reports for widening Harney Lane between Hutchins Street and easterly of Highway 99: specific plan (\$30,000); interchange project study report (\$30,000); grade separation design, environmental and feasibility study (\$410,000).	
Traffic Signal Maintenance	140,000
Preventative maintenance for 48 signalized intersections and three flashing/crosswalk beacon intersections to include signal cabinet/traffic controller replacement; battery backups; and signal maintenance.	
MSC Parking Lot and Yard Repaving	30,000
Remove and replace approximately 100,000 square feet of asphalt paving in the corporation yard and parking lot. This is a jointly funded project with additional funding from Water and Wastewater funds (\$130,000 project total).	

GENERAL GOVERNMENT

ACTIVITY: Equipment Purchase
DEPARTMENT: Public Works

FUND: Vehicle Replacement Fund

Equipment - New or Replacement Description:

Replacement Vehicles - Police Department **105,000**
Replacement of patrol vehicles #05-015 and #05-039 and motorcycle #05-047 which have reached their useful lives.

Replacement Vehicles - Parks Division **65,500**
Replacement of vehicle #07-030, a 1980 Chevy truck, and turf vehicles #21 and #23 which have reached their useful lives.

Replacement Vehicle - Fleet Division **28,000**
Replacement of vehicle #04-122, a 1989 Dodge truck that has reached its useful life.

PUBLIC UTILITIES

ACTIVITY: Equipment Purchase
DEPARTMENT: Electric Utility

FUND: Electric Utility Capital Outlay
Public Benefits Fund

Equipment - New or Replacement Description:

Replacement of Bucket Truck **97,000**
Replace bucket truck used in distribution system extensions/replacements due to carb compliance.

Replacement of Vehicle 09-018 **22,000**
Replace 1997 Plymouth with Toyota Prius. This vehicle is used daily by the Manager of Customer Service and Programs

PUBLIC UTILITIES

ACTIVITY: Equipment Purchase
DEPARTMENT: Public Works

FUND: Water Capital Outlay Fund

Equipment - New or Replacement Description:

Replacement of Vehicle 04-116	50,000
Replace crane truck used by the Water Services construction and maintenance staff. One-half of the total replacement cost to be funded by Wasterwater Fund (vehicle total \$100,000).	

PUBLIC UTILITIES

ACTIVITY: Equipment Purchase
DEPARTMENT: Public Works

FUND: Wastewater Capital Outlay Fund

Equipment - New or Replacement Description:

Upgrade Closed Circuit Television (CCTV) Equipment	60,000
Purchase of new main line camera, transporter and electronic components to upgrade system in the CCTV van. This equipment is used to confirm the quality of newly constructed wastewater and storm drain pipelines and assess condition of existing pipelines.	
Replacement of Vehicle 04-116	50,000
Replace crane truck used by the Water Services construction and maintenance staff. One-half of the total replacement cost to be funded by Water Capital Outlay Fund (vehicle total \$100,000).	
Replacement of Utility Vehicle	12,000
Replace utility vehicle used by operations and maintenance staff to transport parts, equipment and staff to various locations at White Slough.	
New Forklift	20,000
Purchase new forklift to be used by operations and maintenance staff to move chemical totes throughout the White Slough facility.	
Miscellaneous Equipment Replacements	93,000
Replacement of 12 year old milling lathe that no longer performs as needed; replacement of 12 year old laser alignment tool; and replacement of 1989 sludge pump that no longer is California Air Board compliant.	
Replacement of Vehicle 04-095	340,000
Replace vehicle 04-095, a 1968 Ford rodding truck with a new sewer vac truck for cleaning and televising wastewater main lines.	

GENERAL GOVERNMENT

ACTIVITY: Equipment Purchase
DEPARTMENT: Public Works

FUND: Transit Fund

Equipment - New or Replacement Description:

Transit Maintenance Shop **30,000**
Repair tools, equipment and a lift for the Transit Maintenance Shop

Replacement of 1991 Senator Bus **634,000**
Replace 1991 Senator Bus with 35 foot CNG transit bus for the fixed route system.

GENERAL GOVERNMENT

ACTIVITY: Equipment Purchase
DEPARTMENT: Public Works

FUND: Streets Fund

Equipment - New or Replacement Description:

Replacement of Vehicle 04-185 **30,000**
Replace a 1996 1/2 ton Dodge Dakota truck used in the Tree Maintenance Division.

New Hot Thermoplastic Applicator **75,000**
Purchase a new hot thermoplastic applicator for use in applying hot melt thermoplastic material for lane lines and traffic legends.

New Asphalt Hot Box **75,000**
Purchase a new asphalt hot box to provide for a longer, more effective patch season and to eliminate waste due to the need to keep asphalt over 250 degrees.