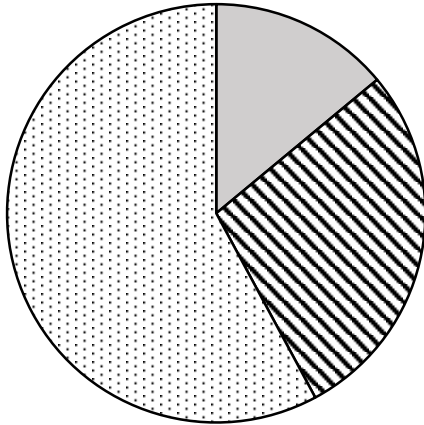


COMMUNICATIONS

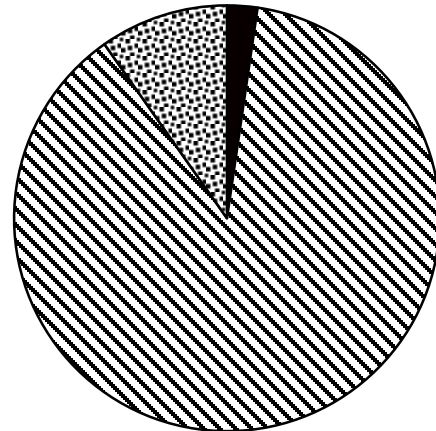
2018-2022 Capital Improvement Program

2017-2018 Adopted Source of Funds



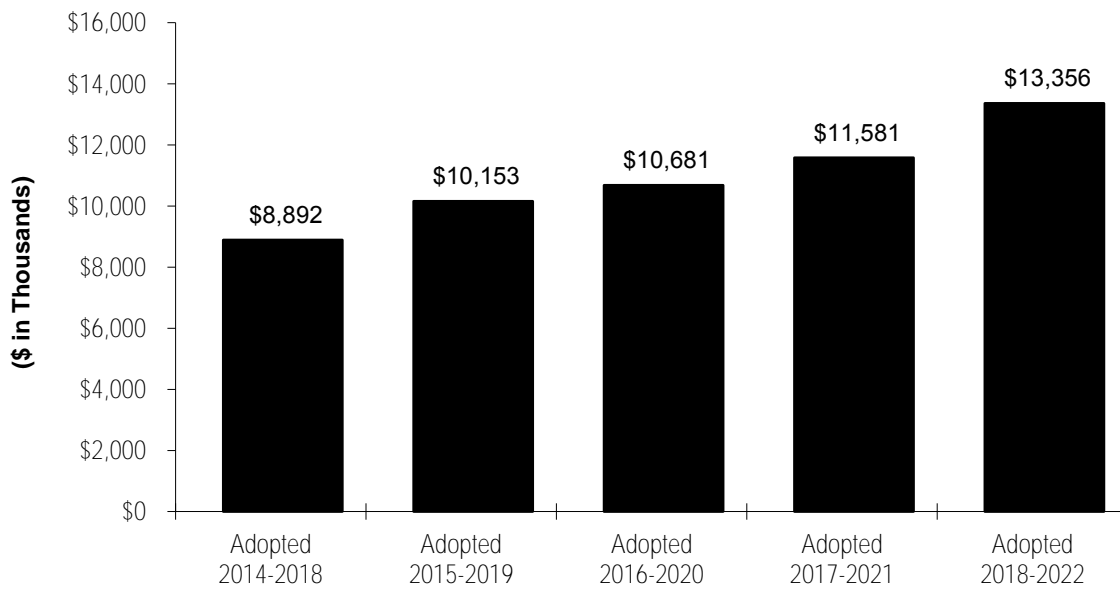
- Beginning Fund Balance
- ▨ Taxes, Fees and Charges
- ▩ Loans and Transfers

2017-2018 Adopted Use of Funds



- Construction
- ▨ Non-Construction
- ▩ Ending Fund Balance

CIP History



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Communications

2018-2022 Adopted Capital Improvement Program

Overview

INTRODUCTION

In October 1990, the City assumed the responsibility of providing its own emergency communications service for Police and Fire from the County of Santa Clara. The Communications Capital Improvement Program (CIP) was set up to address the replacement and upgrade of both the public safety and non-public safety radio equipment. In addition, this Program funds capital improvements related to communications facilities including land and interests in land, buildings, structures, radio and other equipment, and streets and sidewalks adjacent to City communication facilities.

COMMUNICATIONS INFRASTRUCTURE	
FIXED EQUIPMENT SITES	25
BASE STATIONS	100
MOBILE & PORTABLES	6,700

The 2018-2022 Adopted CIP provides funding of \$13.4 million of which \$4.3 million is allocated in 2017-2018. This program is part of the Strategic Support City Service Area (CSA) and supports the following outcomes from that CSA: *Safe and Functional Public Infrastructure, Facilities and Equipment*; and *Effective Use of State-of-the-Art Technology*.

PROGRAM PRIORITIES AND OBJECTIVES

The Communications CIP's guiding objective is the provision of reliable, necessary public and non-public safety-related communications equipment for all City employees who need this equipment to perform their job duties. Based on the CSA outcomes supported by this program, the following list of priorities has been developed:

- Proactively replace public safety-related communications equipment and systems to ensure reliability and optimal performance, and compliance with rules of the Federal Communications Commission;
- Maintain existing radio equipment in a proactive manner to ensure optimal functionality and to extend the length of service;
- Strategically plan for future major upgrades and technology changes; and
- Continue to support the Silicon Valley Regional Interoperability Authority.

SOURCES OF FUNDING

The 2017-2018 Adopted Capital Budget estimate for Construction and Conveyance (C&C) taxes is \$36 million, of which 3.4% is allocated to the Communications Capital Program. Approximately 99% of this tax is derived from a transfer tax imposed upon each transfer of real property, with the remaining 1% generated from a construction tax levied on most types of construction. The 2018-2022 CIP assumes 2016-2017 C&C tax revenues of \$38.0 million will be lower than the 2015-2016 receipts of \$42.7 million by approximately 11.0%, decrease again slightly in 2017-2018 to \$36.0 million and then remain flat at \$35.0 million for each remaining year of the CIP. Over the five years of the

Communications

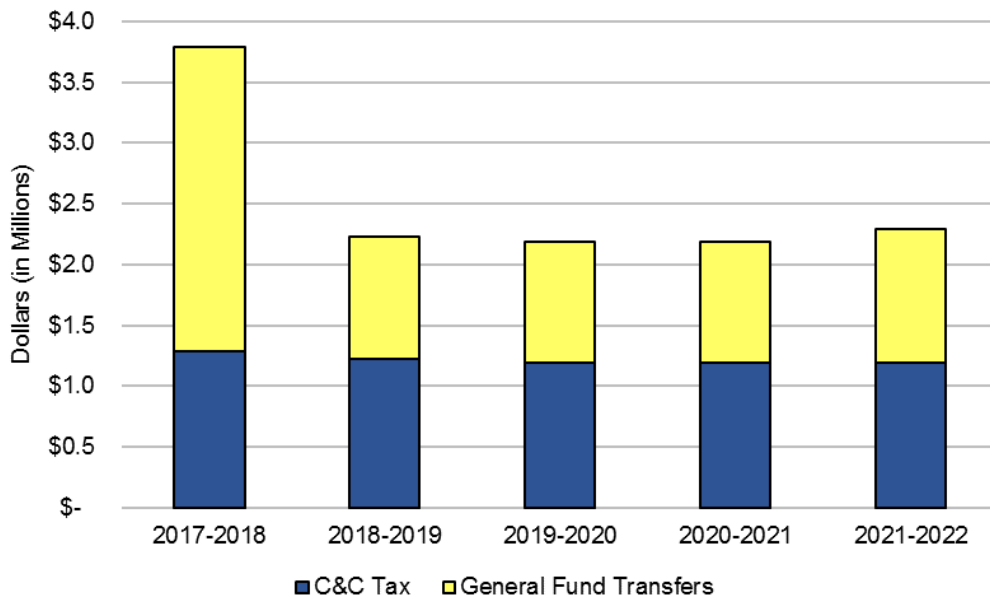
2018-2022 Adopted Capital Improvement Program

Overview

SOURCES OF FUNDING

CIP, collections allocated to the Communications Capital Program will total \$6.0 million. For additional information regarding C&C Tax revenue, please refer to the Construction and Conveyance Tax section of the Summary of Capital Improvement Program Revenues, which is located in the Summary Information (Section III) of this CIP.

Summary of Revenues



Because C&C Tax collections are not sufficient to address the program needs, funding of \$6.7 million from the General Fund is programmed over the CIP for the Communications Capital Program in order to primarily fund contributions to the Silicon Valley Regional Interoperability Authority (SVRIA). To the extent that C&C Tax revenues are received above or below projected levels, the General Fund transfer to this program will be reduced or increased accordingly.

PROGRAM HIGHLIGHTS

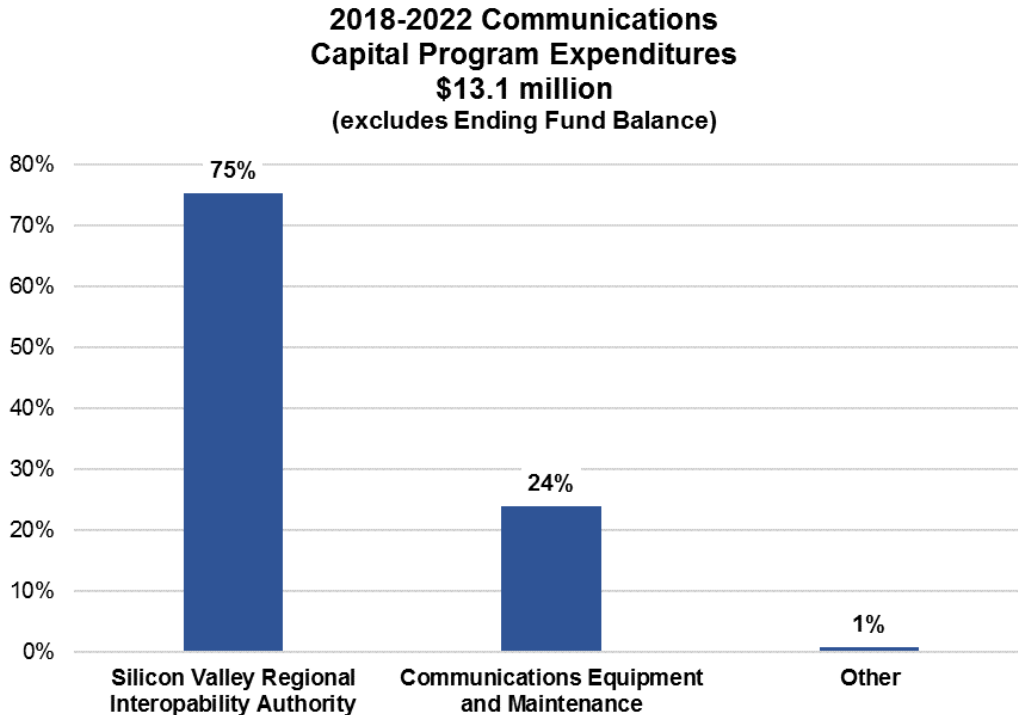
The Communications Capital Program’s expenditures are organized to show the use of funds in several categories. The following highlights the major project in the program. For further information on the program’s individual projects, please refer to the Detail Pages.

Communications

2018-2022 Adopted Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS



Silicon Valley Regional Communications System

The Silicon Valley Regional Interoperability Authority (SVRIA) is a joint powers authority consisting of 15 member agencies, including the City of San José, whose mission is to identify, coordinate and implement communication interoperability solutions to its member agencies by integrating voice and data communications between law enforcement, fire and rescue services, emergency medical services, and emergency management for routine operations, critical incidents and disaster response and recovery. The Silicon Valley Regional Communications System (SVRCS), a multistage project coordinated by SVRIA, will replace the existing public safety radio systems currently in use in Santa Clara County with a system that uses the 700/800MHz spectrum, which allows for enhanced data transmissions, additional capacity for mutual aid scenarios, and the ability to record transmissions for training purposes. The additional transmission towers, repeater sites, and other infrastructure required to build out the SVRCS is estimated to cost \$28.9 million. The City's estimated share, based on its proportionate number of communication devices, is \$7.6 million. The City also needs to purchase new radios (\$13.1 million) and dispatch consoles (\$3 million for Police and Fire Communications Center and \$1 million for the South San José Police Substation) that can fully operate on the new system, bringing the City's total need for the SVRCS to \$24.6 million.

Communications

2018-2022 Adopted Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

Silicon Valley Regional Communications System (Cont'd.)

The City entered into a Memorandum of Understanding (MOU) with SVRIA, as approved by the City Council on June 16, 2015, for the City's proportionate share of the infrastructure buildout for the SVRCS project in the amount of \$7.6 million over a three-year period. With \$3.1 million paid in 2015-2016, \$2.0 million paid in 2016-2017, and the remaining \$2.5 million budgeted in the 2017-2018 Adopted Operating Budget, the City's share of the system's infrastructure's cost is fully funded and the last payment will be made in September 2017.



**Cadwallader Reservoir
Radio Tower**

To date, a total of \$10.9 million has been allocated for radio replacements. In addition, over the five-year CIP, approximately \$2.3 million is included in the Silicon Valley Regional Communications System – Radios project to complete the necessary radio purchases. A total of 2,100 subscribers, portables and mobile radios have been replaced, with an additional 650 remaining. Four sites have been completed in the central cell with an additional nine to be constructed.



**Emergency Communications Microwave
Antennae at Eagle Rock**

In 2017-2018, funding of \$4.0 million (\$2.3 million in the Communications CIP)

is allocated in the Adopted Operating and Capital Budgets to purchase Silicon Valley Regional Communications (SVRCS) dispatch consoles for use in the Police and Fire Communications Center that serves as the primary Public Safety Answering Point (PSAP) and the South San José Police Substation that serves as the secondary PSAP.

A total of 34 dispatch consoles is needed in the Police and Fire Communications Center (of this amount, two consoles have already been purchased) to go live on the SVRCS by December 2018. To meet this need, \$3 million is allocated to purchase 32 consoles and includes the following funding sources in the Adopted Operating and Capital Budgets: \$900,000 transfer from the General Fund to the Communications and Conveyance Tax Fund; \$738,000 from the Supplemental Law Enforcement Services Fund, \$570,000 from a Urban Areas Security Initiative (UASI) Grant – Police 2016 rebudget in the General Fund; \$379,000 from the Communications Construction and Conveyance Tax Fund, \$271,000 from the State Drug Forfeiture Fund, \$92,000 from the Gift Trust Fund and \$50,000 from the Edward Byrne Memorial Justice Assistance Grant Trust Fund.

Communications

2018-2022 Adopted Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

Silicon Valley Regional Communications System (Cont'd.)

In addition, \$1.0 million is transferred from the General Fund to the Communications Construction and Conveyance Tax Fund to purchase 14 consoles at the South San José Police Substation.

MAJOR CHANGES FROM THE 2017-2021 ADOPTED CIP

The overall size of the Communications CIP has increased by \$1.8 million from \$11.6 million in the 2017-2021 Adopted CIP to \$13.4 million in the 2018-2022 Adopted CIP primarily due to additional funding for the SVRCS dispatch consoles. The following table outlines the most significant changes to project budgets, including new/augmented allocations and reduced/eliminated allocations.

Project	Incr/(Decr)
Silicon Valley Regional Communications System – Dispatch Consoles	\$2,279,000
Silicon Valley Regional Interoperability Authority - Maintenance	\$356,000
Silicon Valley Regional Communications System - Radios	(\$250,000)

OPERATING BUDGET IMPACT

It is anticipated that there will be no additional operating and maintenance costs associated with projects included in the 2018-2022 Adopted CIP.

COUNCIL-APPROVED REVISIONS TO THE PROPOSED CAPITAL IMPROVEMENT PROGRAM

None.

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2017-2018 CAPITAL BUDGET

**2018-2022 CAPITAL
IMPROVEMENT PROGRAM**



COMMUNICATIONS

**SOURCE AND USE OF FUNDS
STATEMENTS**

Communications
2018-2022 Adopted Capital Improvement Program
Source of Funds (Combined)

	Estimated						
	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	5-Year Total
Communications Construction and Conveyance Tax Fund							
Beginning Balance	1,439,140	607,140	424,140	350,140	258,140	258,140	607,140
Reserve for Encumbrance	106,812						
Transfers							
Communications Projects		2,500,000	1,000,000	1,000,000	1,100,000	1,100,000	6,700,000
TOTAL Transfers		2,500,000	1,000,000	1,000,000	1,100,000	1,100,000	6,700,000
Revenue from Use of Money and Property							
Interest Income	13,000	13,000	13,000	13,000	13,000	13,000	65,000
TOTAL Revenue from Use of Money and Property	13,000	13,000	13,000	13,000	13,000	13,000	65,000
Construction & Conveyance Tax							
C&C Tax Proceeds	1,292,000	1,224,000	1,190,000	1,190,000	1,190,000	1,190,000	5,984,000
TOTAL Construction & Conveyance Tax	1,292,000	1,224,000	1,190,000	1,190,000	1,190,000	1,190,000	5,984,000
Total Communications Construction and Conveyance Tax Fund	2,850,952	4,344,140	2,627,140	2,553,140	2,561,140	2,561,140	13,356,140
TOTAL SOURCES	2,850,952	4,344,140	2,627,140	2,553,140	2,561,140	2,561,140	13,356,140

Communications

2018-2022 Adopted Capital Improvement Program Use of Funds (Combined)

	Estimated 2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	5-Year Total
<u>Communications</u>							
Communications Equipment Replacement and Upgrade	476,811	100,000	100,000	100,000	100,000	100,000	500,000
Communications - Construction	476,811	100,000	100,000	100,000	100,000	100,000	500,000
Communications Maintenance	483,000	497,000	512,000	527,000	543,000	560,000	2,639,000
Silicon Valley Regional Communications System - Radios	500,000	250,000	500,000	500,000	500,000	500,000	2,250,000
Silicon Valley Regional Interoperability Authority - Administration	150,000	158,000	161,000	164,000	167,000	170,000	820,000
Silicon Valley Regional Interoperability Authority - Maintenance	618,001	618,000	985,000	985,000	974,000	974,000	4,536,000
Silicon Valley Regional Communications System - Dispatch Consoles		2,279,000					2,279,000
General Non-Construction - Communications	1,751,001	3,802,000	2,158,000	2,176,000	2,184,000	2,204,000	12,524,000
Communications - Non Construction	1,751,001	3,802,000	2,158,000	2,176,000	2,184,000	2,204,000	12,524,000
City Hall Debt Service Fund	3,000	5,000	6,000	6,000	6,000	6,000	29,000
Transfers to Special Funds	3,000	5,000	6,000	6,000	6,000	6,000	29,000
General Fund - Interest Income	13,000	13,000	13,000	13,000	13,000	13,000	65,000
Transfers to the General Fund	13,000	13,000	13,000	13,000	13,000	13,000	65,000
Transfers Expense	16,000	18,000	19,000	19,000	19,000	19,000	94,000
Total Expenditures	2,243,812	3,920,000	2,277,000	2,295,000	2,303,000	2,323,000	13,118,000
Ending Fund Balance	607,140	424,140	350,140	258,140	258,140	238,140	238,140
TOTAL USES	2,850,952	4,344,140	2,627,140	2,553,140	2,561,140	2,561,140	13,356,140



2017-2018 CAPITAL BUDGET

**2018-2022 CAPITAL
IMPROVEMENT PROGRAM**

COMMUNICATIONS

DETAIL OF PROJECTS

Communications Capital Program
 2018-2022 Adopted Capital Improvement Program
Detail of Ongoing Construction Projects

Communications Equipment Replacement and Upgrade

CSA	Strategic Support	Initial Start Date	Ongoing
CSA Outcome	Effective Use of State-of-the-Art Technology	Initial End Date	Ongoing
Department	Public Works	Revised Start Date	
Location	City-wide	Revised End Date	
Council Districts	City-wide	Initial Project Budget	
Appropriation	A4056		

Description This allocation funds the replacement and maintenance of communications equipment based upon useful life expectancy.

Justification This allocation funds essential communications equipment for Police, Fire, and non-public safety City operations.

Notes Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

Major Cost Changes

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Expenditure Schedule (000s)							
General Administration	140						
Construction	107						
Equipment, Materials and Supplies	230	100	100	100	100	100	500
Total	477	100	100	100	100	100	500

Funding Source Schedule (000s)							
Communications Construction and Conveyance Tax Fund	477	100	100	100	100	100	500
Total	477	100	100	100	100	100	500

Annual Operating Budget Impact (000s)							
Total							

Communications Capital Program

2018-2022 Adopted Capital Improvement Program

Detail of One-Time Non-Construction Projects

Silicon Valley Regional Communications System - Dispatch Consoles

CSA Strategic Support
CSA Outcome Effective Use of State-of-the-Art Technology
Department Public Works
Council Districts City-wide
Appropriation A404N

Description This allocation provides funding of \$2.3 million (\$4.0 million total in the Adopted Capital and Operating Budgets) to purchase Silicon Valley Regional Communications (SVRCS) dispatch consoles for use in the Police and Fire Communications Center that serves as the primary Public Safety Answering Point (PSAP) and the South San José Police Substation that serves as the secondary PSAP. A total of 34 dispatch consoles is needed in the Police and Fire Communications Center (of this amount, two consoles have already been purchased) to go live on the SVRCS by December 2018. To meet this need, \$3 million is allocated to purchase 32 consoles and includes the following funding sources in the Adopted Operating and Capital Budgets: \$900,000 transfer from the General Fund to the Communications and Conveyance Tax Fund; \$738,000 from the Supplemental Law Enforcement Services Fund, \$570,000 from a Urban Areas Security Initiative (UASI) Grant – Police 2016 rebudget in the General Fund; \$379,000 from the Communications Construction and Conveyance Tax Fund, \$271,000 from the State Drug Forfeiture Fund, \$92,000 from the Gift Trust Fund and \$50,000 from the Edward Byrne Memorial Justice Assistance Grant Trust Fund. In addition, \$1.0 million is transferred from the General Fund to the Communications Construction and Conveyance Tax Fund to purchase 14 consoles for use at the South San José Police Substation.

Notes

	PRIOR YEARS	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
Equipment, Materials and Supplies			2,279					2,279		2,279
Total			2,279					2,279		2,279

Funding Source Schedule (000s)										
Communications Construction and Conveyance Tax Fund			2,279					2,279		2,279
Total			2,279					2,279		2,279

Communications Capital Program

2018-2022 Adopted Capital Improvement Program

Detail of Ongoing Non-Construction Projects

Communications Maintenance

CSA Strategic Support
CSA Outcome Effective Use of State-of-the-Art Technology
Department Public Works
Council Districts City-wide
Appropriation A7116

Description This allocation funds staffing costs associated with the replacement and maintenance of communications equipment.

Notes Selected budget information is not provided due to the ongoing nature of this project.

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Expenditure Schedule (000s)							
General Administration							
Construction							
Maintenance, Repairs, Other	483	497	512	527	543	560	2,639
Total	483	497	512	527	543	560	2,639

Funding Source Schedule (000s)							
Communications Construction and Conveyance Tax Fund	483	497	512	527	543	560	2,639
Total	483	497	512	527	543	560	2,639

Communications Capital Program

2018-2022 Adopted Capital Improvement Program

Detail of Ongoing Non-Construction Projects

Silicon Valley Regional Communications System - Radios

CSA Strategic Support
CSA Outcome Effective Use of State-of-the-Art Technology
Department Public Works
Council Districts City-wide
Appropriation A5260

Description This allocation funds the replacement of radio equipment for Police, Fire, and non-public safety City operations in preparation for the Silicon Valley Regional Communications System.

Notes Selected budget information is not provided due to the ongoing nature of this project.

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Expenditure Schedule (000s)							
Equipment, Materials and Supplies	500	250	500	500	500	500	2,250
Maintenance, Repairs, Other							
Total	500	250	500	500	500	500	2,250

Funding Source Schedule (000s)							
Communications Construction and Conveyance Tax Fund	500	250	500	500	500	500	2,250
Total	500	250	500	500	500	500	2,250

Communications Capital Program
 2018-2022 Adopted Capital Improvement Program

Detail of Ongoing Non-Construction Projects

Silicon Valley Regional Interoperability Authority - Administration

CSA Strategic Support
CSA Outcome Effective Use of State-of-the-Art Technology
Department Police
Council Districts City-wide
Appropriation A5267

Description This allocation funds the City's portion of the administration costs for the Silicon Valley Regional Interoperability Authority.

Notes Selected budget information is not provided due to the ongoing nature of this project.

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Expenditure Schedule (000s)							
General Administration	150	158	161	164	167	170	820
Total	150	158	161	164	167	170	820

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Funding Source Schedule (000s)							
Communications Construction and Conveyance Tax Fund	150	158	161	164	167	170	820
Total	150	158	161	164	167	170	820

Communications Capital Program
2018-2022 Adopted Capital Improvement Program

Detail of Ongoing Non-Construction Projects

Silicon Valley Regional Interoperability Authority - Maintenance

CSA Strategic Support
CSA Outcome Safe and Functional Public Infrastructure, Facilities, and Equipment
Department Police
Council Districts City-wide
Appropriation A7333

Description This allocation funds contractual services to perform maintenance, monitoring, and service support for regional communications assets such as radio towers and related equipment in order to enhance the inter-agency communication between 15 separate jurisdictions' public safety agencies as part of the Silicon Valley Regional Interoperability Authority.

Notes Selected budget information is not provided due to the ongoing nature of this project.

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Expenditure Schedule (000s)							
Maintenance, Repairs, Other	618	618	985	985	974	974	4,536
Total	618	618	985	985	974	974	4,536

	FY17 EST	FY18	FY19	FY20	FY21	FY22	5 YEAR TOTAL
Funding Source Schedule (000s)							
Communications Construction and Conveyance Tax Fund	618	618	985	985	974	974	4,536
Total	618	618	985	985	974	974	4,536