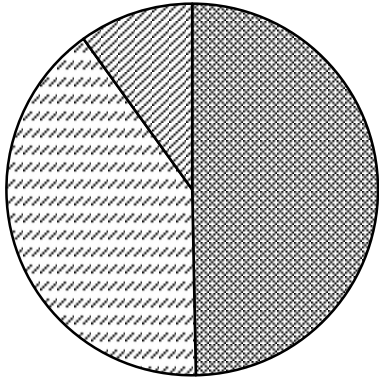


SERVICE YARDS

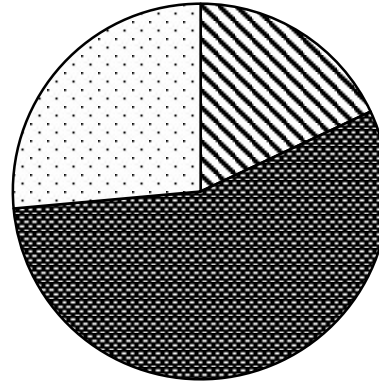
2021-2025 Capital Improvement Program

**2020-2021 Proposed
Source of Funds**



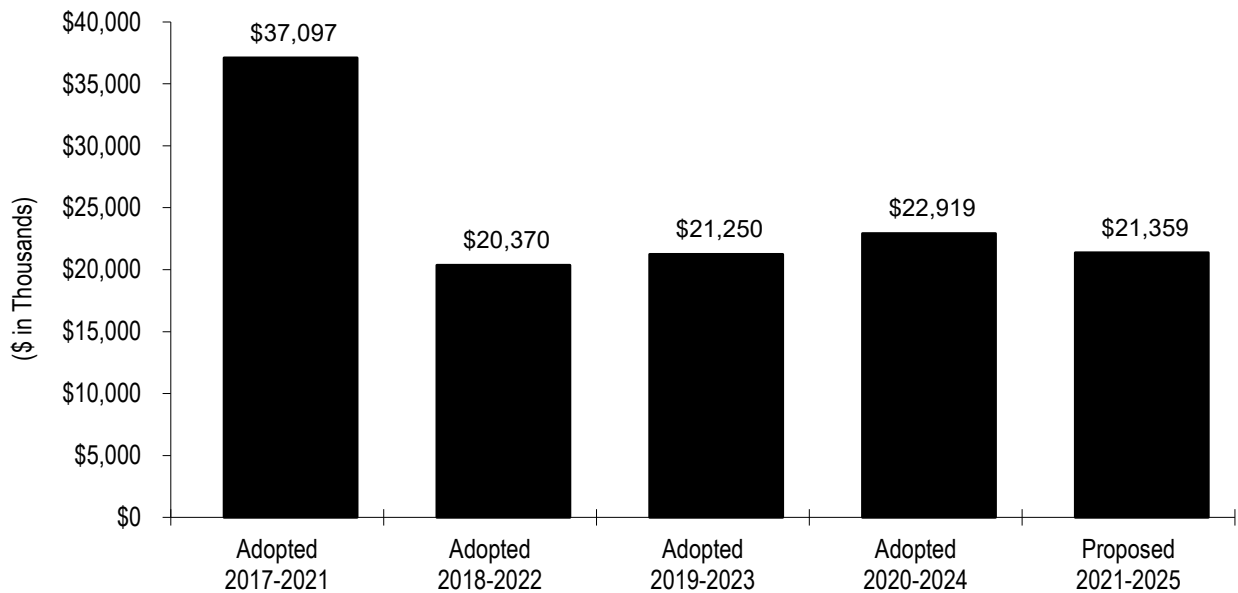
- Beginning Fund Balance
- Taxes, Fees and Charges
- Misc. Revenue

**2020-2021 Proposed
Use of Funds**



- Construction
- Non-Construction
- Ending Fund Balance

CIP History



Service Yards

2021-2025 Proposed Capital Improvement Program

Overview

INTRODUCTION

City Service Yards house City staff from various departments that maintain City vehicles, buildings, sewer systems, pavement, and related public infrastructure facilities. The Service Yards Capital Program funds the construction and capital improvements for the facilities, which support these maintenance functions. The current Service Yards include the Central Service Yard (at Senter Road and Phelan Avenue), the Mabury Yard (on Mabury Road near Highway 101), the South Yard (at Monterey Road and Skyway Drive), and the West Yard (on Williams Road near Lawrence Expressway).

SERVICE YARDS		
Location	Facilities Sq. Ft.	Site Acreage
Central Service Yd	300,517	21.30
Mabury Yard	37,612	9.20
South Yard	18,124	6.83
West Yard	6,546	4.36
Total	362,799	41.69

The 2021-2025 Proposed Capital Improvement Program (CIP) provides funding of \$21.4 million, of which \$6.5 million is allocated in 2020-2021. This program is part of the Strategic Support City Service Area (CSA) and supports the following outcome: *Safe and Functional Public Infrastructure, Facilities, and Equipment*. The maintenance operations located in the Service Yards support the following CSAs: Environmental and Utility Services, Neighborhood Services, Public Safety, Strategic Support, and Transportation and Aviation Services.

PROGRAM PRIORITIES AND OBJECTIVES

The objective of the Service Yards Program is to maintain and improve the existing conditions at the City Service Yards by implementing projects to reduce safety hazards, increase efficiencies, and provide necessary equipment and materials for operations. Projects are prioritized to meet the needs of CSAs working out of the Service Yards.

SOURCES OF FUNDING

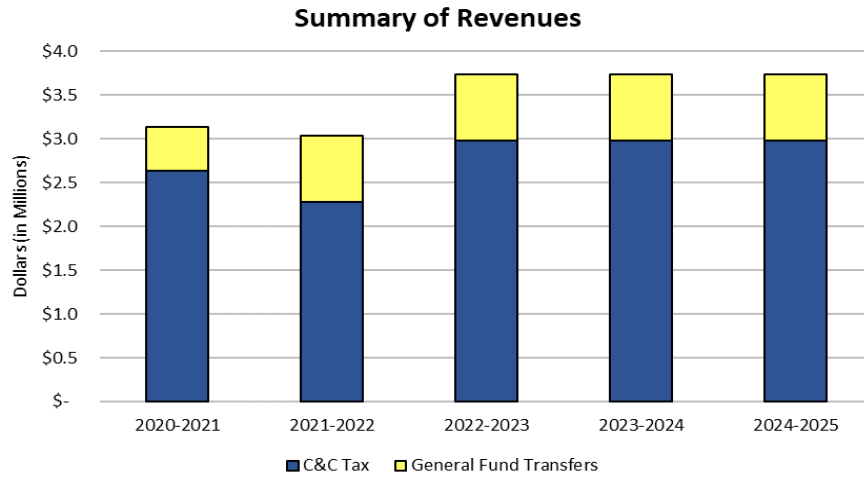
The 2021-2025 Proposed CIP provides funding of \$21.4 million, of which \$6.5 million is allocated in 2020-2021. Revenue for this CIP is primarily derived from the following sources: Construction and Conveyance Tax (\$13.9 million) and Transfer from the General Fund for the debt service payments on Phase I Bonds (\$3.5 million).

Service Yards

2021-2025 Proposed Capital Improvement Program

Overview

SOURCES OF FUNDING



The 2020-2021 Proposed Capital Budget estimate for C&C taxes is \$30.0 million, of which 8.8% (\$2.6 million) is allocated to the Service Yards Capital Program. Approximately 99% of the C&C 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. Due to the COVID-19 pandemic and the resulting anticipated recession, real estate activity will likely be suppressed for the next several years. As a result, the 2021-2025 CIP is built on the assumption that 2019-2020 C&C revenue will total \$38.0 million, drop by \$8.0 million (21.1%) to \$30.0 million in 2020-2021, drop an additional \$4.0 million (13.3%) to \$26.0 million in 2021-2022, then increase to \$34.0 million (30.8%) and remain flat for the remaining three years of the CIP. Over the five years of the CIP, collections allocated to the Service Yards Capital Program will total \$13.9 million. Additional funding from the General Fund of \$3.5 million is programmed to supplement debt service payments on the Phase I Bonds.

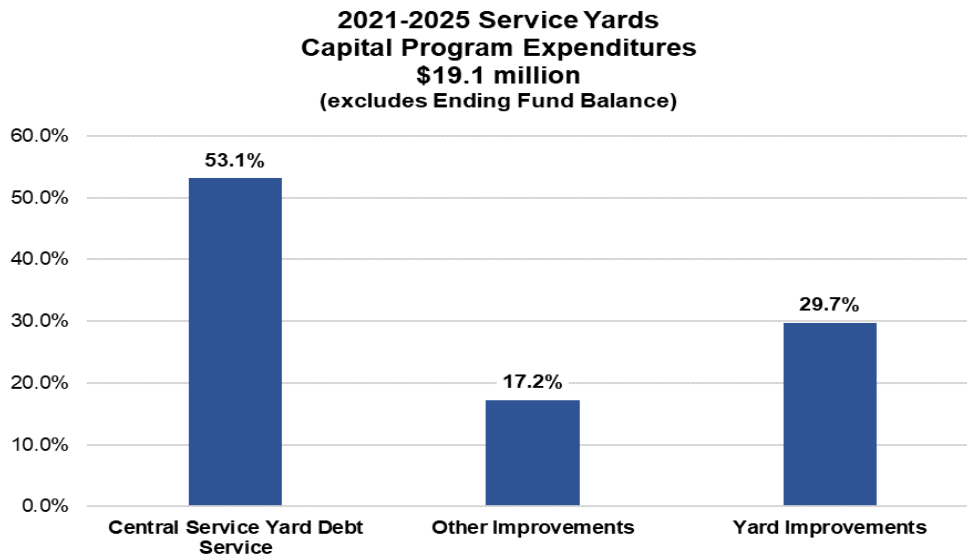
Service Yards

2021-2025 Proposed Capital Improvement Program

Overview

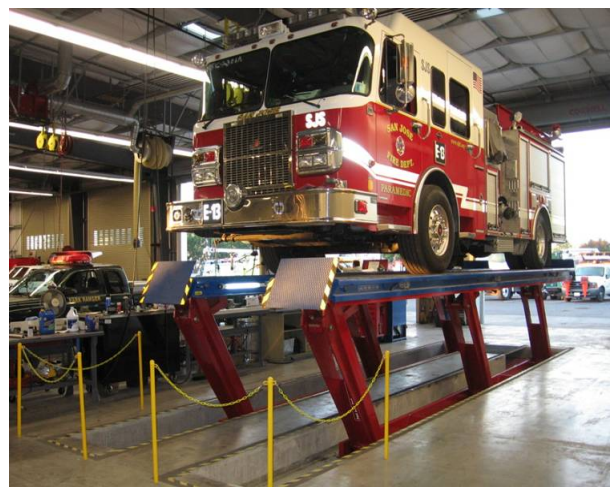
PROGRAM HIGHLIGHTS

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



Central Service Yard Debt Service

The repayment of debt associated with the Central Service Yard Phase I and Phase II projects represents the largest use of funds in the 2021-2025 CIP. The Central Service Yard Phase I project included the purchase of the Central Service Yard property and renovation of Building A. In the 2021-2025 CIP, a total of \$6.6 million is budgeted for debt service on Phase I bonds.



Fire Truck Maintenance at the Central Service Yard

Service Yards

2021-2025 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

The Central Service Yard Phase II project entailed construction and relocation of remaining operations from the old Main Yard property to the Central Service Yard. The move was completed in 2007-2008. The total cost for the Central Service Yard Phase II project was \$31.0 million, plus an additional \$1.2 million required for the demolition and cleanup of the Main Yard. The construction of the Central Service Yard Phase II had to be completed before the sale of the Main Yard and commercial paper of \$21.5 million was issued to provide interim financing. A portion of the commercial paper, \$17.5 million, has been repaid as the sale of the Main Yard was completed and closed in 2016-2017. However, because the sale proceeds are insufficient to pay off the commercial paper, the 2021-2025 CIP also includes commercial paper payments totaling \$3.5 million.

Future considerations for refinancing debt service are forthcoming to help fund the Fire Training Center Relocation and associated Central Service Yard improvements. The Administration will provide an update on the status of the projects and a funding strategy to the City Council in summer 2020.

MAJOR CHANGES FROM THE 2020-2024 ADOPTED CIP

The overall size of the Service Yards CIP has decreased by approximately \$1.6 million from \$22.9 million in the 2020-2024 Adopted CIP to \$21.4 million in the 2021-2025 Proposed CIP primarily due to the decrease in C&C revenues. The following table outlines the most significant changes to project budgets, including new/augmented allocations and reduced/eliminated allocations.

Project	Incr/(Decr)
Mabury Pavement Repair/Resurfacing Project	(\$1,200,000)
Mabury Yard Sewer Pipe Replacement Project	(\$400,000)

OPERATING BUDGET IMPACT

It is anticipated that there will be no additional operating and maintenance costs associated with projects included in the 2021-2025 Proposed CIP.

Service Yards
2021-2025 Proposed Capital Improvement Program
Source of Funds (Combined)

	Estimated						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
Service Yards Construction and Conveyance Tax Fund (395)							
Beginning Balance	4,178,091	3,242,091	1,725,591	857,091	783,091	701,091	3,242,091 *
Reserve for Encumbrance	109,575						
Transfers							
Debt Service on Ph. I Bonds - General Fund	300,000	500,000	750,000	750,000	750,000	750,000	3,500,000
TOTAL Transfers	300,000	500,000	750,000	750,000	750,000	750,000	3,500,000
Revenue from Use of Money and Property							
Interest Income	158,000	149,000	149,000	149,000	149,000	149,000	745,000
TOTAL Revenue from Use of Money and Property	158,000	149,000	149,000	149,000	149,000	149,000	745,000
Construction & Conveyance Tax							
C&C Tax Proceeds	3,336,000	2,634,000	2,283,000	2,985,000	2,985,000	2,985,000	13,872,000
TOTAL Construction & Conveyance Tax	3,336,000	2,634,000	2,283,000	2,985,000	2,985,000	2,985,000	13,872,000
Total Service Yards Construction and Conveyance Tax Fund (395)	8,081,666	6,525,091	4,907,591	4,741,091	4,667,091	4,585,091	21,359,091 *
TOTAL SOURCES	8,081,666	6,525,091	4,907,591	4,741,091	4,667,091	4,585,091	21,359,091 *

* The 2021-2022 through 2024-2025 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Service Yards
2021-2025 Proposed Capital Improvement Program
Use of Funds (Combined)

	Estimated 2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
<u>Service Yards</u>							
Central Service Yard Fueling Island		450,000					450,000
Central Service Yard - HVAC Replacement	200,000	200,000	200,000	100,000	100,000		600,000
Mabury Pavement Repair/Resurfacing	200,000						
Mabury Yard Sewer Pipe Replacement	200,000						
Roof Replacement, Painting, and Supplemental Needs	621,057	525,000	425,000	425,000	425,000	425,000	2,225,000
South Yard & Mabury Yard Bulk Oil Storage Tanks	100,000						
Other Service Yards - Construction	1,321,057	1,175,000	625,000	525,000	525,000	425,000	3,275,000
Service Yards - Construction	1,321,057	1,175,000	625,000	525,000	525,000	425,000	3,275,000
Asset Management Database	90,000	92,000	92,000	92,000	92,000	92,000	460,000
Central Service Yard Security Cameras		200,000					200,000
Debt Service on Phase I Bonds	1,671,000	1,670,000	1,665,000	1,657,000	1,648,000		6,640,000
Facilities Capital Repairs	28,518	28,000	29,000	30,000	31,000	32,000	150,000
Phase II Commercial Paper	786,000	720,000	716,000	694,000	688,000	664,000	3,482,000
Service Yards Equipment	95,000	95,000	95,000	95,000	95,000	95,000	475,000
Service Yards Management	390,000	401,000	414,000	426,000	439,000	453,000	2,133,000
South & West Yards - Water Heaters Replacement	22,000						
Underground Fuel Tank Renovation/Replacement	59,000	59,000	59,000	59,000	59,000	59,000	295,000
VTA Property Lease	25,000	27,500	27,500	30,000	30,000	32,500	147,500
General Non-Construction - Service Yards	3,166,518	3,292,500	3,097,500	3,083,000	3,082,000	1,427,500	13,982,500
Service Yards - Non Construction	3,166,518	3,292,500	3,097,500	3,083,000	3,082,000	1,427,500	13,982,500
Capital Program and Public Works Department Support Service Costs	5,000	29,000	20,000	38,000	43,000	106,000	236,000

Service Yards

2021-2025 Proposed Capital Improvement Program Use of Funds (Combined)

	Estimated						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
Infrastructure Management System Software Update	11,000						
Infrastructure Management System - Service Yards	129,000	130,000	134,000	138,000	142,000	146,000	690,000
Allocations	145,000	159,000	154,000	176,000	185,000	252,000	926,000
City Hall Debt Service Fund	49,000	24,000	25,000	25,000	25,000	25,000	124,000
Transfers to Special Funds	49,000	24,000	25,000	25,000	25,000	25,000	124,000
General Fund - Interest Income	158,000	149,000	149,000	149,000	149,000	149,000	745,000
Transfers to the General Fund	158,000	149,000	149,000	149,000	149,000	149,000	745,000
Transfers Expense	207,000	173,000	174,000	174,000	174,000	174,000	869,000
Total Expenditures	4,839,575	4,799,500	4,050,500	3,958,000	3,966,000	2,278,500	19,052,500
Ending Fund Balance	3,242,091	1,725,591	857,091	783,091	701,091	2,306,591	2,306,591 *
TOTAL	8,081,666	6,525,091	4,907,591	4,741,091	4,667,091	4,585,091	21,359,091 *

* The 2020-2021 through 2023-2024 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

Service Yards Capital Program
 2021-2025 Proposed Capital Improvement Program
Detail of Ongoing Construction Projects

Roof Replacement, Painting, and Supplemental Needs

CSA	Strategic Support	Initial Start Date	Ongoing
CSA Outcome	Safe and Functional Public Infrastructure, Facilities, and Equipment	Initial End Date	Ongoing
Department	Public Works	Revised Start Date	
Location	All City Service Yards	Revised End Date	
Council Districts	N/A	Initial Project Budget	
Appropriation	A4276		

Description This allocation funds emergency repairs and miscellaneous projects such as parking site improvements and repaving, roof repair and replacement, and painting.

Justification Funding is necessary for the repairs and minor improvements needed to maintain facilities and provide for the health and safety of City employees. Additional funding is needed to complete the roofing replacements on Building A in Central Service Yard including third level and portions of the first level roof. The remaining portions of the roof are over 25 years old and require continuous leak repair during the winter season.

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

Major Cost Changes

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Expenditure Schedule (000s)							
Design							
Construction	621	525	425	425	425	425	2,225
Total	621	525	425	425	425	425	2,225

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Funding Source Schedule (000s)							
Service Yards Construction and Conveyance Tax Fund (395)	621	525	425	425	425	425	2,225
Total	621	525	425	425	425	425	2,225

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Annual Operating Budget Impact (000s)							
Total							

Service Yards Capital Program
 2021-2025 Proposed Capital Improvement Program
Detail of One-Time Non-Construction Projects

Debt Service on Phase I Bonds

CSA Strategic Support
CSA Outcome Safe and Functional Public Infrastructure, Facilities, and Equipment
Department Public Works
Council Districts N/A
Appropriation A4752

Description This allocation provides funding for debt service payments for Phase I of the Central Service Yard expansion. The Phase I debt will be paid off in 2023-2024.

Notes

	PRIOR YEARS	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
General Administration	23,078	1,671	1,670	1,665	1,657	1,648		6,640		31,389
Total	23,078	1,671	1,670	1,665	1,657	1,648		6,640		31,389

Funding Source Schedule (000s)										
Service Yards Construction and Conveyance Tax Fund (395)	18,761	1,671	1,670	1,665	1,657	1,648		6,640		27,072
General Fund	4,317									4,317
Total	23,078	1,671	1,670	1,665	1,657	1,648		6,640		31,389

Service Yards Capital Program
 2021-2025 Proposed Capital Improvement Program
Detail of One-Time Non-Construction Projects

Phase II Commercial Paper

CSA Strategic Support
CSA Outcome Safe and Functional Public Infrastructure, Facilities, and Equipment
Department Public Works
Council Districts N/A
Appropriation A7005

Description This allocation provides funding for payments on Phase II Commercial Paper. Central Service Yard Phase II Commercial Paper was issued as interim financing for the Central Service Yard Phase II Project. The majority of this commercial paper was paid off from proceeds from the sale of the Main Yard. The sale of the Main Yard occurred in 2016-2017, and it is anticipated that the balance of the commercial paper debt, including interest, will be paid off over a period of seven years, ending in 2024-2025.

Notes

	PRIOR YEARS	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Expenditure Schedule (000s)										
General Administration	4,647	786	720	716	694	688	664	3,482		8,915
Total	4,647	786	720	716	694	688	664	3,482		8,915

	PRIOR YEARS	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL	BEYOND 5 YEARS	PROJECT TOTAL
Funding Source Schedule (000s)										
Service Yards Construction and Conveyance Tax Fund (395)	4,647	786	720	716	694	688	664	3,482		8,915
Total	4,647	786	720	716	694	688	664	3,482		8,915

Service Yards Capital Program
 2021-2025 Proposed Capital Improvement Program
Detail of Ongoing Non-Construction Projects

Service Yards Management

CSA Strategic Support
CSA Outcome Safe and Functional Public Infrastructure, Facilities, and Equipment
Department Public Works
Council Districts N/A
Appropriation A5886

Description This allocation provides funding for Service Yards program staff.

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

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Expenditure Schedule (000s)							
General Administration	390	401	414	426	439	453	2,133
Total	390	401	414	426	439	453	2,133

Funding Source Schedule (000s)							
Service Yards Construction and Conveyance Tax Fund (395)	390	401	414	426	439	453	2,133
Total	390	401	414	426	439	453	2,133