



**2014-2015 CAPITAL BUDGET**

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**2015-2019 CAPITAL  
IMPROVEMENT PROGRAM**



**WATER  
UTILITY SYSTEM**

**WATER  
UTILITY SYSTEM**

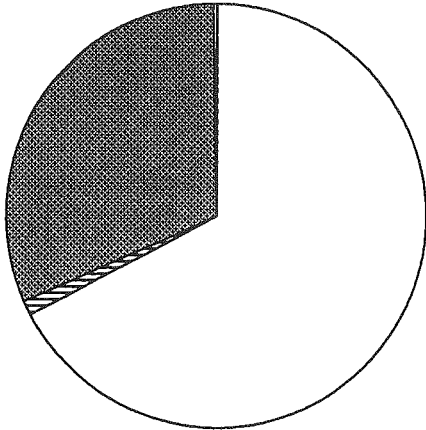


# WATER UTILITY SYSTEM

## 2015-2019 Capital Improvement Program

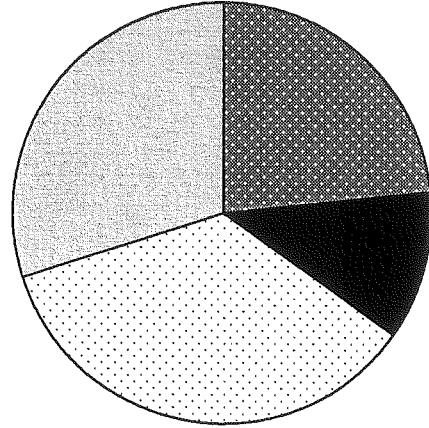
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2014-2015 Proposed  
Source of Funds



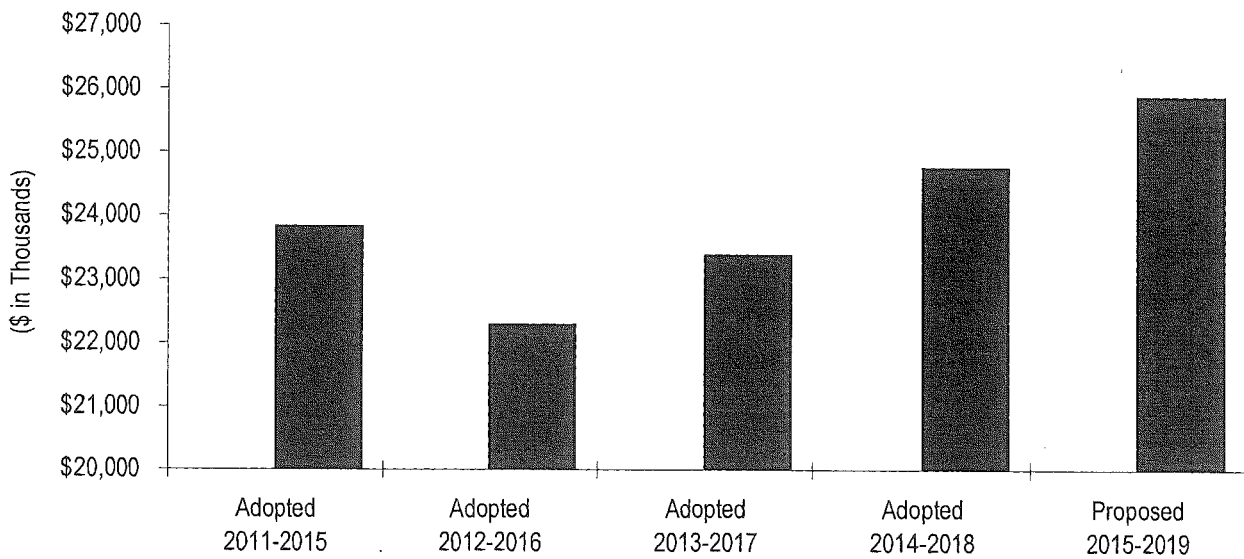
- Beginning Fund Balance
- ▨ Taxes, Fees and Charges
- ▩ Loans & Transfers
- ▤ Interest

2014-2015 Proposed  
Use of Funds



- ▩ Construction
- Non-Construction
- ▤ Loans and Transfers
- ▨ Reserves
- Ending Fund Balance

CIP History



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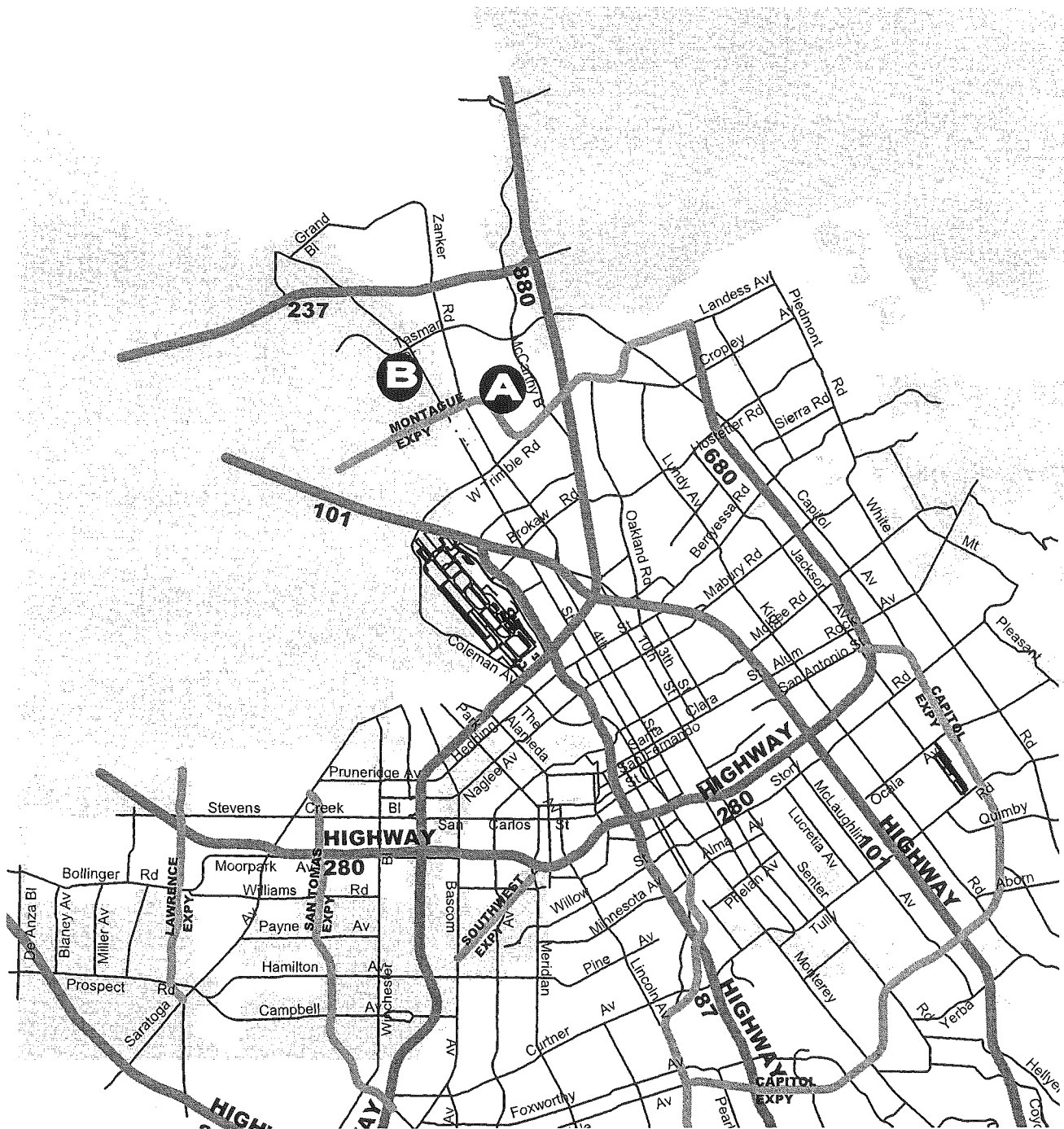
# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

North

A) North San José Well Evaluation and Rehabilitation

B) Water Valve Rehabilitation 2014



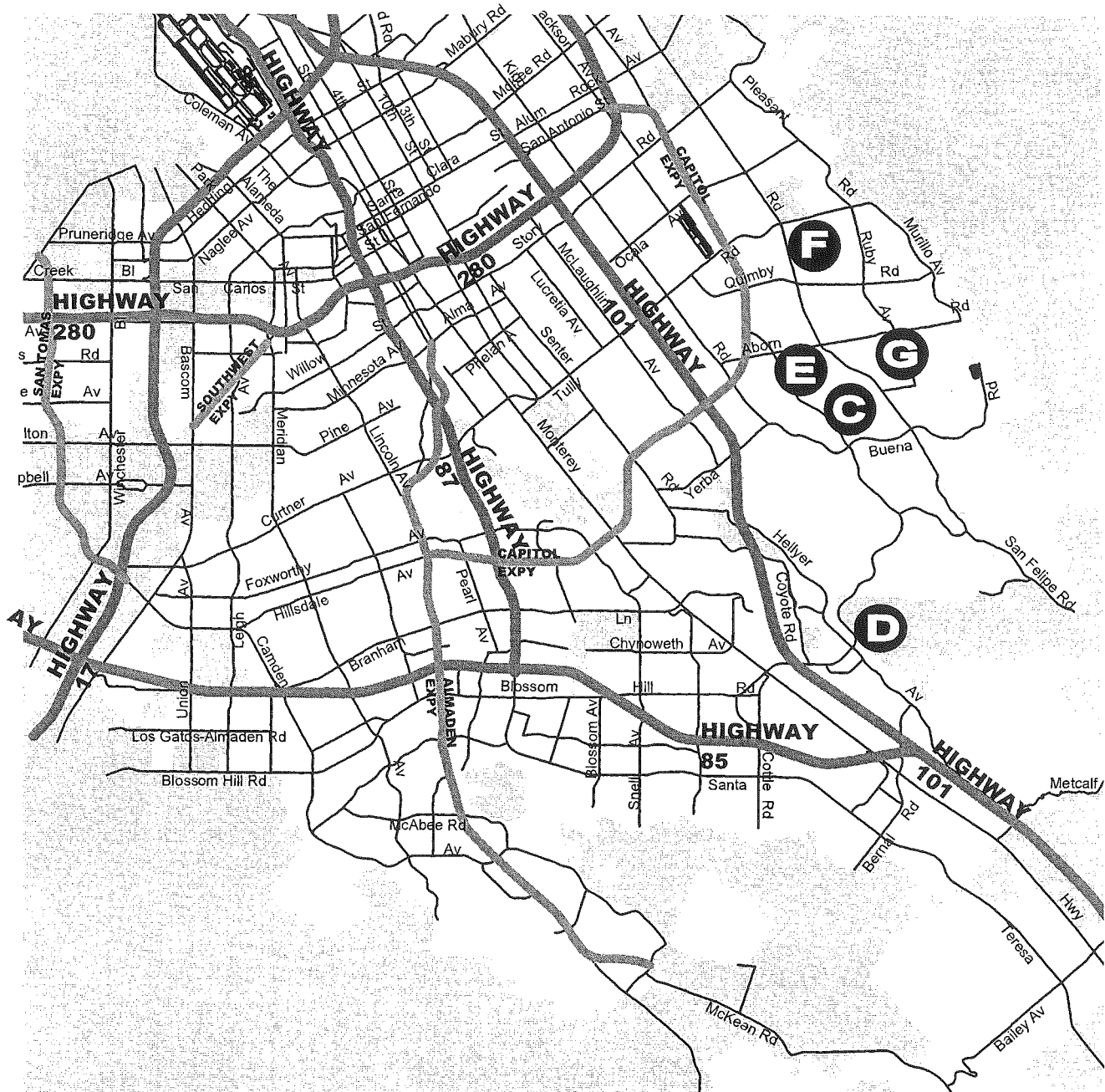
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# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

### South

- C) Cadwallader Reservoir Rehabilitation
- D) Edenvale Reservoir Rehabilitation
- E) Elkins Way Main Replacement
- F) Gumdrop Drive Main Replacement
- G) Water Valve Rehabilitation 2014



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# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

### Overview

#### INTRODUCTION

The Water Utility System Capital Program includes the Water Utility Capital Fund and the Major Facilities Fund. The Water Utility System Capital Program is developed to ensure reliable utility infrastructure for the San José Municipal Water System. The San José Municipal Water System provides water utility service, in accordance with State of California Department of Public Health requirements, to areas approved for development by the City Council and within the City's water service area. The program's mission is to provide superior water service at competitive rates. The 2015-2019 Proposed Capital Improvement Program (CIP) provides funding of \$25.9 million, of which \$11.2 million is allocated in 2014-2015.

MUNICIPAL WATER SYSTEM PUBLIC INFRASTRUCTURE	
MILES OF WATER MAINS	345
NUMBER OF RESERVOIRS	18
NUMBER OF PUMP STATIONS	15
NUMBER OF GROUNDWATER WELLS	14

The San José Municipal Water System provides water service to approximately 26,000 customers in five service areas of the City of San José: Alviso, North San José, Coyote Valley, Edenvale, and Evergreen. The Alviso service area (Council District 4) includes the area within the corporate limits of the former City of Alviso. The North San José service area (Council District 4) is generally north of Trimble Road, between the Guadalupe River and Coyote Creek. The Coyote Valley service area (Council District 2) encompasses the area generally south of Tulare Hill, west of Highway 101, and north of Palm Avenue. The Edenvale service area (Council District 8) is south of Hellyer Avenue and east of Coyote Creek. The Evergreen service area generally coincides with the boundaries of Council District 8, east of Highway 101.

This program is part of the Environmental and Utility Services City Service Area (CSA) and supports the following outcomes: *Reliable Utility Infrastructure* and *Safe, Reliable, Sufficient Water Supply*.

#### PROGRAM PRIORITIES AND OBJECTIVES

Projects are programmed to maintain the existing water utility system infrastructure, provide facilities necessary for new development as identified in the Envision San José 2040 General Plan, and ensure that the fire flow pressure and volume as recommended by the San José Fire Department is maintained. Projects in the 2014-2015 Proposed CIP include maintenance of existing infrastructure and improvements to the Water Utility System facilities. The Reserve for System Growth Related Projects remains at \$1.6 million for future system needs. In accordance with San José Municipal Code Section 4.80.630, the Reserve for System Rehabilitation/Replacement is set at 7% of annual operating revenues. This reserve is estimated to total \$3.3 million at the end of the 2015-2019 CIP based on current operating revenue projections for 2018-2019. In the event that economic or environmental conditions (e.g. drought, slowing economy, etc) decreases revenues to the Water Utility System, use of the reserve may be required to maintain infrastructure.

# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

### Overview

#### SOURCES OF FUNDING

Revenue for the 2015-2019 Proposed CIP is derived from three sources: transfers from the Water Utility Fund to the Water Utility Capital Fund, connection fees, and interest income. The Water Utility Fund derives its revenue primarily from water sales in the service areas. Water Utility rates are currently expected to increase up to 11.0% for 2014-2015, due primarily to an increase in wholesale water costs and increased operating costs. The amount of the transfer from the Water Utility

Fund is \$3.5 million annually. Fee revenue in the Water Utility Capital Fund is generated from Service Connection Fees, Advanced System Design Fees, and Meter Installation Fees.

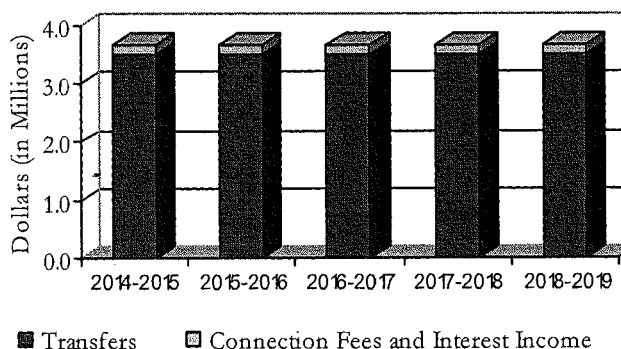
Revenue in the Major Facilities Fund is generated primarily through development fees associated with the connection and operation of major water facilities in the five service areas. Revenues received from Major Water Facilities Fees are not budgeted due to the volatility of this revenue stream. Revenue will be recognized and programmed as necessary during the year, as it is received.

Over the five years of this Proposed CIP, the funds available for capital improvements are estimated to total \$25.9 million, consisting of \$21.6 million in the Water Utility Capital Fund and \$4.3 million in the Major Facilities Fee Fund.

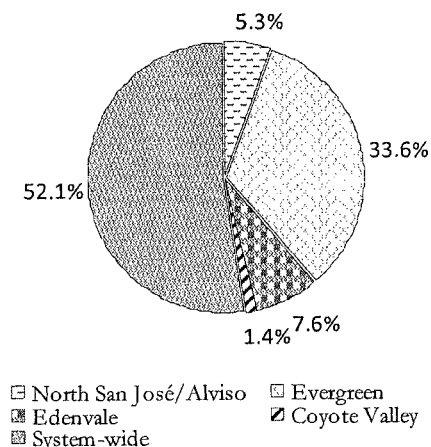
#### PROGRAM HIGHLIGHTS

To meet the service needs of new developments in the Municipal Water System service area, the program continues its policy of requiring developers to construct distribution system improvements such as pipelines, service connections, and fire hydrants. Reservoirs, pump stations, and other large facilities are either constructed by developers or funded from the Major Facilities fees. Construction and reconstruction of projects for existing customers are funded from water sale revenues, which are displayed in the 2014-2015 Proposed Operating Budget in the Water Utility Fund.

Summary of Revenues



2015-2019 Construction Dollars Programmed by Service Area  
\$11.8 million



# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

### Overview

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#### PROGRAM HIGHLIGHTS

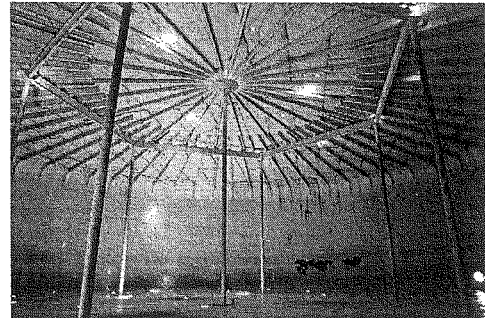
##### System-Wide

Two projects scheduled in 2014-2015 will benefit customers in all service areas by increasing operational and staff efficiency and incorporating technological upgrades. The Meter Replacements project (\$1.0 million) will replace manual-read water meters with remote-read water meters, allowing staff to focus on system infrastructure and maintenance. The Water Valve Rehabilitation 2014 project (\$0.1 million in 2014-2015, \$0.5 million for the total project) will test all water main valves and collect Global Positioning System (GPS) coordinates for each valve. GPS data for valve locations will be used to update Muni Water's GIS data and system maps.

Additionally, funding for Infrastructure Improvements (\$3.8 million) is included in the 2015-2019 CIP to replace or refurbish water mains, pumps, motors, valves, and other equipment nearing the end of their useful lives.

##### North San José and Alviso Service Areas

The North San José and Alviso service areas use water supplied by the Hetch-Hetchy system under the Water Supply Agreement (WSA) with the City of San Francisco. The City is a party to the agreement with 27 suburban agencies. The new agreement, which will expire June 30, 2034, was approved by the City Council in June 2009.



*Interior of Nortech Reservoir*

The North San José and Alviso service areas have experienced some growth in the last several years and continued growth is assumed in this CIP. Projects scheduled in 2014-2015 in the North San José and Alviso service areas include the North San José Water Well Evaluation and Rehabilitation project (\$0.6 million) as well as minor improvements, such as vault site maintenance, asphalt restoration, pump station maintenance, and other distribution system rehabilitation.

##### Evergreen Service Area

The Evergreen service area contains approximately 92% of the total customers served by the water system and accounts for 72% of the total water usage. Customers in the Evergreen service area receive water supplied by the Santa Clara Valley Water District. The Evergreen area has experienced minimal growth in the last several years. The 2015-2019 CIP includes funding for the Cadwallader Reservoir Rehabilitation (\$1.8 million), Gumdrop Drive Main Replacement (\$1.1 million), and Elkins Way Main Replacement (\$1.0 million), as well as other miscellaneous improvements to extend the useful life of the system.

# Water Utility System

## 2015-2019 Proposed Capital Improvement Program

### Overview

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#### PROGRAM HIGHLIGHTS

##### Edenvale Service Area

Basic water facilities for domestic supply and fire protection for the Edenvale service area north of Silver Creek Valley Road include three wells and a reservoir. Groundwater from deep-water wells provides 100% of the supply in the Edenvale service area. The quality, supply, and management of this local groundwater basin are monitored by the Santa Clara Valley Water District. Projects scheduled in 2015-2019 in the Edenvale service area include the Edenvale Reservoir Rehabilitation (\$0.9 million), as well as minor improvements, such as vault site maintenance, asphalt restoration, pump station maintenance, and other distribution system rehabilitation.



*Dove Road Main Extension,  
completed in 2013-2014*

##### Coyote Valley Service Area

Groundwater from deep-water wells provides 100% of the supply in the Coyote Valley service area. City funding for developer constructed water facilities in the primarily industrial North Coyote Valley service area was provided in accordance with the Master Development Agreement between the City and the coalition of North Coyote Valley developers. Once development occurs in this service area, developers will pay for the cost of expanding the water system into this area.

#### MAJOR CHANGES FROM THE 2014-2018 ADOPTED CIP

Major changes from the 2014-2018 Adopted CIP include the following:

- Funding of \$1.0 million for additional Meter Replacements;
- Funding of \$0.9 million for a new Edenvale Reservoir Rehabilitation project; and,
- Funding of \$0.6 million for the new North San José Water Well Evaluation and Rehabilitation project.

#### OPERATING BUDGET IMPACT

There are no additional maintenance and operating costs associated with the projects in the 2015-2019 CIP.

# 2014-2015 CAPITAL BUDGET

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## 2015-2019 CAPITAL IMPROVEMENT PROGRAM

### WATER UTILITY SYSTEM

#### SOURCE OF FUNDS

#### USE OF FUNDS

#### SOURCE AND USE OF FUNDS STATEMENTS

#### 2014-2015 USE OF FUNDS BY FUNDING SOURCE

*The Source of Funds displays the capital revenues by funding source for each year of the Five-Year Capital Improvement Program. The Use of Funds displays the capital expenditures by line-item for each year of the five-year period. The Source and Use of Funds Statements display major categories of capital revenues and expenditures for each year over the five-year period. The 2014-2015 Use of Funds by Funding Source displays the funding sources for the capital expenditures that are budgeted in 2014-2015.*



**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Source of Funds (Combined)**

<b>SOURCE OF FUNDS</b>	<b>Estimated 2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>5-Year Total</b>
<b><u>Water Utility Capital Fund (500)</u></b>							
<b>Beginning Fund Balance</b>	5,468,352	3,263,143	886,143	109,143	297,143	349,143	3,263,143 *
<b>Taxes, Fees and Charges:</b>							
<b><u>Water Utility Fees</u></b>							
- Advance System Design Fees	50,000	50,000	50,000	50,000	50,000	50,000	250,000
- Meter Installation Fees	50,000	50,000	50,000	50,000	50,000	50,000	250,000
- Service Connection Fees	50,000	50,000	50,000	50,000	50,000	50,000	250,000
<b>Contributions, Loans and Transfers from:</b>							
<b><u>Special Funds</u></b>							
- Transfer from Water Utility Fund	3,000,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	17,500,000
<b>Interest Income</b>	22,000	9,000	12,000	14,000	17,000	17,000	69,000
<b>Reserve for Encumbrances</b>	881,791						
<b>Total Water Utility Capital Fund</b>	<b>9,522,143</b>	<b>6,922,143</b>	<b>4,548,143</b>	<b>3,773,143</b>	<b>3,964,143</b>	<b>4,016,143</b>	<b>21,582,143 *</b>
<b><u>Major Facilities Fund (502)</u></b>							
<b>Beginning Fund Balance</b>	3,786,211	4,224,211	2,446,211	2,445,211	2,446,211	2,447,211	4,224,211 *
<b>Taxes, Fees and Charges:</b>							
<b><u>Water Utility Fees</u></b>							
- Major Water Facilities Fee	436,000						
<b>Interest Income</b>	17,000	12,000	14,000	16,000	16,000	18,000	76,000
<b>Reserve for Encumbrances</b>							
<b>Total Major Facilities Fund</b>	<b>4,239,211</b>	<b>4,236,211</b>	<b>2,460,211</b>	<b>2,461,211</b>	<b>2,462,211</b>	<b>2,465,211</b>	<b>4,300,211 *</b>

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Source of Funds (Combined)**

<b>SOURCE OF FUNDS</b> (CONT'D.)	<b>Estimated 2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>5-Year Total</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>13,761,354</b>	<b>11,158,354</b>	<b>7,008,354</b>	<b>6,234,354</b>	<b>6,426,354</b>	<b>6,481,354</b>	<b>25,882,354 *</b>

\* The 2015-2016 through 2018-2019 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.



**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Use of Funds (Combined)**

<b>USE OF FUNDS</b>	<b>Estimated 2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>5-Year Total</b>
<b><u>Construction Projects</u></b>							
Dove Road Main Extension	800,000						
Edenvale Reservoir Rehabilitation				900,000			900,000
Elkins Way Main Replacement					60,000	950,000	1,010,000
Gumdrop Drive Main Replacement				60,000	1,050,000	30,000	1,140,000
Nortech and Trimble Reservoir Rehabilitation	1,340,000						
North Coyote Valley Water System		168,000					168,000
Public Art	96,000	11,000	18,000	3,000	14,000	12,000	58,000
1. Cadwallader Reservoir Rehabilitation		250,000	1,550,000	20,000			1,820,000
2. Infrastructure Improvements	1,183,000	710,000	730,000	750,000	770,000	790,000	3,750,000
3. Meter Installations	115,000	50,000	50,000	50,000	50,000	50,000	250,000
4. Meter Replacements	500,000	500,000	500,000				1,000,000
5. North San José Water Well Evaluation and Rehabilitation		625,000					625,000
6. Service Installations	375,000	200,000	200,000	200,000	200,000	200,000	1,000,000
7. Water Valve Rehabilitation 2014	400,000	100,000					100,000
<b>Total Construction Projects</b>	<b>4,809,000</b>	<b>2,614,000</b>	<b>3,048,000</b>	<b>1,983,000</b>	<b>2,144,000</b>	<b>2,032,000</b>	<b>11,821,000</b>
<b><u>Non-Construction</u></b>							
<b>General Non-Construction</b>							
Capital Program and Public Works Department Support Service Costs	26,000	17,000	17,000	17,000	17,000	17,000	85,000
Water Management System Enhancements	125,000						

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Use of Funds (Combined)**

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>5-Year Total</b>
<b>Non-Construction</b>							
<b>General Non-Construction</b>							
8. Advance System Design	120,000	150,000	150,000	150,000	150,000	150,000	750,000
9. Major Facilities Fee Administration	15,000	15,000	15,000	15,000	15,000	15,000	75,000
10. Major Water Facility Fee Update		50,000					50,000
11. Master Plan Engineering	135,000	135,000	140,000	145,000	150,000	155,000	725,000
12. Network System Flow Improvements	6,000	6,000	6,000	6,000	6,000	6,000	30,000
13. Preliminary Engineering	115,000	120,000	125,000	130,000	135,000	140,000	650,000
14. Public Works GIS Support		130,000	65,000	65,000	65,000	65,000	390,000
15. System Maintenance/Repairs	920,000	640,000	660,000	680,000	700,000	720,000	3,400,000
<b>Total General Non-Construction</b>	<b>1,462,000</b>	<b>1,263,000</b>	<b>1,178,000</b>	<b>1,208,000</b>	<b>1,238,000</b>	<b>1,268,000</b>	<b>6,155,000</b>
<b>Contributions, Loans and Transfers to General Fund</b>							
Transfer to the General Fund: Human Resources/Payroll System		1,000					1,000
<b>Total Contributions, Loans and Transfers to General Fund</b>		<b>1,000</b>					<b>1,000</b>
<b>Contributions, Loans and Transfers to Special Funds</b>							
Transfer to the City Hall Debt Service Fund	3,000	7,000	7,000	7,000	8,000	8,000	37,000
<b>Total Contributions, Loans and Transfers to Special Funds</b>	<b>3,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>8,000</b>	<b>8,000</b>	<b>37,000</b>
<b>Reserves</b>							
System Growth Related Projects Reserve		1,600,000					1,600,000

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Use of Funds (Combined)**

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>5-Year Total</b>
<b>Non-Construction</b>							
<b>Reserves</b>							
System Rehabilitation/Replacement Reserve		2,341,000	221,000	293,000	240,000	213,000	3,308,000
<b>Total Reserves</b>		<b>3,941,000</b>	<b>221,000</b>	<b>293,000</b>	<b>240,000</b>	<b>213,000</b>	<b>4,908,000</b>
<b>Total Non-Construction</b>	<b>1,465,000</b>	<b>5,212,000</b>	<b>1,406,000</b>	<b>1,508,000</b>	<b>1,486,000</b>	<b>1,489,000</b>	<b>11,101,000</b>
<b>Ending Fund Balance</b>	7,487,354	3,332,354	2,554,354	2,743,354	2,796,354	2,960,354	2,960,354*
<b>TOTAL USE OF FUNDS</b>	<b>13,761,354</b>	<b>11,158,354</b>	<b>7,008,354</b>	<b>6,234,354</b>	<b>6,426,354</b>	<b>6,481,354</b>	<b>25,882,354*</b>

\* The 2014-2015 through 2017-2018 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Water Utility Capital Fund (500)**

**Statement of Source and Use of Funds**

	<u>Estimated 2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>5-Year Total</u>
<b><u>SOURCE OF FUNDS</u></b>							
Beginning Fund Balance *	5,468,352	3,263,143	886,143	109,143	297,143	349,143	3,263,143
Contributions, Loans and Transfers	3,000,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	17,500,000
Interest Income	22,000	9,000	12,000	14,000	17,000	17,000	69,000
Reserve for Encumbrances	881,791						
Taxes, Fees and Charges	150,000	150,000	150,000	150,000	150,000	150,000	750,000
<b>TOTAL SOURCE OF FUNDS</b>	<b><u>9,522,143</u></b>	<b><u>6,922,143</u></b>	<b><u>4,548,143</u></b>	<b><u>3,773,143</u></b>	<b><u>3,964,143</u></b>	<b><u>4,016,143</u></b>	<b><u>21,582,143</u></b>
<b><u>USE OF FUNDS</u></b>							
Construction Projects	4,809,000	2,489,000	3,048,000	1,983,000	2,144,000	2,032,000	11,696,000
Contributions, Loans and Transfers	3,000	8,000	7,000	7,000	8,000	8,000	38,000
Non-Construction	1,447,000	1,198,000	1,163,000	1,193,000	1,223,000	1,253,000	6,030,000
Reserves		2,341,000	221,000	293,000	240,000	213,000	3,308,000
Ending Fund Balance **	3,263,143	886,143	109,143	297,143	349,143	510,143	510,143
<b>TOTAL USE OF FUNDS</b>	<b><u>9,522,143</u></b>	<b><u>6,922,143</u></b>	<b><u>4,548,143</u></b>	<b><u>3,773,143</u></b>	<b><u>3,964,143</u></b>	<b><u>4,016,143</u></b>	<b><u>21,582,143</u></b>

\* The 2015-2016 through 2018-2019 Beginning Fund Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

\*\* The 2014-2015 through 2017-2018 Ending Fund Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Major Facilities Fund (502)**

**Statement of Source and Use of Funds**

	Estimated 2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Total
<b><u>SOURCE OF FUNDS</u></b>							
Beginning Fund Balance *	3,786,211	4,224,211	2,446,211	2,445,211	2,446,211	2,447,211	4,224,211
Interest Income	17,000	12,000	14,000	16,000	16,000	18,000	76,000
Reserve for Encumbrances							
Taxes, Fees and Charges	436,000						
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,239,211</b>	<b>4,236,211</b>	<b>2,460,211</b>	<b>2,461,211</b>	<b>2,462,211</b>	<b>2,465,211</b>	<b>4,300,211</b>
<b><u>USE OF FUNDS</u></b>							
Construction Projects		125,000					125,000
Contributions, Loans and Transfers							
Non-Construction	15,000	65,000	15,000	15,000	15,000	15,000	125,000
Reserves		1,600,000					1,600,000
Ending Fund Balance **	4,224,211	2,446,211	2,445,211	2,446,211	2,447,211	2,450,211	2,450,211
<b>TOTAL USE OF FUNDS</b>	<b>4,239,211</b>	<b>4,236,211</b>	<b>2,460,211</b>	<b>2,461,211</b>	<b>2,462,211</b>	<b>2,465,211</b>	<b>4,300,211</b>

\* The 2015-2016 through 2018-2019 Beginning Fund Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

\*\* The 2014-2015 through 2017-2018 Ending Fund Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**2014-2015 Use of Funds by Funding Source**

	(500) Water Utility Capital Fund	(502) Major Facilities Fund	Total
<b>TOTAL RESOURCES</b>	<b>6,922,143</b>	<b>4,236,211</b>	<b>11,158,354</b>
<b><u>Construction Projects</u></b>			
North Coyote Valley Water System	168,000		168,000
Public Art	11,000		11,000
1. Cadwallader Reservoir Rehabilitation	250,000		250,000
2. Infrastructure Improvements	710,000		710,000
3. Meter Installations	50,000		50,000
4. Meter Replacements	500,000		500,000
5. North San José Water Well Evaluation and Rehabilitation	500,000	125,000	625,000
6. Service Installations	200,000		200,000
7. Water Valve Rehabilitation 2014	100,000		100,000
<b><u>Total Construction Projects</u></b>	<b>2,489,000</b>	<b>125,000</b>	<b>2,614,000</b>
<b><u>Non-Construction</u></b>			
<b>General Non-Construction</b>			
Capital Program and Public Works Department Support Service Costs	17,000		17,000
8. Advance System Design	150,000		150,000
9. Major Facilities Fee Administration		15,000	15,000
10. Major Water Facility Fee Update		50,000	50,000

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**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**2014-2015 Use of Funds by Funding Source**

	(500) Water Utility Capital Fund	(502) Major Facilities Fund	Total
<b><u>Non-Construction</u></b>			
<b>General Non-Construction</b>			
11. Master Plan Engineering	135,000		135,000
12. Network System Flow Improvements	6,000		6,000
13. Preliminary Engineering	120,000		120,000
14. Public Works GIS Support	130,000		130,000
15. System Maintenance/Repairs	640,000		640,000
<b>Total General Non-Construction</b>	<b>1,198,000</b>	<b>65,000</b>	<b>1,263,000</b>
<b>Contributions, Loans and Transfers to General Fund</b>			
Transfer to the General Fund: Human Resources/Payroll System	1,000		1,000
<b>Total Contributions, Loans and Transfers to General Fund</b>	<b>1,000</b>		<b>1,000</b>
<b>Contributions, Loans and Transfers to Special Funds</b>			
Transfer to the City Hall Debt Service Fund	7,000		7,000
<b>Total Contributions, Loans and Transfers to Special Funds</b>	<b>7,000</b>		<b>7,000</b>
<b><u>Total Non-Construction</u></b>	<b>3,547,000</b>	<b>1,665,000</b>	<b>5,212,000</b>

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**2014-2015 Use of Funds by Funding Source**

	(500) Water Utility Capital Fund	(502) Major Facilities Fund	Total
<b><u>Non-Construction</u></b>			
<b>Reserves</b>			
System Growth Related Projects Reserve		1,600,000	1,600,000
System Rehabilitation/Replacement Reserve	2,341,000		2,341,000
<b>Total Reserves</b>	<b>2,341,000</b>	<b>1,600,000</b>	<b>3,941,000</b>
<b>Ending Fund Balance</b>	<b>886,143</b>	<b>2,446,211</b>	<b>3,332,354</b>
<b>TOTAL USE OF FUNDS</b>	<b>6,922,143</b>	<b>4,236,211</b>	<b>11,158,354</b>






# 2014-2015 CAPITAL BUDGET

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## 2015-2019 CAPITAL IMPROVEMENT PROGRAM



### WATER UTILITY SYSTEM

#### DETAIL OF CONSTRUCTION PROJECTS

#### DETAIL OF NON-CONSTRUCTION PROJECTS

*The Detail of Construction Projects section provides information on the individual construction projects with funding in 2014-2015. The Detail of Non-Construction Projects section is abbreviated and provides information on the individual non-construction project, with funding in 2014-2015. On the Use of Funds statement, these projects are numbered.*



**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**1. Cadwallader Reservoir Rehabilitation**

**CSA:** Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2014  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:**  
 Safe, Reliable, and Sufficient Water Supply **Initial Completion Date:** 2nd Qtr. 2018  
**Department:** Environmental Services **Revised Completion Date:** 2nd Qtr. 2017  
**Council District:** 8  
**Location:** South end of Cadwallader Avenue

**Description:** This project includes the rehabilitation of two steel reservoirs that provide fire protection and system storage capacity for the Evergreen service area.

**Justification:** The coatings on the reservoirs have deteriorated and require rehabilitation to prevent premature replacement.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Design				150					150		150
Construction				100	1,550	20			1,670		1,670
<b>TOTAL</b>				<b>250</b>	<b>1,550</b>	<b>20</b>			<b>1,820</b>		<b>1,820</b>

FUNDING SOURCE SCHEDULE (000'S)											
	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund				250	1,550	20			1,820		1,820
<b>TOTAL</b>				<b>250</b>	<b>1,550</b>	<b>20</b>			<b>1,820</b>		<b>1,820</b>

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

None

**Notes:**

**FY Initiated:** 2014-2015 **Appn. #:**  
**Initial Project Budget:** \$1,820,000 **USGBC LEED:** N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**2. Infrastructure Improvements**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funding to replace and/or refurbish pumps, motors, valves, electrical control mechanisms, generators, and water mains that are nearing the end of their useful lives. The selection and scope of the projects selected in any particular year will be based on the previous year's maintenance needs.

**Justification:** Mechanical and electrical equipment requires replacement at the end of its service life to ensure ongoing operation.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Construction		1,183	1,183	710	730	750	770	790	3,750		
<b>TOTAL</b>		<b>1,183</b>	<b>1,183</b>	<b>710</b>	<b>730</b>	<b>750</b>	<b>770</b>	<b>790</b>	<b>3,750</b>		

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		1,183	1,183	710	730	750	770	790	3,750		
<b>TOTAL</b>		<b>1,183</b>	<b>1,183</b>	<b>710</b>	<b>730</b>	<b>750</b>	<b>770</b>	<b>790</b>	<b>3,750</b>		

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

**None**

**Major Changes in Project Cost:**

N/A

**Notes:**

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

<b>FY Initiated:</b>	Ongoing	<b>Appn. #:</b>	5366
<b>Initial Project Budget:</b>		<b>USGBC LEED:</b>	N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**3. Meter Installations**

**CSA:** Environmental and Utility Services      **Initial Start Date:** Ongoing  
**CSA Outcome:** Reliable Utility Infrastructure      **Revised Start Date:**  
**Department:** Environmental Services      **Initial Completion Date:** Ongoing  
**Council District:** 2, 4, 7, 8      **Revised Completion Date:**  
**Location:** System-wide

**Description:** This allocation provides funding to purchase, test, and install water meters for new developments and customers.

**Justification:** New meters are needed to provide water to new utility customers.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Construction		115	115	50	50	50	50	50	250		
<b>TOTAL</b>		<b>115</b>	<b>115</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>250</b>		

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		115	115	50	50	50	50	50	250		
<b>TOTAL</b>		<b>115</b>	<b>115</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>250</b>		

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

N/A

**Notes:**

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

**FY Initiated:** Ongoing      **Appn. #:** 4347  
**Initial Project Budget:**      **USGBC LEED:** N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**4. Meter Replacements**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	3rd Qtr. 2013
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	2nd Qtr. 2014
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	2nd Qtr. 2016
<b>Location:</b>	System-wide		

**Description:** This allocation provides funding to replace existing manual-read water meters with remote-read water meters. Approximately 6,300 of the 27,000 meters will be replaced.

**Justification:** Equipping water meters with remote-read capabilities will increase efficiency and improve operations, allowing staff to focus on system infrastructure and maintenance.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Construction		500	500	500	500				1,000		1,500
TOTAL		500	500	500	500				1,000		1,500

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		500	500	500	500				1,000		1,500
TOTAL		500	500	500	500				1,000		1,500

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

2015-2019 CIP - increase of \$1.0 million to replace an additional 4,000 meters.

**Notes:**

<b>FY Initiated:</b>	2013-2014	<b>Appn. #:</b>	7593
<b>Initial Project Budget:</b>	\$500,000	<b>USGBC LEED:</b>	N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**5. North San José Water Well Evaluation and Rehabilitation**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	3rd Qtr. 2014
<b>CSA Outcome:</b>	Safe, Reliable, and Sufficient Water Supply	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	2nd Qtr. 2015
<b>Council District:</b>	4	<b>Revised Completion Date:</b>	
<b>Location:</b>	Various well locations in the North San José and Alviso areas		
<b>Description:</b>	This project rehabilitates existing wells to improve capacity and water quality, and installs new wells to serve future development. Funding will include a pilot program to drill the area to determine if it is a viable location to build a water well.		
<b>Justification:</b>	Improvements to existing wells and new wells are required to maintain reliable utility infrastructure, improve water supply capacity, and ensure water quality standards are met.		

**EXPENDITURE SCHEDULE (000'S)**

Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Design			50						50		50
Construction				575					575		575
<b>TOTAL</b>				<b>625</b>					<b>625</b>		<b>625</b>

**FUNDING SOURCE SCHEDULE (000'S)**

Water Utility Capital Fund											
			500						500		500
Major Facilities Fund				125					125		125
<b>TOTAL</b>				<b>625</b>					<b>625</b>		<b>625</b>

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

None

**Notes:**

<b>FY Initiated:</b>	2014-2015	<b>Appn. #:</b>	
<b>Initial Project Budget:</b>	\$625,000	<b>USGBC LEED:</b>	N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**6. Service Installations**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funding for the installation of connections between water mains and meters and the extension of existing water mains. A portion of this work, related to new development, is paid for by developer fees. The remainder of the work, which is not tied to developer fees, entails connections to water, service laterals, sampling stations, meter boxes, air release valves, and main extensions in existing service areas to increase the operability of the system.

**Justification:** As development proceeds in the City, connections between water mains and meters are required to service new customers. Additional minor connections and appurtenances are periodically needed to reliably operate the system and ensure a safe drinking water supply.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Construction		375	375	200	200	200	200	200	1,000		
<b>TOTAL</b>		<b>375</b>	<b>375</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>1,000</b>		

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		375	375	200	200	200	200	200	1,000		
<b>TOTAL</b>		<b>375</b>	<b>375</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>1,000</b>		

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

**None**

**Major Changes in Project Cost:**  
N/A

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

<b>FY Initiated:</b>	Ongoing	<b>Appn. #:</b>	4348
<b>Initial Project Budget:</b>		<b>USGBC LEED:</b>	N/A



**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Construction Projects**

**7. Water Valve Rehabilitation 2014**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	4th Qtr. 2013
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	2nd Qtr. 2015
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This project will test all water main valves in the field and collect Global Positioning System (GPS) coordinates for each valve. This assessment and rehabilitation process needs to take place approximately every five years, with the next process scheduled to begin in spring 2014.

**Justification:** Valves must be periodically tested to ensure proper functioning, as they are needed for emergencies and system operations.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Construction		400	400	100					100		500
<b>TOTAL</b>		<b>400</b>	<b>400</b>	<b>100</b>					<b>100</b>		<b>500</b>

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund		400	400	100					100		500
<b>TOTAL</b>		<b>400</b>	<b>400</b>	<b>100</b>					<b>100</b>		<b>500</b>

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

None

**Notes:**

<b>FY Initiated:</b>	2013-2014	<b>Appn. #:</b>	7594
<b>Initial Project Budget:</b>	\$500,000	<b>USGBC LEED:</b>	N/A

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Non-Construction Projects**

**8. Advance System Design**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation funds the design, engineering, and inspection for the connection of new developments to the Water Utility System.

<b>EXPENDITURE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Planning and Engineering		120	120	150	150	150	150	150	750		
<b>TOTAL</b>		<b>120</b>	<b>120</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>750</b>		

<b>FUNDING SOURCE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund		120	120	150	150	150	150	150	750		
<b>TOTAL</b>		<b>120</b>	<b>120</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>750</b>		

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

**Appn. #:** 4346

**9. Major Facilities Fee Administration**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation provides funding to administer the Major Facilities Fees. The Major Facilities Fund receives fees associated with the connection and operation of major water facilities constructed in the North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas.

<b>EXPENDITURE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Program Management		15	15	15	15	15	15	15	75		
<b>TOTAL</b>		<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>75</b>		

<b>FUNDING SOURCE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Major Facilities Fund		15	15	15	15	15	15	15	75		
<b>TOTAL</b>		<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>75</b>		

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

**Appn. #:** 5369

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Non-Construction Projects**

**10. Major Water Facility Fee Update**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This project provides funding to evaluate the Major Water Facility Fees currently being assessed to ensure that fees are set at an appropriate level.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Master Plan/Study				50					50		50
<b>TOTAL</b>				50					50		50

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Major Facilities Fund				50					50		50
<b>TOTAL</b>				50					50		50

**Appn. #:** 4955

**11. Master Plan Engineering**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This ongoing allocation is used to update the Water System Master Plan based on anticipated development and customer consumption.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Master Plan/Study		135	135	135	140	145	150	155	725		
<b>TOTAL</b>		135	135	135	140	145	150	155	725		

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund		135	135	135	140	145	150	155	725		
<b>TOTAL</b>		135	135	135	140	145	150	155	725		

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

**Appn. #:** 4349

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Non-Construction Projects**

**12. Network System Flow Improvements**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation is used to perform computer analysis of the water distribution system, including modeling of the system's reservoirs, pump stations, and distribution facilities, in order to prioritize replacement of existing facilities and development of new facilities.

<b>EXPENDITURE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Advanced Planning		6	6	6	6	6	6	6	30		
<b>TOTAL</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>30</b>		

<b>FUNDING SOURCE SCHEDULE (000'S)</b>											
Water Utility Capital Fund		6	6	6	6	6	6	6	30		
<b>TOTAL</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>30</b>		

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

**Appn. #:** 4350

**13. Preliminary Engineering**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation provides funding for project development in the early stages of planning.

<b>EXPENDITURE SCHEDULE (000'S)</b>											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Advanced Planning		115	115	120	125	130	135	140	650		
<b>TOTAL</b>		<b>115</b>	<b>115</b>	<b>120</b>	<b>125</b>	<b>130</b>	<b>135</b>	<b>140</b>	<b>650</b>		

<b>FUNDING SOURCE SCHEDULE (000'S)</b>											
Water Utility Capital Fund		115	115	120	125	130	135	140	650		
<b>TOTAL</b>		<b>115</b>	<b>115</b>	<b>120</b>	<b>125</b>	<b>130</b>	<b>135</b>	<b>140</b>	<b>650</b>		

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

**Appn. #:** 4952

**Water Utility System**  
**2015-2019 Proposed Capital Improvement Program**  
**Detail of Non-Construction Projects**

**14. Public Works GIS Support**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation funds Public Works Geographic Information System (GIS) support services on an as-needed basis.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Planning and Engineering		65		130	65	65	65	65	390		
<b>TOTAL</b>		<b>65</b>		<b>130</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>390</b>		

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund		65		130	65	65	65	65	390		
<b>TOTAL</b>		<b>65</b>		<b>130</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>390</b>		

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

**Appn. #:** 7365

**15. System Maintenance/Repairs**

**CSA:** Environmental and Utility Services  
**CSA Outcome:** Reliable Utility Infrastructure  
**Department:** Environmental Services  
**Description:** This allocation funds emergency and miscellaneous repairs in the distribution system.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Equipment		920	920	640	660	680	700	720	3,400		
<b>TOTAL</b>		<b>920</b>	<b>920</b>	<b>640</b>	<b>660</b>	<b>680</b>	<b>700</b>	<b>720</b>	<b>3,400</b>		

FUNDING SOURCE SCHEDULE (000'S)											
Cost Elements	Prior Years	2013-14 Appn.	2013-14 Estimate	2014-15	2015-16	2016-17	2017-18	2018-19	5-Year Total	Beyond 5-Year	Project Total
Water Utility Capital Fund		920	920	640	660	680	700	720	3,400		
<b>TOTAL</b>		<b>920</b>	<b>920</b>	<b>640</b>	<b>660</b>	<b>680</b>	<b>700</b>	<b>720</b>	<b>3,400</b>		

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

**Appn. #:** 5876

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# 2014-2015 CAPITAL BUDGET

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## 2015-2019 CAPITAL IMPROVEMENT PROGRAM

### WATER UTILITY SYSTEM

#### SUMMARY OF PROJECTS THAT START AFTER 2014-2015

#### SUMMARY OF PROJECTS WITH CLOSE-OUT COSTS ONLY IN 2014-2015

#### SUMMARY OF RESERVES

*The Summary of Projects that Start after 2014-2015 includes those projects that have funding budgeted starting after 2014-2015. The Summary of Projects with Close-Out Costs Only in 2014-2015 include those projects that are near completion with only minimal costs (typically inspection services and program management) to finish the project budgeted in 2014-2015. The Summary of Reserves includes all reserves budgeted within the Five-Year Capital Improvement Program. On the Use of Funds statement, the projects in these summaries are not numbered.*





## Water Utility System

### 2015-2019 Proposed Capital Improvement Program

#### Summary of Projects that Start after 2014-2015

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<b>Project Name:</b>	<b>Edenvale Reservoir Rehabilitation</b>	<b>Initial Start Date:</b>	3rd Qtr. 2016
<b>5-Year CIP Budget:</b>	\$900,000	<b>Revised Start Date:</b>	
<b>Total Budget:</b>	\$900,000	<b>Initial End Date:</b>	2nd Qtr. 2018
<b>Council District:</b>	2	<b>Revised End Date:</b>	2nd Qtr. 2017
<b>USGBC LEED:</b>	N/A		

**Description:** This project includes the rehabilitation of a steel reservoir that provides fire protection and system storage capacity for the Edenvale service area.

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<b>Project Name:</b>	<b>Elkins Way Main Replacement</b>	<b>Initial Start Date:</b>	3rd Qtr. 2017
<b>5-Year CIP Budget:</b>	\$1,010,000	<b>Revised Start Date:</b>	
<b>Total Budget:</b>	\$1,010,000	<b>Initial End Date:</b>	2nd Qtr. 2018
<b>Council District:</b>	8	<b>Revised End Date:</b>	4th Qtr. 2019
<b>USGBC LEED:</b>	N/A		

**Description:** This project includes the replacement and relocation of approximately 3,100 feet of 6-inch and 8-inch steel water mains on Elkins Way, Hebron Court, Pomeroy Avenue, and Denton Way.

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<b>Project Name:</b>	<b>Gumdrop Drive Main Replacement</b>	<b>Initial Start Date:</b>	3rd Qtr. 2014
<b>5-Year CIP Budget:</b>	\$1,140,000	<b>Revised Start Date:</b>	3rd Qtr. 2016
<b>Total Budget:</b>	\$1,140,000	<b>Initial End Date:</b>	3rd Qtr. 2016
<b>Council District:</b>	8	<b>Revised End Date:</b>	2nd Qtr. 2019
<b>USGBC LEED:</b>	N/A		

**Description:** This project includes the replacement and relocation of approximately 2,050 feet of 8-inch steel water main on Gumdrop Drive, Almond Drive, and Coconut Drive.

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## Water Utility System

### 2015-2019 Proposed Capital Improvement Program

#### **Summary of Projects with Close-out Costs Only in 2014-2015**

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<b>Project Name:</b>	North Coyote Valley Water System	<b>Initial Start Date:</b>	4th Qtr. 1999
<b>5-Year CIP Budget:</b>	\$168,000	<b>Revised Start Date:</b>	2nd Qtr. 2001
<b>Total Budget:</b>	\$8,083,000	<b>Initial End Date:</b>	2nd Qtr. 2004
<b>Council District:</b>	2	<b>Revised End Date:</b>	2nd Qtr. 2015
<b>USGBC LEED:</b>	N/A		

**Description:** This project provided funding for the rehabilitation of existing wells, installation of well pumps, and design and construction of controls, piping, and enclosures at the existing Coyote Valley well sites, as well as construction of a new reservoir and related piping and appurtenances. The project was completed and in beneficial use in 2004, however, remaining funding is allocated in 2014-2015 for outstanding project close-out activities to be completed by the contractor relating to final project documentation.

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## Water Utility System

### 2015-2019 Proposed Capital Improvement Program

#### **Summary of Reserves**

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<b>Project Name:</b>	<b>System Growth Related Projects Reserve</b>	<b>Initial Start Date:</b>	N/A
<b>5-Year CIP Budget:</b>	\$1,600,000	<b>Revised Start Date:</b>	
<b>Total Budget:</b>	\$1,600,000	<b>Initial End Date:</b>	N/A
<b>Council District:</b>	2, 4, 7, 8	<b>Revised End Date:</b>	
<b>USGBC LEED:</b>	N/A		

**Description:** This reserve sets aside funds in the Major Facilities Fund for acquisition of property and the construction of facilities to accommodate future system growth and development.

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<b>Project Name:</b>	<b>System Rehabilitation/Replacement Reserve</b>	<b>Initial Start Date:</b>	N/A
<b>5-Year CIP Budget:</b>	\$3,308,000	<b>Revised Start Date:</b>	
<b>Total Budget:</b>	\$3,308,000	<b>Initial End Date:</b>	N/A
<b>Council District:</b>	2, 4, 7, 8	<b>Revised End Date:</b>	
<b>USGBC LEED:</b>	N/A		

**Description:** This reserve sets aside funds in the Water Utility Capital Fund for rehabilitation and/or replacement of existing facilities. Ordinance No. 26903, which was approved by the City Council on May 27, 2003, requires that this reserve total 7% of annual operating revenues. This reserve is estimated to total \$3.3 million at the end of 2015-2019 based on current operating revenue projections for 2018-2019.

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