

Proposed 2013-2014 Capital Budget 2014-2018 Capital Improvement Program



Capital Programs by City Service Area

Community and Economic Development

- Developer Assisted Projects

Environmental & Utility Services

- Sanitary Sewer System
- Storm Sewer System
- Water Pollution Control Plant
- Water Utility System

Neighborhood Services

- Library
- Parks & Community Facilities Development

Public Safety

- Public Safety

Transportation and Aviation Services

- Airport
- Parking
- Traffic

Strategic Support

- Communications
- Municipal Improvements
- Service Yards

2014-2018 Capital Improvement Program Themes & Challenges

Themes

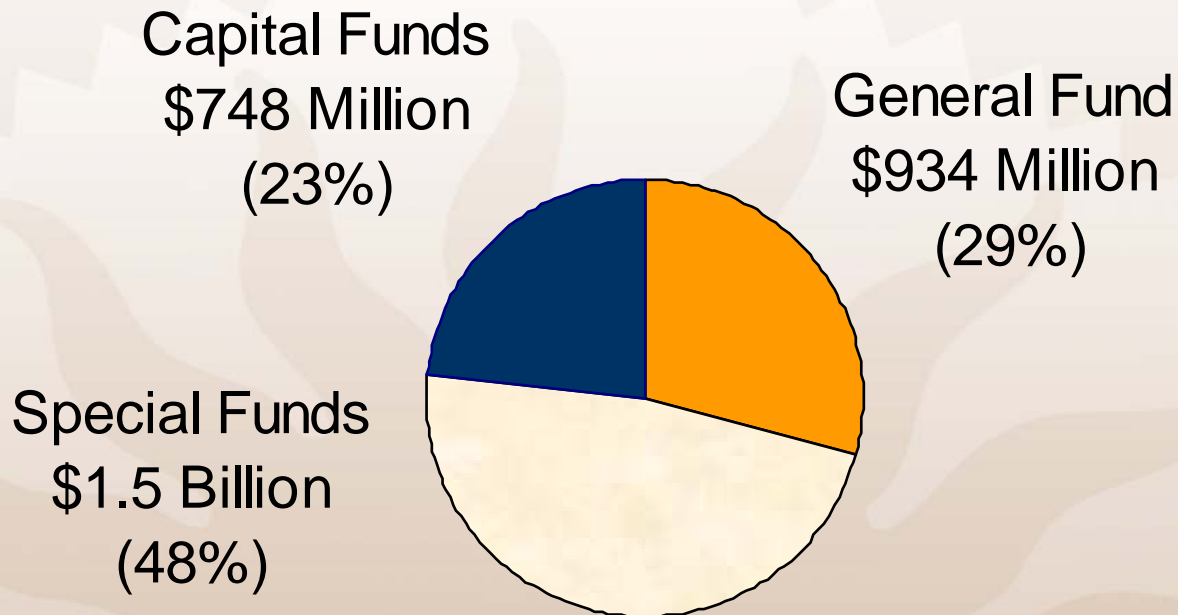
- Transition from constructing new facilities to rehabilitation/renewal of existing infrastructure
- Ensure adequate capacity and reliability
- Prioritize investments for critical needs
- Align improvements for future growth and economic development
- Focus on safety, efficient system operations, and multimodal transportation

Challenges

- Deferred infrastructure backlog of \$909 million
- Lack of ongoing funding for streets
- Mindful of future operating costs

City of San José Budget Overview

2013-2014 PROPOSED CITY BUDGET:	\$2.6 billion
TOTAL NUMBER OF FUNDS:	110
TOTAL NUMBER OF EMPLOYEES:	5,651

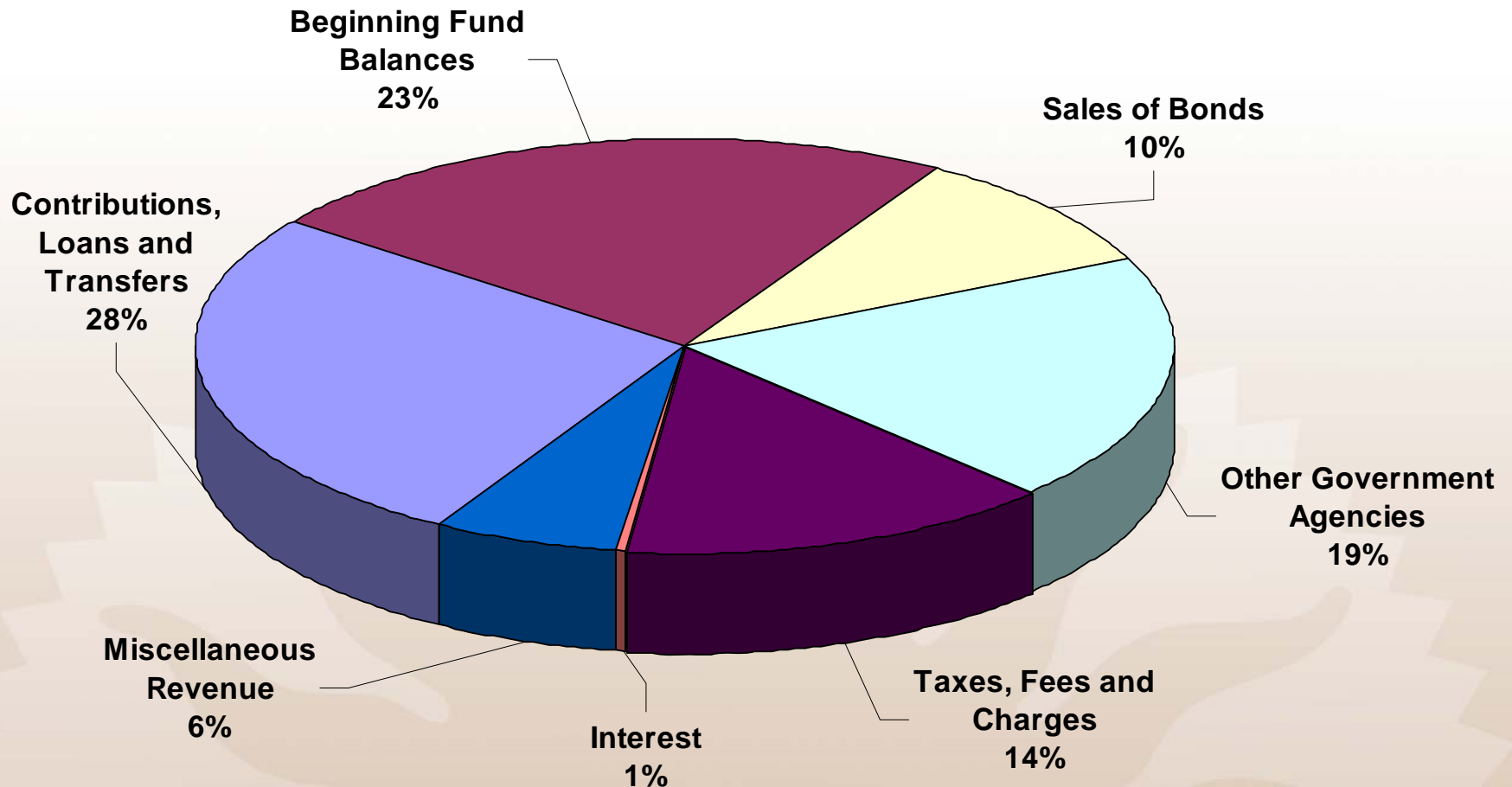


Note: An adjustment of \$556 million is necessary to arrive at the \$2.6 billion net 2013-2014 Proposed City Budget to avoid the double-counting of transfers, loans, and contributions between City funds.

Historical Comparison of Five-Year CIP

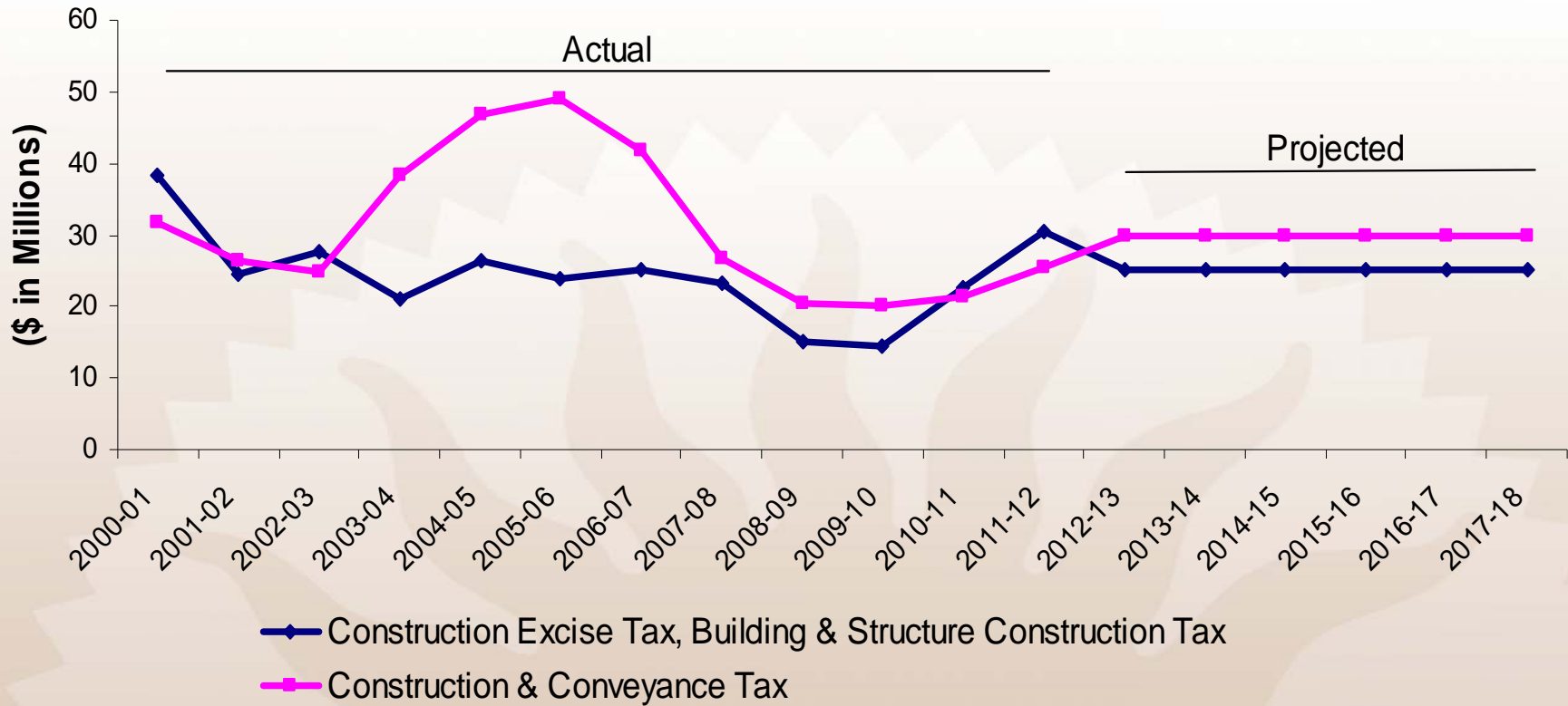


2014-2018 Source of Funds

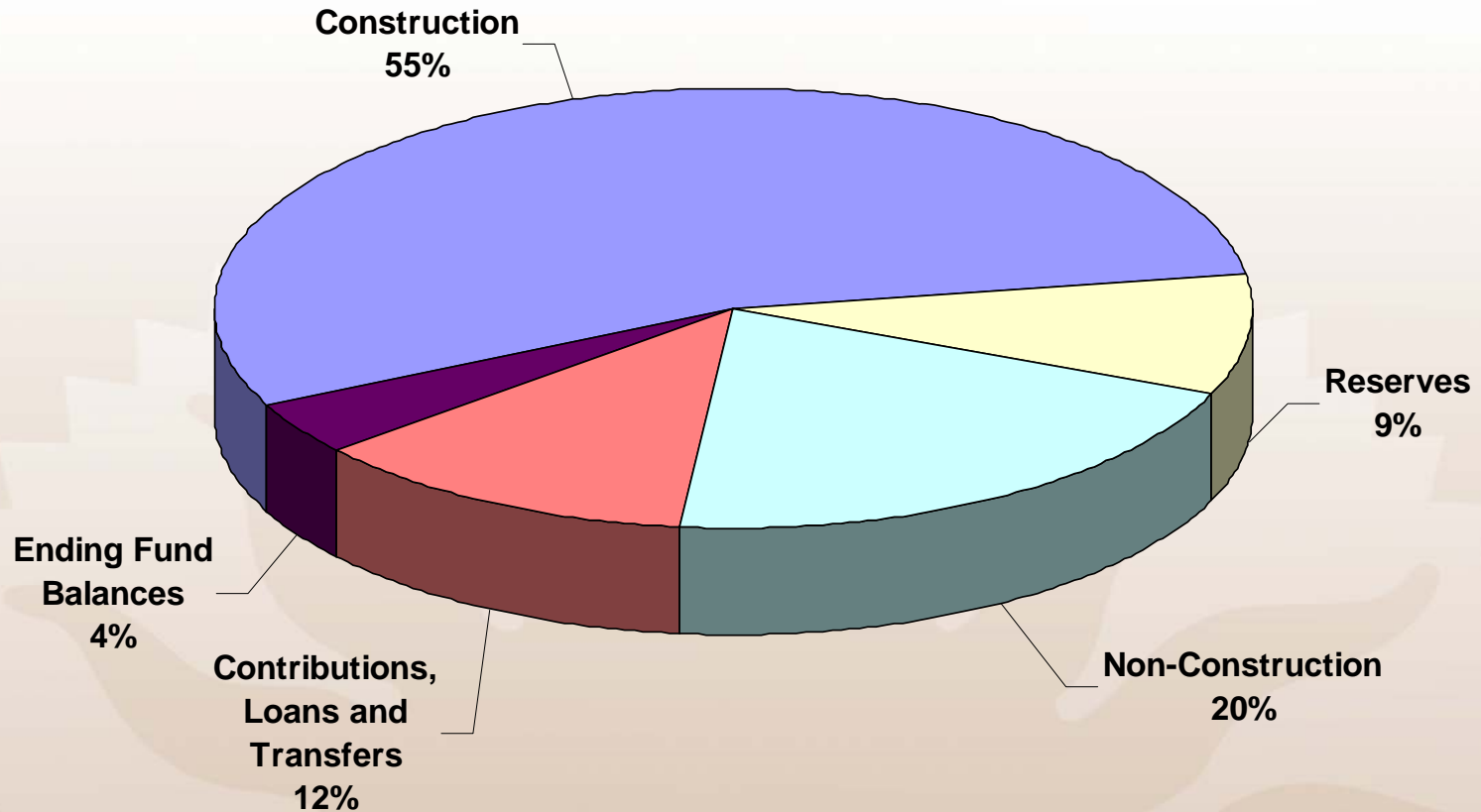


Total Source of Funds: \$1.9 Billion

Major Capital Tax Revenue

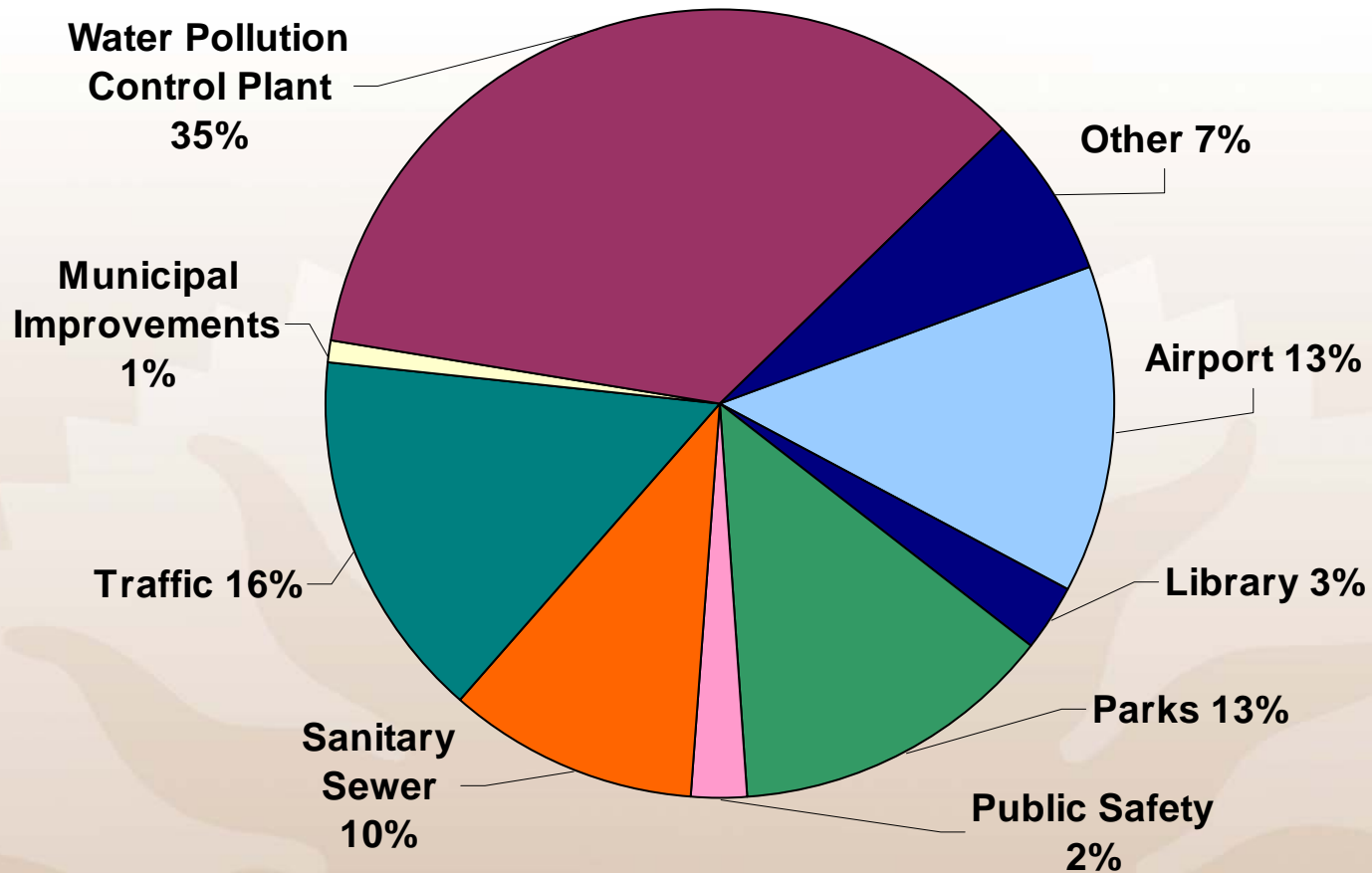


2014-2018 Use of Funds



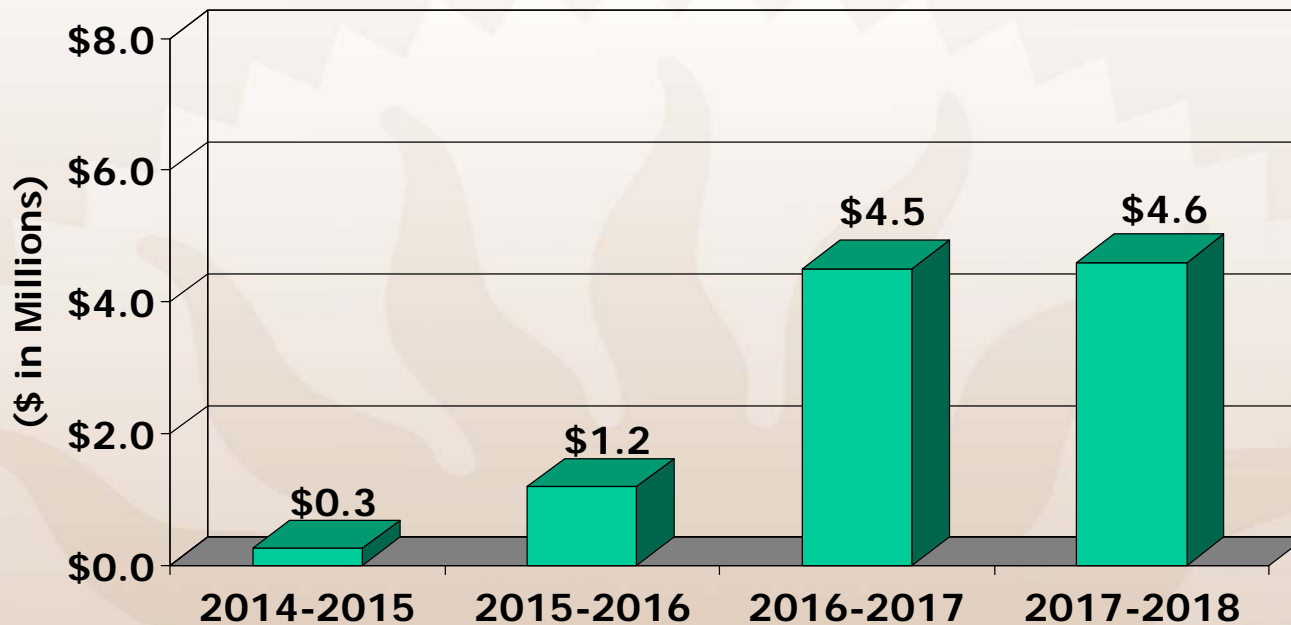
Total Use of Funds: \$1.9 Billion

2014-2018 Use of Funds by Program



Total Use of Funds: \$1.9 Billion

General Fund Operating and Maintenance Impact (Cumulative)



Capital Program Highlights

Environmental and Utility Services

2014-2018 Proposed CIP: \$949 million

- Water Pollution Control Plant Rehabilitations and Improvements
 - Digester Rehabilitation, Energy Generation Improvements, New Biosolids Facility
- Sanitary Sewer rehabilitation and capacity expansion of interceptors and sewer mains
 - North San José Interceptor (60” Brick, Fourth Major Interceptor)
 - Sewer mains along Story Road, Trimble Road, The Alameda
- Storm Sewer system undergoing master planning effort
 - Begin work and establish reserve for Alviso Storm Pump Station

Capital Program Highlights (Cont'd)

Neighborhood Services

2014-2018 Proposed CIP: \$313 million

- Southeast Branch Library to begin construction in 2013-2014
- Additional Construction and Conveyance Tax revenue allows for:
 - More rehabilitation and maintenance projects
 - Establishment of reserves to address future infrastructure maintenance backlog (\$28 million)
- Lake Cunningham Bike Park
- Renovations: Camden Pool, Hillview Park, McLaughlin Park
- Coyote Creek Trail segments

Capital Program Highlights (Cont'd)

Transportation and Aviation Services

2014-2018 Proposed CIP: \$566 million

- Airfield Facilities Improvements
 - Taxiway W Improvements, final phase
 - Taxiway E and F Extension, Taxiway H and K Extension
- Grant funded projects for “complete streets”
 - Multimodal improvements for Park Avenue and St. John Street
 - The Alameda: A Plan for the Beautiful Way
- Pavement Maintenance
 - Increased construction taxes and State Gas taxes, but annual funding for pavement maintenance still short by \$80 million
 - All funding directed to Priority Street Network (437 miles)
 - The City will assess support for potential local ballot measure

Capital Program Highlights (Cont'd)

Public Safety

2014-2018 Proposed CIP: \$43 million

- Fire Station 21 (White Road) to begin construction
- Fire Station 37 (Willow Glen)
 - Currently underfunded due to escalating design and construction costs
- Additional Construction and Conveyance Tax revenue allows for establishment of reserve for fire station improvements with urgent maintenance and repair needs

Capital Program Highlights (Cont'd)

Community and Economic Development

2014-2018 Proposed CIP: \$12 million

Developer Assisted Projects

- Quimby/Fowler Riparian Restoration
- Reimbursements to Developers for Center Strip Paving and Landscaping

Capital Program Highlights (Cont'd)

Strategic Support

2014-2018 Proposed CIP: \$57 million

- Limited one-time General Fund resources directed to deferred maintenance projects at the Police Administration Building, Police Communications Center, and City Hall
 - Chiller and HVAC upgrades
 - Elevator Retrofit
 - Electrical and Fire Protection System Upgrades
 - Waterproofing
- Still have significant unfunded maintenance needs in other municipal buildings

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