

CAPITAL IMPROVEMENT PROGRAM (CIP)

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CAPITAL IMPROVEMENT PROGRAM (CIP)

OVERVIEW

The Capital Improvement Program (CIP) Summary includes new and continued capital projects funded in the Fiscal Year (FY) 2016-17 Budget. Information on capital projects completed in FY 2015-16 and projects temporarily suspended are also included to identify funds spent on recently completed projects as well as those that may resume in future years. Fiscal Year 2013-14 and Fiscal Year 2014-15 CIP projects are also included for historical purposes on the expenditure summaries. Frequently, CIP projects extend beyond one fiscal year.

The City's construction projects and major capital acquisitions that have an extended life are included in the Capital Improvement Program. In some circumstances, studies undertaken related to anticipated future capital projects are also included. Generally, the CIP will include capital replacement projects that repair, replace, or enhance existing facilities, equipment, or infrastructure, and capital facility projects that significantly expand or add capacity to the City's existing fixed assets.

SUMMARY

The CIP projects are summarized as follows:

<u>CIP Major Categories</u>	<u>Projects Completed in FY 2015-16</u>	<u>Projects Continued in 2016-17 Budget</u>	<u>New Projects Included in 2016-17 Budget</u>	<u>New & Continued Projects Included in 2016-17 Budget</u>
Streets CIP Projects	\$2,719,051	\$ 5,970,706	\$2,556,642	\$ 8,527,348
Storm Drainage	0	1,180,420	0	1,180,420
Facilities	386,992	696,346	0	696,346
Water	0	10,000,000	90,000	10,090,000
Sewer	0	0	0	0
Total CIP Projects	<u>\$3,106,043</u>	<u>\$17,847,472</u>	<u>\$2,646,642</u>	<u>\$20,494,114</u>

1. Streets CIP Projects - \$8,527,348 (2016-17 Budget)

- 2016-17 Street Improvement Project – \$2,200,000 has been included in the FY 2016-17 Budget. The program history is as follows:

	<u>Expenditures</u>	<u>Miles Paved</u>	<u>Slurry Seal Miles</u>
2000-01 Street Improvement Project	\$ 2,226,573	18.0	0
2001-02 Street Improvement Project	\$ 2,148,349	19.4	0
2002-03 Street Improvement Project	\$ 1,993,142	16.5	0
2003-04 Street Improvement Project	\$ 2,033,719	17.1	0
2004-05 Street Improvement Project	\$ 3,166,412	18.2	12.4
2005-06 Street Improvement Project	\$ 6,221,264	51.1	14.2
2006-07 Street Improvement Project	\$10,994,391	57.0	11.0
2007-08 Street Improvement Project	\$19,134,056	57.0	4.0
2008-09 Street Improvement Project	\$ 9,193,091	28.0	0
2009-10 Street Improvement Project	\$ 5,726,868	13.9	0
2010-11 Street Improvement Project	\$ 0	0	0
2011-12 Street Improvement Project	\$ 2,446,984	2.5	7.5
2012-13 Street Improvement Project	\$ 1,705,349	1.0	6.6
2013-14 Street Improvement Project	\$ 1,801,741	1.9	9.3
2014-15 Street Improvement Project*	\$ 3,149,769	3.4	15.0
<u>2015-16 Street Improvement Project</u>	<u>\$ 1,843,600</u>	<u>1.6</u>	<u>7.9</u>
Sixteen Year Total	\$73,785,308	306.6	87.9
<u>2016-17 Street Improvement Project</u>	<u>\$ 2,200,000</u>	<u>2.5</u>	<u>7.6</u>
Seventeen Year Total	\$75,985,308	309.1	95.5

*Includes Fir and Rodeo paving project [Construction Order (C.O.) # 7134].

CAPITAL IMPROVEMENT PROGRAM (CIP)

- Two Other New Street Projects – 2 Projects \$356,642 – Funding in the amount of \$356,642 has been included in the FY 2016-17 Budget for the following two new street projects:

 - Main Street Traffic Signal Synchronization \$252,028
 - 2016-17 Americans with Disabilities Act (ADA) Improvements 104,614
 - \$356,642

- Ranchero Road Related Projects – 3 Projects \$1,419,000 – Included in the FY 2016-17 Budget are projects related to the Ranchero Road Corridor, with the largest overall project being the Ranchero Road Interchange Project. The three projects are as follows:

 - Ranchero Road Undercrossing (Mitigation) \$ 700,000
 - Ranchero Road I-15 Interchange (Mitigation) 130,000
 - Ranchero Road Aqueduct Widening Improvement (Design) 589,000
 - \$1,419,000

- Eight Other Streets Projects – 8 Projects \$4,551,706 – Included in the FY 2016-17 Budget are eight other continuing street projects. These projects include the carryover of Street Improvement Projects:

 - 2015-16 Street Improvement Project (Construction) \$1,841,800
 - Willow Street Paseo (Construction) 844,156
 - 2015-16 ADA Transition Plan 570,750
 - Traffic Signal at Ranchero Road/Maple Avenue 500,000
 - Aqueduct Crossing Improvements – Widen Bridge at Main Street 400,000
 - Bear Valley Road Reconstruction Cottonwood-Mariposa 250,000
 - 2014-15 ADA Transition Plan (Close-out) 95,000
 - Street Improvements – Fir and Rodeo 50,000
 - \$4,551,706

- 2. Storm Drainage C I P Project - 1 Project \$1,180,420 – Included in the FY 2016-17 Budget is the continuation of one drainage project as shown below:

 - H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue (Construction) \$1,180,420
 - \$1,180,420

- 3. Facilities C I P Project – 1 Project \$696,346 – The following project, totaling \$696,346, will be continued in Fiscal Year 2016-17 as follows:

 - Park and Ride Facility (Construction) \$696,346
 - \$696,346

- 4. Water C I P Projects – 2 Projects \$10,090,000 – Funding in the amount of \$10,090,000 has been included in the FY 2016-17 Budget for one new project and the continuation of another as shown below:

 - Reclaimed Water Distribution System (Continued) \$10,000,000
 - Appaloosa Reclaimed Water Line (New) 90,000
 - \$10,090,000

C I P EXPENDITURES BY PROJECT

Project	2013-14	2014-15	2015-16	2015-16	2016-17
Number Project Title	Actual	Actual	Budget	Revised	Budget
<u>New Streets Projects in FY 2016-17</u>					
7133 Main Street Traffic Signal Synchronization	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 252,028
7135 FY 2016-17 Street Improvement Project	0	0	0	0	2,200,000
7402 2016-17 ADA Improvements - Year 3	0	0	0	0	104,614
Sub-Total New 2016-17 Streets CIP Projects	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 2,556,642
<u>Streets CIP Projects Continued in FY 2016-17</u>					
7046 Rancho Road Undercrossing	\$ 941,186	\$ 92,359	\$ 200,000	\$ 2,000	\$ 700,000
7086 Rancho Road I-15 Interchange	969,004	462,061	250,000	75,000	130,000
7094 Rancho Road Improvements – Seventh Avenue to Mariposa Road	130,616	185,471	700,000	414,500	589,000
7096 Aqueduct Crossing Improvements – Widen Bridge at Main Street (Design and ROW Acquisition)	0	186,911	400,000	247,000	400,000
7123 Willow Street Paseo**	10,717	0	905,338	61,182	844,156
7130 2015-16 Street Improvement Project**	0	0	2,277,000	1,800	1,841,800
7131 Traffic Signal @ Rancho Road/Maple Avenue	0	0	500,000	0	500,000
7132 Bear Valley Road Reconstruction Cottonwood-Mariposa**	0	0	250,000	0	250,000
7134 Street Improvements - Fir and Rodeo	0	0	0	380,000	50,000
7400 2014-15 ADA Transition Plan - Year 1**	0	2,072	2,000	4,000	95,000
7401 2015-16 ADA Transition Plan - Year 2**	0	0	260,000	0	570,750
Sub-Total CIP Projects Continued in FY 2016-17	\$ 2,051,523	\$ 928,874	\$ 5,744,338	\$ 1,185,482	\$ 5,970,706
<u>Streets CIP Projects Completed in FY 2015-16</u>					
7129 2014-15 Street Improvement Project**	\$ 0	\$ 718	\$ 2,490,000	\$ 2,719,051	\$ 0
Sub-Total Streets CIP Projects Completed in FY 2015-16	\$ 0	\$ 718	\$ 2,490,000	\$ 2,719,051	\$ 0
<u>Streets CIP Projects Completed in FY 2014-15</u>					
7128 2013-14 Street Improvement Project	\$ 42,597	\$ 1,759,144	\$ 0	\$ 0	\$ 0
Sub-Total Streets CIP Projects Completed in FY 2014-15	\$ 42,597	\$ 1,759,144	\$ 0	\$ 0	\$ 0
<u>Streets CIP Projects Completed in FY 2013-14</u>					
7122 Choicena/Talisman Realignment	\$ 205,374	\$ 0	\$ 0	\$ 0	\$ 0
7124 Sequoia Bike Routes & Bus Stop Improvements	555,847	0	0	0	0
7125 2012-13 Street Improvement Project	1,704,674	0	0	0	0
7127 Main Street Overhead Railroad Bridge Rehab	118,000	0	0	0	0
Sub-Total Streets CIP Projects Completed in FY 2013-14	\$ 2,583,895	\$ 0	\$ 0	\$ 0	\$ 0
Total Summary Streets CIP Projects	\$ 4,678,015	\$ 2,688,736	\$ 8,234,338	\$ 4,232,650	\$ 8,527,348

**Construction

C I P EXPENDITURES BY PROJECT

Project	2013-14	2014-15	2015-16	2015-16	2016-17
Number Project Title	Actual	Actual	Budget	Revised	Budget
Storm Drainage CIP Projects					
7091 H-01 Drainage Facility - Section 3A (Fourth Avenue to Third Avenue) **	\$ 13,173	\$ 0	\$ 1,185,537	\$ 5,115	\$ 1,180,420
Total Storm Drainage CIP Projects	\$ 13,173	\$ 0	\$ 1,185,537	\$ 5,115	\$ 1,180,420
Facilities Projects					
6517 Fire Station 301 Construction/Property Acquisition	\$ 613	\$ 69,059	\$ 0	\$ 0	\$ 0
6523 Park and Ride Facility**	13,948	667	696,346	0	696,346
6524 Animal Control Site Improvements**	0	68,956	175,500	386,992	0
Total Facilities Projects	\$ 14,561	\$ 138,682	\$ 871,846	\$ 386,992	\$ 696,346
New Water Projects in FY 2016-17					
8088 Appaloosa Avenue Reclaimed Water Line	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000
Sub-total New Water Projects in FY 2016-17	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000
Water Projects Continued in FY 2016-17					
8087 Reclaimed Water Distribution System	\$ 2,313	\$ 38,954	\$ 0	\$ 70,000	\$ 10,000,000
Sub-total Water Projects Continued in FY 2016-17	\$ 2,313	\$ 38,954	\$ 0	\$ 70,000	\$ 10,000,000
Water CIP Projects Completed in FY 2013-14					
8086 Interstate 15 & Rancho Road: Frontage Road Water Improvements	\$ 648,146	\$ 0	\$ 0	\$ 0	\$ 0
Sub-total Water CIP Projects Completed in FY 2013-14	\$ 648,146	\$ 0	\$ 0	\$ 0	\$ 0
Total Water CIP Projects	\$ 650,459	\$ 38,954	\$ 0	\$ 70,000	\$ 10,090,000
Total Summary Streets CIP Projects					
Total Summary Streets CIP Projects	\$ 4,678,015	\$ 2,688,736	\$ 8,234,338	\$ 4,232,650	\$ 8,527,348
Total Storm Drainage CIP Projects	13,173	0	1,185,537	5,115	1,180,420
Total Facilities Projects	14,561	138,682	871,846	386,992	696,346
Total Water CIP Projects	650,459	38,954	0	70,000	10,090,000
Grand Total	\$ 5,356,208	\$ 2,866,372	\$ 10,291,721	\$ 4,694,757	\$ 20,494,114

Note #1 - Water and Sewer funds have been used to partially fund two streets projects and a facilities project. The water and sewer funding is shown with those specific projects.

**Construction

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Revised	2016-17 Budget
100 General Fund						
6524	Animal Control Site Improvements**	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0
7046	Ranchero Road Undercrossing	0	0	0	0	500,000
7129	2014-15 Street Improvement Project**	0	0	490,000	0	0
7133	Main Street Traffic Signal Synchronization	0	0	0	0	35,500
	Total General Fund 100	\$ 0	\$ 68,956	\$ 665,500	\$ 386,992	\$ 535,500
204 Measure I Renewal						
6523	Park and Ride Facility**	\$ 13,948	\$ 650	\$ 4,000	\$ 0	\$ 4,000
7122	Choiceana/Talisman Realignment	205,374	0	0	0	0
7123	Willow Street Paseo**	10,717	0	0	0	0
7124	Sequoia Bike Routes & Bus Stop Improvements	11,291	0	0	0	0
7125	2012-13 Street Improvement Project	1,523,168	0	0	0	0
7127	Main Street Overhead Railroad Bridge Rehab	118,000	0	0	0	0
7128	2013-14 Annual Street Improvement	42,597	1,759,144	0	0	0
7129	2014-15 Street Improvement Project**	0	718	2,000,000	2,719,051	0
7130	2015-16 Street Improvement***	0	0	2,277,000	1,800	1,356,011
7133	Main Street Traffic Signal Synchronization	0	0	0	0	200,000
7135	FY 2016-17 Street Improvement Project	0	0	0	0	2,000,000
7400	2014-15 ADA Transition Plan - Year 1**	0	2,072	2,000	4,000	44,250
	Total Measure I Renewal Fund 204	\$ 1,925,095	\$ 1,762,584	\$ 4,283,000	\$ 2,724,851	\$ 3,604,261
205 Gas Tax Fund						
7123	Willow Street Paseo**	\$ 0	\$ 0	\$ 70,438	\$ 50,000	\$ 20,438
7131	Traffic Signal @ Ranchero Rd/Maple Ave	0	0	200,000	0	200,000
7132	Bear Valley Road Reconstruction Cottonwood-Mariposa**	0	0	250,000	0	250,000
	Total Gas Tax Fund 205	\$ 0	\$ 0	\$ 520,438	\$ 50,000	\$ 470,438
207 Local Transportation Fund Article 8 (LTF)						
7046	Ranchero Road Undercrossing	\$ 539,000	\$ 0	\$ 0	\$ 0	\$ 0
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road	55,308	185,471	677,500	392,000	552,450
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street	0	186,911	400,000	247,000	400,000
	Total Local Transportation Fund 207	\$ 594,308	\$ 372,382	\$ 1,077,500	\$ 639,000	\$ 952,450
251 Community Development Block Grant (CDBG)						
7134	Street Improvements - Fir and Rodeo Street	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 50,000
7400	2014-15 ADA Transition Plan - Year 1	0	0	0	0	50,750
7401	2015-16 ADA Transition Plan - Year 2**	0	0	260,000	0	570,750
7402	2016-17 ADA Improvements - Year 3	0	0	0	0	104,614
	Total CDBG Fund 251	\$ 0	\$ 0	\$ 260,000	\$ 380,000	\$ 776,114
254 AB 2766 - Transit						
7133	Main Street Traffic Signal Synchronization	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 16,528
	Total AB 2766 Transit Fund 254	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 16,528
300 Development Impact Fee (DIF)-Streets Fund						
7046	Ranchero Road Undercrossing	\$ 374,410	\$ 92,359	\$ 200,000	\$ 2,000	\$ 200,000
7086	Ranchero Road I-15 Interchange	969,004	462,061	250,000	75,000	130,000
7094	Ranchero Road Improvements - 7th Avenue to Mariposa Road	20,000	0	0	0	0
7131	Traffic Signal @ Ranchero Rd/Maple Ave	0	0	300,000	0	300,000
	Total DIF Fund–Streets 300	\$ 1,363,414	\$ 554,420	\$ 750,000	\$ 77,000	\$ 630,000

**Construction

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Revised	2016-17 Budget
302 Development Impact Fee (DIF) - Fire						
6517	Fire Station 301 Construction/Property Acquisition	\$ 613	\$ 0	\$ 0	\$ 0	\$ 0
	Total DIF-Fire Fund 302	\$ 613	\$ 0	\$ 0	\$ 0	\$ 0
502 Fire Capital Fund						
6517	Fire Station 301 Construction/Property Acquisition	\$ 0	\$ 69,059	\$ 0	\$ 0	\$ 0
	Total Fire Capital Fund 502	\$ 0	\$ 69,059	\$ 0	\$ 0	\$ 0
504 City Wide Projects						
6523	Park and Ride Facility**	\$ 0	\$ 17	\$ 692,346	\$ 0	\$ 692,346
7091	H-01 Drainage Facility - Section 3A (Fourth Avenue to Third Avenue) **	13,173	0	1,185,537	5,115	1,180,420
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road	55,308	0	22,500	22,500	36,550
7123	Willow Street Paseo**	0	0	834,900	11,182	823,718
7124	Sequoia Bike Routes & Bus Stop Improvements	544,556	0	0	0	0
7125	2012-13 Street Improvement Project	181,506	0	0	0	0
	Total City Wide Projects Fund 504	\$ 794,543	\$ 17	\$ 2,735,283	\$ 38,797	\$ 2,733,034
600 Ranchero Road Undercrossing Fund						
7046	Ranchero Road Undercrossing	\$ 27,776	\$ 0	\$ 0	\$ 0	\$ 0
	Total Ranchero Road Undercrossing Fund 600	\$ 27,776	\$ 0	\$ 0	\$ 0	\$ 0
701 Water Capital Fund						
701	Water CIP Projects (See Water CIP for Project Detail)	\$ 650,459	\$ 38,954	\$ 0	\$ 70,000	\$ 10,090,000
7130	2015-16 Street Improvement Project	0	0	0	0	485,789
	Total Water Capital Fund 701	\$ 650,459	\$ 38,954	\$ 0	\$ 70,000	\$ 10,575,789
711 Sewer Capital Fund						
7135	FY 2016-17 Street Improvement Project	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000
	Total Sewer Capital Fund 711*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000
	TOTAL ALL CIP FUNDS	\$ 5,356,208	\$ 2,866,372	\$ 10,291,721	\$ 4,694,757	\$ 20,494,114

Note: With the use of grants and other types of reimbursements, there may be instances of timing differences between the time when the expenditures were incurred and when the reimbursement is received. These instances have been notated on the applicable individual Construction Order (C.O.) sheets.

**Construction

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Revised	2016-17 Budget
Streets and Storm Drain Related						
100	General Fund	\$ 0	\$ 0	\$ 490,000	\$ 0	\$ 535,500
204	Measure I - Renewal Fund	1,911,147	1,761,934	4,279,000	2,724,851	3,600,261
205	Gas Tax Fund	0	0	520,438	50,000	470,438
207	Local Transportation Fund Article 8 (LTF)	594,308	372,382	1,077,500	639,000	952,450
251	Community Development Block Grant Fund	0	0	260,000	380,000	776,114
254	AB 2766 Transit Fund	0	0	0	328,117	16,528
300	Development Impact Fee-Streets Fund	1,363,414	554,420	750,000	77,000	630,000
504	City-wide Projects	794,543	0	2,042,937	38,797	2,040,688
600	Ranchero Road Undercrossing Fund	27,776	0	0	0	0
701	Water Capital	0	0	0	0	485,789
711	Sewer Capital	0	0	0	0	200,000
	Total Streets and Storm Drain Related	\$ 4,691,188	\$ 2,688,736	\$ 9,419,875	\$ 4,237,765	\$ 9,707,768
Facilities Related						
100	General Fund	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0
204	Measure I - Renewal Fund	13,948	650	4,000	0	4,000
302	Development Impact Fee - Fire	613	0	0	0	0
502	Fire Capital Fund	0	69,059	0	0	0
504	Park and Ride Facility	0	17	692,346	0	692,346
711	Sewer Capital Fund	0	0	0	0	0
	Total City Facilities Related	\$ 14,561	\$ 138,682	\$ 871,846	\$ 386,992	\$ 696,346
Water and Sewer Related						
701	Water Capital Fund	\$ 650,459	\$ 38,954	\$ 0	\$ 70,000	\$ 10,090,000
	Total Water and Sewer Related	\$ 650,459	\$ 38,954	\$ 0	\$ 70,000	\$ 10,090,000
	Total City Capital Improvement Program (CIP)	\$ 5,356,208	\$ 2,866,372	\$ 10,291,721	\$ 4,694,757	\$ 20,494,114

Note: With the use of grants and other types of reimbursements, there may be instances of timing differences between the time when the expenditures were incurred and when the reimbursement is received. These instances have been notated on the applicable individual Construction Order (C.O.) sheets.

CAPITAL IMPROVEMENT PROGRAM (CIP)

CIP PROJECT LISTING

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CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road Undercrossing
Project Number: 7046 – Phase I and II
Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the installation of a new underpass beneath the Burlington Northern Santa Fe (BNSF) railway's right-of-way at Rancho Road. The project also includes a new alignment through the Antelope Valley Wash between Santa Fe East and Danbury, with the project limits between Seventh Avenue and Danbury. The BNSF Railroad bisects the City of Hesperia from north to south, with the only street that crosses the railroad being Main Street. This east-west corridor serves the entire City and is under capacity to meet existing traffic needs. The current traffic volume across the Main Street Bridge is 39,000 vehicles per day, and the projected volume in 2015, based on the Victor Valley Comprehensive Transportation Plan, is 69,000 vehicles per day. Most motorists experience gridlock in the early morning and late evening peak hours in the area of Main Street crossing the BNSF Railway. Accidents on either side of, or on the Main Street Bridge, have resulted in total closure of Main Street between Third Street and C Avenue, which not only affects the motoring public, but also severely restrict fire and police response times throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

David Evans and Associates were retained to finalize plans and specifications to meet the BNSF Railway and City standards and Lilburn Corporation was engaged to prepare the environmental clearances. The California Environmental Quality Act (CEQA) document was completed and adopted in September 2006. The Federal National Environmental Policy Act (NEPA) document was finalized to Caltrans' satisfaction in February 2008, and was cleared by the Federal Highway Administration (FHWA) for public review in March. The NEPA document was completed in August 2008, allowing right-of-way acquisition to begin. Due to the inability of the San Bernardino County Real Estate Division to commit to the project, David Evans and Associates was engaged to subcontract property acquisition with CPSI. Authorization to proceed with right-of-way acquisitions was granted by Caltrans in May 2009, and the purchase of all required right-of-way was completed in December 2010 and certified by Caltrans in January 2011. The application to the Public Utilities Commission was submitted and approved in June 2009. Regulatory permits from the Army Corps of Engineers, Regional Water Quality Control Board - Lahontan, California Department of Fish and Game, and the San Bernardino County Flood Control District were applied for and were approved. The easements and construction agreement for permission to work within the BNSF right-of-way were granted and fully executed by January 2011. The Request for Authorization to Proceed with Construction was submitted to Caltrans for review and approval in January 2011, and Authorization to proceed with construction was subsequently approved by Caltrans in June 2011. The Project was advertised for bids in July 2011, and a contract was awarded by the City Council in August 2011. Construction commenced in early September 2011 and was substantially complete by the end of June 2013. The project was accepted as complete by the Council at its August 20, 2013 meeting. Submittal of the project closeout documentation was prepared and initially submitted to Caltrans in October 2013. The final grant reimbursements were received by the City, and all closeout documents were approved by Caltrans in March 2014. Final reporting to the California Transportation Commission was completed in summer 2014. The environmental mitigation work commenced in October 2013 and will be ongoing for a period of 5 years, as required by the conditions of the environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board.

Project Schedule for 2016-17 Budget:

The environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board included a condition that the City repair and restore natural habitat and vegetation in areas disturbed during construction and at a separate parcel of land some distance from the construction site as mitigation for loss of habitat that resulted from construction of the project. The restoration requirements are outlined in a Habitat Mitigation and Monitoring Plan (HMMP) that was reviewed and approved by the two agencies. The HMMP calls for the seeding and planting of various natural elements (grasses, plants, trees, rocks, etc.) in the disturbed areas and for annual monitoring and reporting related to the success of such efforts. These monitoring and reporting efforts are stipulated to continue for a period of 5 years after completion of construction (i.e., from 2013 to 2018). Some off-site restoration work was completed in Fiscal Year 2013-14, as well as monitoring and reporting efforts; however, work was delayed on-site during FY 2014-15 due to conflicts with the San Bernardino County Flood Control District's flood control channel. The HMMP had to be modified and submitted for approval by the two regulatory agencies. The agreement requires that the City establish a trust

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road Undercrossing (Continued)

Project Schedule for 2016-17 Budget (Continued):

account in the amount of \$500,000 which will be used by the Army Corps of Engineers for habitat mitigation and monitoring purposes in the event the City fails to perform as agreed. Upon successful completion of the habitat mitigation and monitoring requirements, the Army Corps will release the funds to be returned to the City. Mitigation work was delayed while this revision was being reviewed and processed and is estimated to commence again in Fall of 2016.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
100-700-7046 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
207-700-7046 Contractual	539,000	0	0	0	0
300-700-7046 Contractual	374,410	92,359	200,000	2,000	200,000
600-700-7046 Contractual	27,776	0	0	0	0
Total Expenditures	<u>\$ 941,186</u>	<u>\$ 92,359</u>	<u>\$ 200,000</u>	<u>\$ 2,000</u>	<u>\$ 700,000</u>
<u>Source of Funds</u>					
100 General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
207 Local Transportation Article 8	539,000	0	0	0	0
300 DIF Streets	374,410	92,359	200,000	2,000	200,000
600 SAFETEA-LU (4833)	27,776	0	0	0	0
Total Source of Funds	<u>\$ 941,186</u>	<u>\$ 92,359</u>	<u>\$ 200,000</u>	<u>\$ 2,000</u>	<u>\$ 700,000</u>

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road Undercrossing (Continued)

Project Funding Narrative:

The total project expenditures are estimated to be \$30.6 million and have been funded from Streets Development Impact Fees, the Redevelopment Agency, Measure I, Local Transportation (Article 8) Funds, and Federal and State grant funds. The City has completed all environmental and design work, secured all required regulatory permits, and completed all necessary right-of-way acquisitions at a cost of approximately \$3.3 million. The City utilized National Corridor Planning and Development Program (NCPDP) Federal grant funds of \$391,153 towards acquisition of right-of-way. Construction and construction-related costs are estimated to be a total of \$27.3 million. The construction costs were split between the Streets Development Impact Fee Fund, Local Transportation Fund, and the Redevelopment Agency, which are estimated to fund a combined \$14.67 million or 54% of the total construction-related costs and various Federal and State grant appropriations identified below, which funded \$12.57 million, or 46% of the total construction related costs:

<ul style="list-style-type: none"> ▪ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Project No. 1558, P.L. 109-59 – Federal Grant (2005) Original Appropriation - \$4,000,000/Due to funding Rescissions and Obligation Limitations net available to City \$3,599,600..... ▪ Federal Highway Administration – Surface Transportation Program (FHWA-STP) – Federal Grant P.L. 109-115, Conference Report 109 Original Appropriation - \$3,000,000/due to funding Rescissions and Obligation Limitations net available to City \$2,970,000..... ▪ San Bernardino Associated Governments – Surface Transportation Program (SANBAG –STP), Allocation to City of Hesperia - \$3,400,000 plus additional \$250,000 of funding exchanged with SANBAG in 2006..... ▪ National Corridor Planning and Development Program (NCPDP) – Federal Grant 2002-03: Original Appropriation Amount of \$1,500,000. A total of \$391,153 of these funds was utilized for engineering and right-of-way acquisition, and \$964,235 was utilized for construction-related costs. The balance of \$144,612 was ineligible for reimbursement due to early completion of the project..... ▪ Propositions 1B – State-Local Partnership Program (Prop 1B – SLPP) California Transportation Commission Original Appropriation - \$1.0 million..... 	<p>\$3,599,600</p> <p>\$2,970,000</p> <p>\$3,650,000</p> <p>\$1,355,388</p> <p>\$1,000,000</p> <p style="padding-left: 40px;">Total Available Federal and State Project Funding.....</p>
	<p>\$12,574,988</p>

Notes:

- National Corridor Planning and Development Program (NCPDP) – Federal Grant 2003-04: \$500,000 Original Appropriation – Funding authority lapsed in 2008 and funding was de-obligated without any expenditure.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road / I-15 Interchange
Phase I – Project Study Report/Project Development Support (PSR/PDS) – Completed 2006
Phase II – Project Approval and Environmental Document (Completed 2010)
Phase III – Preliminary “At-Risk” Design (PS&E) (Completed 2012)
Phase IV and V – Right-of-Way Acquisition (ROW) (Completed 2012)
Phase V – Construction

Project Number: 7086

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project is one of the three components of the Ranchero Road Corridor Project, which consists of improvements to Ranchero Road, including the Ranchero Road Underpass, widening of Ranchero Road from Danbury Road to I-15, and a new interchange at I-15. This project includes the design and construction of a full-service freeway interchange where Ranchero Road intersects with the I-15 freeway.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

In Fiscal Year 2004-05 the City, in anticipation of the time required to obtain State and Federal approvals for new interchanges, commenced the Project Development Phase of the project, which requires initial studies of the project and the preparation of a document called the Project Study Report/Project Development Support (PSR/PDS). The City's Consultant (Tetra Tech) commenced preparation of the PSR/PDS in September 2004 and received approval of the Final PSR/PDS through Caltrans in August 2006 (Project 7081).

The Preliminary Engineering Phase of the project commenced in August 2006 after execution of a Cooperative Agreement with Caltrans. This phase of work required preparation of a Project Report, which further analyzed the alternative, preliminary designs identified in the PSR/PDS, and ascertained the preferred design layout of the proposed interchange, the preparation of the Project Approval and Environmental Document (ED), which involved an environmental review of the alternative designs identified in the PSR/PDS, traffic modeling, geotechnical studies, various environmental technical studies, and completion of a final ED demonstrating that the preferred layout of the proposed interchange complies with all Federal and State environmental laws. The Environmental Assessment (EA) – Finding of No Significant Impact was identified as the appropriate ED for this project. The Project Report and EA – Finding of No Significant Impact were both approved by Caltrans (as the Federal delegate) in March 2010. The next two phases of the project, Right-of-Way (ROW) Acquisition Phase and the Final Design (PS&E) Phase, commenced concurrently in March 2010.

The City Council awarded a Professional Services Agreement (PSA) to Parsons in 2006 to prepare the Project Approval and ED. This Phase of the project commenced in August 2006 and included monthly Project Development Team (PDT) meetings with Caltrans staff. The required Value Analysis process was concluded in April 2007. In addition, the City Council awarded a contract to Parsons in December 2007 to proceed “at-risk” with preliminary engineering design so that work on the ED and project plans could proceed concurrently, which shortened the overall project schedule approximately nine months. The Traffic Study received final approval from Caltrans in March 2008. In November 2008, the Geometrical Approval Drawings and bridge type selection were approved by Caltrans. The Federal Highway Administration (FHWA) issued a Finding of Acceptability for the New Connection Report (in July 2009), a preliminary approval.

Parsons continued to work on the various individual environmental studies required within the ED and work on the Project Approval and ED continued and was completed in March 2010 with receipt of a Caltrans and Federally-approved ED and Caltrans approval of the Project Report. In March 2010, work on the final Plans, Specifications, and Engineer's Estimate (PS&E Phase) began after approval of the ED. Submittal to the California Transportation Commission for obligation of the SANBAG 2006 STIP funds occurred in May 2010 in order to prevent the loss of funding. Final approval for the New Connection Report was given by the FHWA in July 2010. A Request for Authorization to Proceed with ROW acquisition was submitted to Caltrans in July 2010. The City received approvals from Caltrans and the FHWA to proceed with ROW acquisition in December 2010 and commenced the acquisition process. Parsons sub-contracted this work to CPSI at a cost of \$170,000 for professional consulting services. Portions of twelve (12) properties from eight (8) owners were needed for ROW on this project. Eleven (11) properties were obtained through Purchase and Sale Agreements, while the last final remaining purchase was subject to eminent domain action.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road/I-15 Interchange (Continued)

Existing Situation and Work Completed Through Fiscal Year 2015-2016 (Continued):

A court order for Prejudgment Possession of the last portion of right-of-way (ROW) was issued in July 2012. The ROW Acquisition phase of the project concluded in August 2012 upon receipt of a fully signed Right-Of-Way Certification, which was signed by the City, Caltrans, and the Federal Highway Administration (FHWA).

Preliminary "at-risk" design transformed into Final Design (PS&E Phase) upon approval of the ED in March 2010. Final design work continued through FY 2010-11 and FY 2011-12. The PS&E phase of the project concluded in May 2012 upon receipt of a Ready to List memo from Caltrans. The Ready to List memo provided State and Federal authorization to proceed with advertising and award of a construction contract for the project. Construction on the project, however, was delayed because the two primary funding sources were all but eliminated due to the statewide dissolution of redevelopment agencies in February 2012 and the negative effects of the 2009-2013 recession on revenues (DIF Fees).

In late January 2012, however, the San Bernardino Associated Governments (SANBAG) approached the City and proposed a cooperative effort to allow the project to progress to construction in a streamlined timeline. With assistance by Caltrans, SANBAG agreed to take over the construction phase of the project, and if needed, would front 100% of the funding shortfall. The City and SANBAG entered into a Cooperative Funding Agreement in April 2012, paving the way for construction on the project to move forward in FY 2012-13, while concurrently applying for Corridor Mobility Improvement Account (CMIA) funds from the California Transportation Commission (CTC) to offset the funding need. In May 2012, the CTC awarded \$24.4 million to the project, and 100% funding for construction of the project was in place.

All regulatory permits were obtained, right-of-way acquisition concluded, and PS&E were approved by Caltrans. SANBAG took over as lead agency for construction of the project and was responsible for Advertising, Award, and Administration of the project's construction phase. The project was advertised for bids in September 2012; bids were opened in October 2012; the SANBAG Board awarded the bid to Security Paving Company, Inc. in November 2012; and construction commenced in January 2013. Although SANBAG is providing project management for the project, the City continues to provide engineering support directly through Parsons, the original design engineer and Engineer of Record for the project and to pay the costs of any fees or permits. The vast majority of all roadway work and all other miscellaneous work within the City's right-of-way was completed by June 2014; only construction of the bridge remained. Based on the progress of the project through early 2014, it was expected that the project would be 75% complete by the end of Fiscal Year 2013-14; however, a catastrophic fire to the interchange bridge falsework on May 5, 2014 resulted in complete demolition of the structure. This resulted in a significant delay of the project (approximately 6 months), from the anticipated completion of November 2014. Some minor off-site environmental mitigation work commenced in October 2013 and will be ongoing for a period of 5 years, as required by the conditions of the environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board.

Project Schedule for 2016-17 Budget:

The environmental permits for this project that were issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board included a condition that the City repair and restore natural habitat and vegetation in areas disturbed during construction and at a separate parcel of land some distance from the construction site as mitigation for loss of habitat that resulted from construction of the project. The restoration requirements are outlined in a Habitat Mitigation & Monitoring Plan (HMMP) that was reviewed and approved by the two agencies. The HMMP calls for the seeding and planting of various natural elements (grasses, plants, trees, rocks, etc.) in the disturbed areas and for annual monitoring and reporting related to the success of such efforts. These monitoring and reporting efforts are stipulated to continue for a period of 5 years after completion of construction (i.e., from 2014 to 2019). Some minor restoration work was completed, as well as monitoring and reporting efforts, in FY 2013-14, FY 2014-15, and FY 2015-16, and will escalate and continue during FY 2016-17.

Construction continued in FY 2015-16 with completion of most construction in March 2015. The new interchange opened to the public on February 20, 2015, twenty-five months after start of construction. Minor punch list items of work remained along with completion of the project closeout phase through Caltrans. The project was closed out and accepted by Caltrans for maintenance in December 2015. All that remains is for the City and SANBAG to reconcile the final costs of the project so that a repayment agreement may be executed. SANBAG provided a portion of funding for this project that will need to be repaid over a period of ten years.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road/I-15 Interchange (Continued)

Project Schedule for 2016-17 Budget (Continued):

Upon project completion and final closeout, total project costs will be reconciled with San Bernardino Associated Governments (SANBAG), and the City will be responsible for 57.5% of the Total Project Cost (estimated at \$62,600,000). Approximately 6.8% of the City's share will be assigned to the County of San Bernardino (5.9%) and the Town of Apple Valley (0.9%) through subsequent agreements.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
300-700-7086 Contractual	\$ 469,634	\$ ** 462,061	\$ 250,000	\$ 75,000	\$ 130,000
300-700-7086 Land Acquisition	* 499,370	0	0	0	0
Total Expenditures	\$ 969,004	\$ 462,061	\$ 250,000	\$ 75,000	\$ 130,000
 <u>Source of Funds</u>					
300 DIF Streets	\$ 969,004	\$ ** 462,061	\$ 250,000	\$ 75,000	\$ 130,000
Total Source of Funds	\$ 969,004	\$ 462,061	\$ 250,000	\$ 75,000	\$ 130,000

*For final acquisition costs related to condemnation of needed right-of-way.

**An insurance reimbursement of \$8,749 was received during FY 2015-16 for Engineering services related to the I-15/Rancho Road Bridge fire.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road/I-15 Interchange (Continued)

Project Funding Narrative:

Funded from Streets Development Impact Fee as it is considered an expansion to the City's Arterial Highway System.

The project expenditures are proposed to be funded from Streets Development Impact fees and Federal/State grants. The City is responsible for 57.5% of the project's cost, which Federal funds can be used for this share. Upon completion, the City will have three years to repay the San Bernardino Associated Governments (SANBAG) loan; otherwise, the City's Measure I Renewal funds will be used to repay the loan. The following funds for planning, design, right-of-way, and construction have been earmarked to date:

<ul style="list-style-type: none"> ▪ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Interstate Maintenance Discretionary (IMD) Program P.L. 109-59, Project No. 158 – Federal Grant (Appropriated 2008)..... 	\$1,356,810
Note: This grant funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ SANBAG/State Transportation Improvement Program (STIP) Regional Improvement Program (RIP) – (Appropriated 2008)..... 	7,034,000
Note: The original grant amount was \$7,979,000–Caltrans transferred \$945,000 for Advertising, Award, and Administration fees, remaining balance of \$7,034,000 (received in FY 2011-12) was utilized by the City for acquisition of right-of-way	
<ul style="list-style-type: none"> ▪ Measure I (2010-2040) Victor Valley Major Local Highway Program (MLHP)..... 	4,549,000
Note: This grant funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ SAFETEA-LU IMD Program, HR1105 Omnibus Appropriation Act for 2009..... 	650,750
Note: This grant funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ SAFETEA-LU IMD Program, Continuing Appropriation Resolution 2010, P.L. 111-68 	1,000,000
Note: This grant funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ Development Impact Fee (Fund 300 – DIF) Streets Fund..... 	12,200,000
Note: \$3,000,000 of DIF Funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ CTC –Resolution No. SLPP-P-1112-09 (SLPP Bond Funding) 	4,550,000
Note: This grant funding was transferred to SANBAG for use in construction of the project	
<ul style="list-style-type: none"> ▪ CTC – Resolution No. CMIA-PA-1112-017 & CMIA-P-1112-018B (CMIA Funding) ... 	<u>21,135,000</u>
Note: This grant funding was transferred to SANBAG for use in construction of the project	
Total Federal/State/Local Project Funding Commitments	\$52,475,560

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road Improvements – Seventh Avenue to Mariposa Road
Phase 1 – Preliminary Engineering and Right-of-Way Identification
Phase 2 – Design and Right-of-Way Acquisition

Project Number: 7094

Department/Program: Development Services – Streets CIP

Project Description and Location:

The Rancho Road Corridor Project consists of various improvements to Rancho Road including the Rancho Road Underpass [Construction Order (C.O.) 7046], a new interchange at I-15 (C.O. 7086), and widening of Rancho between the two. This is the City's highest transportation priority. With the completion of the underpass and interchange, traffic on Rancho Road has increased dramatically. This project will perform the engineering to select the ultimate alignment for Rancho Road between the western terminus of the Rancho Road Underpass Project, Seventh Avenue, and Mariposa Road. Identification of the required right-of-way will be determined and cost estimates will be prepared for the entire stretch of roadway. Approximately 50% of Rancho Road within this 5-mile stretch is located outside the City limits within the unincorporated area of San Bernardino County. A Cooperative Agreement with the County has been executed to establish funding responsibilities.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

In November 2007 the preliminary improvement plans were begun by Desert Engineering under the first phase. These were used as the basis for design plans being prepared by Parsons and was subsequently awarded in October 2008. Detail design plan work continued through 2009, with focus on the aqueduct. Meetings with the Department of Water Resources (DWR) occurred in order to begin the coordination required for permits. Cessation of all design work occurred until execution of a Memorandum of Understanding (MOU) with the County in June 2011, allowing design work to resume. As a result of the MOU, the focus has been the environmental clearance work and design of the roadway. The environmental document was completed in June 2013, and roadway design plans, right-of-way identification and cost estimates were completed August 2015. Design and coordination with DWR for the aqueduct crossing resumed in February 2015. Right-of-way acquisition and design of the Union Pacific Railroad at grade crossing has been suspended and will resume upon funding availability.

Project Schedule for 2016-17 Budget:

Aqueduct crossing design and coordination with DWR will continue through the fiscal year. Complete aqueduct crossing design is estimated for fall 2017.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road Improvements – Seventh Avenue to Mariposa Road (Continued)

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
207-700-7094 Contractual	\$ 55,308	\$ 185,471	\$ 677,500 **	\$ 392,000	\$ 552,450
300-700-7094 Contractual	20,000	0	0	0	0
504-700-7094 Contractual	55,308	0	22,500 **	22,500	36,550
Total Expenditures	<u>\$ 130,616</u>	<u>\$ 185,471</u>	<u>\$ 700,000</u>	<u>\$ 414,500</u>	<u>\$ 589,000</u>
<u>Source of Funds</u>					
207 Local Transportation Article 8	\$ 55,308	\$ 185,471	\$ 677,500 *	\$ 392,000	\$ 552,450
300 DIF Streets	20,000	0	0	0	0
504 Citywide Projects (County Reimbursement)	55,308 *	0	22,500 *	22,500 *	36,550
Total Source of Funds	<u>\$ 130,616</u>	<u>\$ 185,471</u>	<u>\$ 700,000</u>	<u>\$ 414,500</u>	<u>\$ 589,000</u>

*50% Reimbursement from San Bernardino County. There may be timing differences between when expenditures were made and when reimbursement is received.

**Funds expensed from 207 Local Transportation Funds may need to be reallocated to 504 Citywide Projects due to timing of County Reimbursement.

***Due to the timing difference between the initial expenditures of the project and the receipt of County reimbursements, a reconciliation was performed to allocate the expenditures by funding source, which resulted in a shift in expenditures from DIF to the Citywide Projects (reimbursement fund).

Project Funding Narrative:

The total cost of Phase 1 and Design work of Phase 2 is estimated at \$2,410,600. Funding which is being reimbursed by the County of San Bernardino (\$542,772 through FY 2012-13 expenditures) for work advanced by the City has been utilized in FY 2011-12, FY 2012-13, and FY 2013-14. The balance of the reimbursement (\$59,050 for FY 2013-14 through FY 2015-16 year-end) will be used for the aqueduct crossing design work, with the remainder funded by Local Transportation Funds.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street
 Phase 1 Design and Right-of-Way Identification
 Phase 2 Right-of-Way Acquisition and Construction

Project Number: 7096

Department/Program: Development Services – Streets CIP

Project Description and Location:

The bridge along Main Street, which crosses the California Aqueduct, currently has capacity for only four lanes, two in each direction. The City's Master Plan of arterial highways identifies Main Street as a major arterial roadway, which has a total of six lanes, three in each direction from Interstate 15 to Eleventh Avenue. In addition, the completion of Walmart has impacted Main Street with additional traffic, and new retail developments within the Walmart Shopping Center will have further impact. As a result, the bridge will have to be widened to accommodate the ultimate configuration of Main Street. The widening project has many potential issues: the chief issue being interaction with the Department of Water Resources (DWR). Other issues involve a potential retrofit of the existing bridge structure to meet the new State seismic requirements, potential environmental issues, and involvement of Caltrans given its proximity to Interstate 15.

The first phase of the project will include design and the issues associated with that design, including right-of-way, environmental clearance, and outside agency coordination. Cost estimates will also result from this project phase. Phase 2 will involve acquisition of the necessary right-of-way and construction.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The consultant firm to carry out Phase 1 (design and right-of-way identification and project management) was engaged in February 2008. Commencement of the work began in May 2008 [along with Construction Order (C.O.) 7105]. Coordination with DWR began with two meetings that occurred in summer 2008. Preliminary design was completed and design work was started in January 2009. The Bridge Type Selection report was completed in March 2010 and submitted to DWR for approval. Coordination with DWR continued through April 2010. This new bridge is intended to serve westbound traffic, while the existing bridge will be seismically retrofitted by the State, and serve solely eastbound traffic. Right-of-way identification, design, and environmental work was suspended in June 2010, due to changes in the economy and slowed development. Design coordination with DWR, right-of-way identification, and environmental clearance work resumed in February of 2015.

Project Schedule for Fiscal Year 2016-17 Budget:

Design work, right-of-way identification, and environmental clearance work will continue through the fiscal year. Design completion is anticipated for fall 2017. Right-of-way acquisition will begin upon funding availability.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
207-700-7096 Contractual	\$ 0	\$ 186,911	\$ 400,000	\$ 247,000	\$ 400,000
Total Expenditures	<u>\$ 0</u>	<u>\$ 186,911</u>	<u>\$ 400,000</u>	<u>\$ 247,000</u>	<u>\$ 400,000</u>

Source of Funds

207 Local Transportation Article 8	\$ 0	\$ 186,911	\$ 400,000	\$ 247,000	\$ 400,000
Total Source of Funds	<u>\$ 0</u>	<u>\$ 186,911</u>	<u>\$ 400,000</u>	<u>\$ 247,000</u>	<u>\$ 400,000</u>

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street (Continued)

Project Funding Narrative:

Phase 1 is estimated to cost \$880,000, and the right-of-way acquisition portion of Phase 2 is estimated at \$1,070,000. The construction portion of Phase 2 would begin when funds become available. This project is to be funded by a combination of Local Transportation Fund Article 8 (LTF) and other funding as available.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Muscatel Street/I-15 Interchange and Joshua Street Overpass
 Phase I – Project Study Report (PSR) (Completed FY 2010-11)
 Phase II – Project Approval and Environmental Document (PA & ED)

Project Number: 7098

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City's Master Plan of Arterial Highways indicates a crossing of I-15 in the vicinity of Muscatel Street on the east side of the freeway to a connection with Mesa Linda Avenue on the west side of the freeway. This was originally envisioned as a bridge crossing only, with no connections to the freeway, however, because of projected traffic on adjacent freeway connections, an additional access to I-15 is warranted. This proposed interchange would connect the proposed large-scale commercial areas on each side of the freeway; enable easy access to both sides of the freeway, and provide better circulation within the City without having to utilize the Main Street interchange. In addition, the City proposed to concurrently evaluate modifications to the Joshua Street off-ramps to provide a northbound off-ramp (under Project 7099); however, due to the current spacing between Main Street, Muscatel Street, Joshua Street, and the U.S. 395/I-15 Junctions, all connections together will not meet Caltrans, nor the Federal Highway Administration (FHWA), standards. Consequently, the City has decided to consolidate the Muscatel and Joshua projects into one project in order to evaluate one freeway interchange that will be acceptable to both agencies. Preliminary discussions with both agencies indicate that the Muscatel Street alignment would be preferred over the Joshua Street alignment. Phase 1 of this project involved the preparation of a Project Study Report (PSR) portion of the project for submittal to Caltrans.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The City Council awarded a contract to Parsons in January 2007 to perform this phase of the work. Work commenced in May 2007 with a kick-off meeting at Caltrans. After work was approximately 20% to 30% complete, Caltrans requested that this phase of the work be upgraded from a Project Study Report/Project Development Study (PSR/PDS) to a full Project Study Report (PSR), which requires a higher level of analysis than initially required. The project was delayed by cessation of Caltrans oversight on all "K-phase" (planning) projects due to lack of funding for a period of 2-3 months. Parsons continued to work on the preliminary studies and traffic analysis with the PSR work to progress to a draft PSR by April 2009 which was reviewed by Caltrans beginning in May 2009. The Preliminary Environmental Analysis Report (PEAR) was approved in January 2010. The PSR was signed by Caltrans in May 2010, closing out Phase 1 of the project. A New Connection Report (NCR) acceptability determination was issued by FHWA in January 2011.

Project Schedule for 2016-17 Budget:

No funding is proposed during this fiscal year. Staff will evaluate options for funding Phase II, which is the Project Approval & Environmental Document (PA&ED) Phase. Approval of the PA&ED will allow the City to gain acceptability of a new connection report from FHWA, begin procuring required right-of-way and begin the Plans, Specifications, and Estimates (PS&E) engineering design work for the project.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
300-700-7098 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Muscatel Street/I-15 Interchange and Joshua Street Overpass (Continued)

Project Funding Narrative:

This project is funded with Streets Development Impact Fees (DIF) funds. The FY 2007-08 CIP Budget combined this project with the Joshua Street Overcrossing Project and was managed as a combined, single project with a contract amount of \$249,892. Additional funding of \$310,000 was needed to continue this phase of work in FY 2008-09 due to the Caltrans' requirement to upgrade the document to a Project Study Report (PSR). For FY 2009-10, \$160,000 was programmed to complete the PSR. Commencement of the Project Approval & Environmental Document (PA&ED) phase will be evaluated once funds become available.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Choiceana/Talisman Realignment

Project Number: 7122 (Completed FY 2013-14)

Department - Program: Development Services – Streets CIP

Project Description and Location:

This project involves the realignment of two local streets that intersect one another in the northeast portion of the City. The "G-01" regional drainage facility designated on the City's Master Plan of Drainage conveys storm flows, causing seasonal damage to this intersection, posing a hazard to the public, and a significant allocation of staff resources to repair/remediate the damage. This project would eliminate the street intersections by connecting the "northerly legs" of Talisman Street and Choiceana Avenue together and connect the "southerly legs" together. The G-01 unimproved channel would be better defined between the two street segments reducing storm flow damage.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Property acquisitions of the necessary right-of-way were initiated in June 2009 and were completed in November 2010. The project area was surveyed in March 2012, and the in-house design was completed in March 2013. The project was made part of the FY 2012-13 Street Improvement Project, which was advertised for public bid in March and was awarded in May. The project cost exceeded the estimate, resulting in additional funds being added at the time of award, prior to construction. The project was completed on December 1, 2013, and accepted by the City Council on February 18, 2014.

Project Schedule for 2016-17 Budget:

The project is complete.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7122 Contractual	\$205,374	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$205,374	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
204 Measure I Renewal	\$205,374	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$205,374	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal Funds.

Project Impact on Operating Budget:

The project resulted in a long-term decrease on operation and maintenance expenses due to the ability to convey storm water flows past the roadways without affecting the streets, thus eliminating the need to remove tons of storm debris after every storm event.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Willow Street Paseo

Project Number: 7123

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the construction of a bicycle/pedestrian paseo along the north and south sides of Willow Street from Third Avenue to Eighth Avenue. This “Willow Street Paseo” will provide a safe path of travel from high-density housing areas of the City to several schools which are located along Willow Street. In addition, it will provide another link to the Eighth Avenue Paseo, which was constructed in 2013, providing additional bicycle/pedestrian friendly routes to the Civic Center Complex. This facility follows the “complete street” concept as identified in the City’s General Plan Update and outlined in the Urban Design Framework Plan. The realization of this project is the result of City staff’s diligence in securing a Federal Safe Routes to School Grant.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

City staff, working with Tom Dodson & Associates, was able to clear the environmental phase of the project in Spring of 2015. City staff was able to get the Authorization to Proceed from the California Transportation Commission (CTC) in the Fall to move forward with the Design Phase and after completing the formal process for professional services; a contract for the design services was awarded to Valued Engineering to prepare the plans and specifications. Valued Engineering is expected to complete their phase of the project by the end of the fiscal year.

Project Schedule for Fiscal Year 2016-17 Budget:

City staff will utilize the plans and specifications prepared by Valued Engineering to execute the required competitive bidding process for construction of the project. Once the bids are received, the entire bid packet needs to be submitted to the CTC for the Authorization to Proceed with construction. Once Caltrans authorizes the bid packet, the City will be able to move forward with construction. Assuming there is no lengthy delay on Caltrans part, the project should be under construction in this fiscal year.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2013-14</u> <u>Actual</u>	<u>2014-15</u> <u>Actual</u>	<u>2015-16</u> <u>Budget</u>	<u>2015-16</u> <u>Revised</u>	<u>2016-17</u> <u>Budget</u>
204-700-7123 Contractual	\$ 10,717	\$ 0	\$ 0	\$ 0	\$ 0
205-700-7123 Contractual	0	0	70,438	50,000	20,438
504-700-7123 Contractual	0	0	834,900	11,182	823,718
Total Expenditures	\$ 10,717	\$ 0	\$905,338	\$ 61,182	\$ 844,156
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 10,717	\$ 0	\$ 0	\$ 0	\$ 0
205 Gas Tax	0	0	70,438	50,000	20,438
504 SRTS Grant (Fed.)	0	0	834,900	11,182	823,718
Total Source of Funds	\$ 10,717	\$ 0	\$905,338	\$ 61,182	\$ 844,156

Project Funding Narrative:

This project will be funded by Federal Safe Routes to School Grant funds (\$834,900), as well as Measure I Renewal and Gas Tax (\$83,188 combined) funds to make up the City’s match.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Sequoia Bike Routes & Bus Stop Improvements

Project Number: 7124 (Completed FY 2013-14)

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the construction of a Class II bicycle facility along Sequoia Street from Cottonwood Avenue to Hesperia Road, along with improvements to three bus stops in the City. This bicycle facility is identified on the City's Non-motorized Transportation Plan and will provide cyclists with an alternative route to cycling on the traffic-congested Bear Valley Road. The Class II facility will be constructed by widening the pavement and striping bicycle lanes along the shoulders. Appropriate signage will also be installed. The most notable bus stop improvement will consist of shoulder widening and a path of travel to the stop sign on the south side of Bear Valley Road just east of Industrial Avenue. City staff was able to obtain grant funds for these projects from the Transportation Development Act Article 3 Bicycle and Pedestrian Fund through a competitive grant application with SANBAG. City staff was notified that they were successful in obtaining the grant in November 2011.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Sequoia Avenue was surveyed in March 2012, and the in-house design for the Class II bicycle facility was completed in March 2013. Altec Engineering was awarded the contract to design the Bear Valley Road bus stop and completed the task in March 2013. Both projects were added to the FY 2012-13 Street Improvement Project, which was advertised for public bid in March 2013, awarded in May 2013, and construction began in July 2013. The project was completed on December 1, 2013, and was accepted by the City Council on February 18, 2014.

Project Schedule for Fiscal Year 2016-17 Budget:

The project is complete.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7124 Contractual	\$ 11,291	\$ 0	\$ 0	\$ 0	\$ 0
504-700-7124 Contractual	544,556	0	0	0	0
Total Expenditures	\$555,847	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

204 Measure I Renewal	\$ 11,291	\$ 0	\$ 0	\$ 0	\$ 0
504 TDA Article 3 Grant	544,556	0	0	0	0
Total Source of Funds	\$555,847	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Transportation Development Act Grant funds (\$544,556), as well as Measure I Renewal (\$28,508) funds to make up the City's match.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2012-13 Street Improvement Project

Project Number: 7125 (Completed FY 2013-14)

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry-seal overlay of selective roads in the City. Corrective maintenance is planned for Main Street from Cataba Road to Interstate 15. In addition, the City will expand on the newly completed improvements along Santa Fe Avenue East and extend those improvements to I Avenue. The long neglected Mesa Avenue east of Santa Fe Avenue East will also be reconstructed for approximately one-half mile. Preventative maintenance will occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. This preventative maintenance will be performed on approximately 10 miles of roadways throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

City staff prepared the bid package for the project in March 2013. In order to receive more competitive bids on smaller projects, Project Numbers 7122 (Choiceana/Talisman Realignment) and 7124 (Sequoia Bike Route and Bus Stop Improvements) were added to the project. In addition, a joint project with the Victor Valley Transit Authority to pave Smoketree Street between E and I Avenues to assist bus movements was agreed to, and included in the project. The project was awarded during the May 7, 2013 Council meeting and construction began in July 2013. The project was completed on December 1, 2013 and accepted by the City Council on February 18, 2014.

Project Schedule for Fiscal Year 2016-17 Budget:

The project is complete.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7125 Contractual	\$1,523,168	\$ 0	\$ 0	\$ 0	\$ 0
504-700-7125 Contractual	181,506	0	0	0	0
Total Expenditures	\$1,704,674	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
204 Measure I Renewal	\$1,523,168	\$ 0	\$ 0	\$ 0	\$ 0
504 WTA Reimbursement	181,506	0	0	0	0
Total Source of Funds	\$1,704,674	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal funds (\$1,523,843), and funds from the Victor Valley Transit Authority (\$181,506).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street Overhead Railroad Bridge Rehab

Project Number: 7127 (Completed FY 2013-14)

Department/Program: Development Services – Streets CIP

Project Description and Location:

The Main Street Bridge provides one of two current crossings of the Burlington Northern Santa Fe (BNSF) Railway in the City (when completed, the Rancho Road Undercrossing will become the third). Consequently, the State Department of Transportation (Caltrans) performed an inspection of the 39-year old bridge, the results of which include three recommended actions to maintain its life: 1) clean the concrete deck and seal/fill the “heavy cracking” surface with methacrylate; 2) backfill erosion at the northwest and southwest corners of the bridge, and; 3) re-patch the spall in the concrete diaphragm over bent cap #2. Once completed, the bridge will be restriped.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Work on this project was completed in June 2014.

Project Schedule for Fiscal Year 2016-17 Budget:

The project is complete.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7127 Contractual	<u>\$118,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures	\$118,000	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

204 Measure I Renewal	<u>\$118,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Source of Funds	\$118,000	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal Funds.

Project Impact on Operating Budget:

This project will extend the life of the bridge, and result in a minor decrease in annual operational/maintenance costs.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2013-14 Street Improvement Project

Project Number: 7128

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry-seal overlay of selective roads in the City. Full depth roadway reconstruction is planned for Main Street from Interstate 15 to Escondido Avenue. If funding is available, the City will reconstruct three roadways that are in the worst condition and require constant pothole repairs; these roads being sections of Mauna Loa Street, Fresno Street, and Cherry Street. All three streets were due for reconstruction under previous paving projects but had to be pulled due to funding shortfalls. Preventative maintenance in the form of crack seal and slurry will occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. This preventative maintenance will be performed on approximately 10 miles of roadways throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

This project was advertised for construction on March 18, 2014. The bid opening was on April 17, 2014, and due to changes in scope of the project, bids were approximately ten percent over estimate. It was awarded by Council on May 6, 2014. Seal locations included sections of Willow Street, Fresno Street, Eucalyptus Street, Live Oak Street, Sequoia Street, Carob Street, Pitache Street, Capri Street, Donert Street, Manzanita Street, and Orchid Street. Remove and replace locations included sections of Mauna Loa Street, Fresno Street, Atlantic Street, and Main Street. Overlay locations included sections of Main Street and Eighth Avenue. Signal work was completed at the intersection of Main Street and Mountain Vista Avenue. The project was completed in February 2015, with the final retention expected to be released in May 2015.

Project Schedule for Fiscal Year 2016-17 Budget:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
204-700-7128 Contractual	\$ 42,597	\$1,759,144	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 42,597	\$1,759,144	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 42,597	\$1,759,144	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 42,597	\$1,759,144	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2014-15 Street Improvement Project

Project Number: 7129

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry-seal overlay of selective roads in the City, signal system upgrades, and dirt-road paving. Full-depth roadway re-construction will occur on Main Street east of Maple Avenue, as well as some of the worst condition roads. Preventative maintenance in the form of crack seal and slurry will occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. Based on the options selected by the City Council during the Budget process, this preventative maintenance will be performed on approximately 25 miles of roadways throughout the City. In addition, signal upgrade will occur at the Main Street and I Avenue existing signalized intersection and two dirt roads (Fir Street and Rodeo Road, between Eleventh Avenue – Seventh Avenue) will also be paved.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Prior to preparation of plans and specifications, options for the types of street to be maintained, including potential dirt-road paving, were submitted to the City Council for approval. The dirt roads selected were surveyed by a contractor and the centerline profile was designed in-house. Selected slurry seal locations included sections of E Avenue, I Avenue, Alston Avenue, Seaforth Avenue, Farmdale Street, Jenkins Street, and Fairburn Avenue. Remove and replace locations include sections of Main Street, Walnut Street, Pacific Street, and E Avenue. The dirt road paving will take place on sections of Fir Street and Rodeo Street as part of a separate project funded with Community Development Block Grant (CDBG) funds. The traffic signal at the intersection of Main Street and I Avenue was upgraded with new equipment. When bids were opened for the project, they were substantially higher than the budgeted amount. This could have been a result of fluctuating oil prices as well as contractors being busy once again. As a result, a budget amendment of nearly \$720,000 was performed to shift funds from Construction Order (C.O.) 7130 (FY 2015-16 Street Improvement Project) to this project.

Project Schedule for Fiscal Year 2016-17 Budget:

The project was completed in March, 2016.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
100-700-7129 Contractual	\$ 0	\$ 0	\$ 490,000	\$ 0	\$ 0
204-700-7129 Contractual	0	718	2,000,000	2,719,051	0
Total Expenditures	\$ 0	\$ 718	\$2,490,000	\$2,719,051	\$ 0
 <u>Source of Funds</u>					
100 General Fund	\$ 0	\$ 0	\$ 490,000	\$ 0	\$ 0
204 Measure I Renewal	0	718	2,000,000	2,719,051	0
Total Source of Funds	\$ 0	\$ 718	\$2,490,000	\$2,719,051	\$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2014-15 Street Improvement Project (Continued)
Project Number: 7129
Department/Program: Development Services – Streets CIP

Available funding all projects \$2,500,000

I. Staff recommended projects:

1. Main Street rehabilitation (Oakwood Avenue-Balsam Avenue)	\$ 980,000
2. Slurry Seal preventative maintenance (Various Streets – Approx. 10 miles)	250,000
3. Residential street rehabilitation Walnut Street (Main Street-Peach Avenue) and Del Mar Street (Willow Street-Benecia Avenue)	131,500
4. Traffic Signal Upgrade (I Avenue/Main Street), including ADA improvements	<u>140,000</u>
Total	\$1,501,500

Balance for Optional Projects \$498,500

II. Optional projects selected by Council:

1. Slurry Seal maintenance – approximately 15.7 additional miles	\$394,500
2. Dirt Road paving – Fir Street (Eleventh Avenue – Seventh Avenue)	302,000
3. Dirt Road paving – Rodeo Road (Eleventh Avenue – Seventh Avenue)	<u>302,000</u>
Total all Optional Projects	\$998,500

The City Council chose to add approximately 5 miles of Slurry Seal to the original staff recommendation, bringing the total completed with this project to 15 miles. In addition, the paving of the two dirt roads was pulled from this project and will be completed as a separate project utilizing Community Development Block Grant (CDBG) funds. The original General Fund commitment was pulled from the project to be used elsewhere.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2015-16 Street Improvement Project

Project Number: 7130

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry-seal overlay of selective roads in the City. A full-depth roadway re-construction of Main Street from Oakwood Avenue to La Junta will occur along with Fourth Avenue from Sycamore Street to Mesa Street. Preventative maintenance in the form of crack seal and slurry will also occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. The replacement of a water line in Main Street in the area which is being paved was added to the project since the City's pipeline crew did not feel comfortable working within Main Street at this location. This project has been reduced in scope to cover the unanticipated higher costs of the FY 2015-16 Street Improvement Project.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

This project was advertised for public bid in March 2016 with the bid opening on April 6, 2016. Bids were received from five contractors with a large disparity between the bids. The bids were not as competitive as expected, with the lowest bid being received from Hardy and Harper Contractors, over \$300,000 above the budgeted amount for the project. Additional funds will have to be allocated to the project or the project will have to be reduced in scope. Since a portion of Main Street is being rehabbed as part of the waterline replacement, the additional funds can come out of water budget. It is anticipated that the project will be awarded by the City Council in May and construction will begin in July, 2016.

Project Schedule for Fiscal Year 2016-17 Budget:

The project will be carried over into this fiscal year and be completed in the Summer of 2016.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
204-700-7130 Contractual	\$ 0	\$ 0	\$2,277,000	\$ 1,800	\$ 1,356,011
701-700-7130 Contractual	0	0	0	0	485,789
Total Expenditures	\$ 0	\$ 0	\$2,277,000	\$ 1,800	\$ 1,841,800

Source of Funds

204 Measure I Renewal	\$ 0	\$ 0	\$2,277,000	\$ 1,800	\$ 1,356,011
701 Water Capital	0	0	0	0	485,789
Total Source of Funds	\$ 0	\$ 0	\$2,277,000	\$ 1,800	\$ 1,841,800

Project Funding Narrative:

This project will be funded by Measure I Renewal funds. The pipeline replacement and associated repairs to Main Street will be funded by Water funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Traffic Signal @ Rancho Road/Maple Avenue

Project Number: 7131

Department/Program: Development Services – Streets CIP

Project Description and Location:

This is a multi-year project involving the establishment of a signalized intersection along the Rancho Road Corridor. The completion of the Undercrossing at the Burlington Northern Santa Fe (BNSF) Railway and the full-service interchange at Interstate 15 has caused an increase in traffic along this corridor. Several intersections are planned for signalization along this corridor at build-out. Delay at Maple Avenue, which is currently an all-way stop intersection, is significant. Development planned in the vicinity will exacerbate this delay, justifying the need for a traffic signal. The signal will be designed based on ultimate street widths of Maple Avenue and Rancho Road, necessitating acquisition of right-of-way to accommodate its installation.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Due to staffing and time constraints, staff was unable to prepare the Request for Proposals for this project in this fiscal year.

Project Schedule for Fiscal Year 2016-17 Budget:

A consultant will be engaged to design the signal. Once design is established, right-of-way needs will be identified and acquisition will commence. There is no funding committed to construction at this time. Construction cost is estimated to be \$500,000.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
205-700-7131 Contractual	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 200,000
300-700-7131 Contractual	0	0	300,000	0	300,000
Total Expenditures	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 500,000
 <u>Source of Funds</u>					
205 Gas Tax	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 200,000
300 Development Impact Fee (DIF)	0	0	300,000	0	300,000
Streets Fund					
Total Source of Funds	\$ 0	\$ 0	\$ 500,000	\$ 0	\$ 500,000

Project Funding Narrative:

This project will be funded by DIF and Gas Tax funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Bear Valley Road Reconstruction Cottonwood – Mariposa

Project Number: 7132

Department/Program: Development Services – Streets CIP

Project Description and Location:

Bear Valley Road is a major roadway shared between Hesperia and the City of Victorville and provides for more than 60,000 vehicles per day. The City of Victorville initiated a rehabilitation project for a segment of this roadway near Interstate 15, which has deteriorated significantly since the last corrective maintenance project more than ten years ago. Full rehabilitation, including pavement and lane striping, will occur within the street right-of-way.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The City of Victorville performed deflection testing on the pavement along Bear Valley Road. The majority of Bear Valley Road between I-15 and Cottonwood Avenue failed the testing, indicating that there would be a much larger project than originally envisioned. Victorville estimates that there could be as much as \$2 to \$3 million worth of damage that needs to be remediated on the City of Hesperia's side of Bear Valley Road. Hesperia's original commitment was \$250,000 in FY 2014-15. Without an additional funding commitment, only a small portion of the required repairs can be made.

Project Schedule for Fiscal Year 2016-17 Budget:

The City of Victorville is currently working with Caltrans permits division, which will enable the contractor to work within the Caltrans right-of-way over the interchange bridge. Once Victorville is successful in obtaining the encroachment permit and provides estimates to Hesperia City staff, Hesperia representatives will have to determine the level of commitment to the project.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
205-700-7132 Contractual	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000
Total Expenditures	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000
 <u>Source of Funds</u>					
205 Gas Tax	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000
Total Source of Funds	\$ 0	\$ 0	\$ 250,000	\$ 0	\$ 250,000

Project Funding Narrative:

The City's share of the project is expected to exceed \$250,000. The actual level of commitment will be determined once estimates are provided by the City of Victorville. This project will be funded with Gas Tax funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street Traffic Signal Synchronization (NEW)

Project Number: 7133

Department/Program: Development Services – Streets CIP

Project Description and Location:

The Main Street Traffic Signal Synchronization Project will install real-time adaptive signal controller technology at eight intersections along the Main Street corridor. The project will start at the I Avenue intersection and continue east until the intersection at Eleventh Avenue. All intersections will receive the latest technology signal controllers that adjust signal timing based on existing traffic at and approaching the intersection. Communication equipment will also be installed allowing the controllers to communicate with each other along the corridor. The City received a Mobile Source Emission Reduction Grant (part of AB 2766) through the Mojave Desert Air Quality Management District (MDAQMD) to purchase the equipment and is also using this opportunity to upgrade the signal operation at the E Avenue intersection.

Existing Situation:

The City has purchased the required equipment and is finalizing the contract with the engineering firm that will perform the required studies and the installation. A requirement of the grant is to perform traffic delay studies prior to and post installation to determine the effectiveness of the project.

Project Schedule for Fiscal Year 2016-17 Budget:

The consulting engineer will perform the traffic delay study once school is back in session, sometime in August. Immediately after that, the deployment of the equipment will occur. The equipment then “learns” the typical traffic flow through each intersection for a 30 to 60 day period before it is activated. The new controllers are then engaged and monitored for an extended period to ensure proper operation. It is anticipated full deployment of the system will be completed this fiscal year.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
100-700-7133 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,500
204-700-7133 Measure I Renewal	0	0	0	0	200,000
254-700-7133 Contractual	0	0	0	81,917	16,528
254-700-7133 Grant	0	0	0	* 246,200	0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 252,028

Source of Funds

100 General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,500
204 Measure I Renewal	0	0	0	0	200,000
254 AB2766 Transit	0	0	0	81,917	16,528
254 AB2766 AQMD Grant	0	0	0	* 246,200	0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 328,117	\$ 252,028

*Note: Grant reimbursement will occur upon project completion.

Project Funding Narrative: The project is being funded from a number of sources. The Mobile Source Emission Reduction AB2766 Grant will fully fund the purchase of the adaptive signal control equipment. Measure I Fund 204 will fund the normal signal upgrades, including upgrades at the E Avenue intersection. The communications and installation costs will be covered by City General Funds and a portion of the City’s annual AQMD allotment.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street Traffic Signal Synchronization (NEW) (Continued)

Project Number: 7133

Department/Program: Development Services – Streets CIP

Project Impact on Operating Budget:

Once the project is complete, it is expected that there will be some additional maintenance by the City Staff as they learn the new system. The new system will give staff additional capabilities, including viewing traffic through the intersections from their offices. Once staff is fully trained, they will be able to manipulate the signal timing remotely, which is beyond the capabilities of the existing signal controllers.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Street Improvements – Fir Street & Rodeo Street (NEW)

Project Number: 7134

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project includes the paving of a portion of two existing dirt roads. The construction of asphalt paving will occur on east-west segments of Fir Street and Rodeo Street (between Seventh Avenue and Eleventh Avenue), which serves residential properties within the City of Hesperia (City). The improvements will include construction of 26-foot wide asphaltic-concrete (AC) pavement within the middle of each street's existing 60-foot wide right-of-way. The paving will consist of a 6-inch prepared subgrade of Class-II base and a 3-inch lift of AC. The work also includes construction of pavement to connect all existing driveways on private property to the new street paving. The two dirt roadways currently have an "inverted" design in order for the driving surface to collect and maintain any nuisance and/or storm water flows within the public right-of-way, leaving adjacent properties generally unaffected. The newly paved roadway will match the existing invert profile, with a 3-percent grade sloping from the outside edge of pavement to the centerline of improvements.

By paving these street segments, typical road grading of dirt roads by the City's Street Department on an annual basis will be reduced. This will in turn reduce annual operational costs for this portion of the City's roadway network maintenance costs, but will be offset by increased maintenance costs related to paved roadways.

On June 17, 2014, the Hesperia City Council adopted the Fiscal Year 2014-15 Budget, which included the Capital Improvement Program (CIP). The adopted CIP appropriated \$2.5 million in funding for the 2014-15 Street Improvement Project under Construction Order (C.O.) No. 7129 and included funding totaling \$604,000 for paving Fir Street and Rodeo Street. These roads were selected in part because (1) they are used as alternate routes to other east-west roads in the vicinity (such as Rancho Road); (2) infrastructure upgrades to waterlines have been completed within the last five years; and (3) the number of existing residences on the roads (near build-out). Due to construction timing, C.O. 7129 was not carried out in FY 2014-15. As a result, the project was "carried-over" and \$2.49 million was included in the FY 2015-16 Budget, which was adopted on June 16, 2015.

Subsequent to the adoption of the FY 2015-16 CIP budget, the \$500,000 previously budgeted from the City's General Fund to pave the two dirt roads was substituted with \$500,000 in Community Development Block Grant (CDBG) funds. Due to increased construction costs to pave the roads, an additional \$300,000 was allocated from CDBG, for a total CDBG allocation of \$800,000. In addition, due to the CDBG funding source, and the strict requirements associated with federally funded projects, the proposed dirt road paving project was separated from C.O. No. 7129, and given its own C.O. assignment (i.e., C.O. No. 7134).

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The project was advertised for bids in December 2015 and a contract was awarded to Matich Corporation in January 2016. Construction work commenced in May 2016 and was completed in June 2016. The closeout phase of the project will be completed in August 2016.

Project Schedule for 2016-17 Budget:

Staff will complete the closeout phase of the project.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
251-700-7134 Grant	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 50,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 50,000
 <u>Source of Funds</u>					
251 CDBG (Grant Funds)	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 50,000
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 50,000

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Street Improvements – Fir Street & Rodeo Street (NEW) (Continued)

Project Number: 7134

Department/Program: Development Services – Streets CIP

Project Funding Narrative:

This project is funded by Community Development Block Grant (CDBG) funds. CDBG funding of \$800,000 was approved by the City Council as a part of the FY 2015-16 first quarter budget amendment.

Note: Originally, this project was funded under Construction Order (C.O.) No. 7129 with \$500,000 in funding from the General Fund – Fund 100 and \$104,000 in funding from the Measure I Renewal Fund – Fund 204 for a total project budget of \$604,000.

Bids for this project came in considerably lower than the original estimate. Only \$430,000 of the \$800,000 budgeted was needed to construct the project. From the remaining balance of \$370,000, an amount of \$310,750 was reallocated to the Americans with Disabilities Act (ADA) Improvements – Year 2 Project (C.O. No. 7401) and the amount of \$59,250 was returned to Economic Development for reprogramming.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: FY 2016-17 Street Improvement Project (NEW)

Project Number: 7135

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry-seal overlay of selective roads in the City. A full-depth roadway reconstruction of Main Street from La Junta to Pyrite will occur along with several local streets throughout the City. The construction of the raised center median along Main Street at the Balsam Avenue intersection is expected to be part of this project, as is a sewer line repair in this section of Main Street to remove a sag in the line. Preventative maintenance in the form of crack seal and slurry will also occur on streets that have had corrective maintenance done during the past 7-10 years to extend their usable life.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Engineering staff coordinated with Public Works staff to identify roadways, which will be crack-sealed and then slurry coated. Public Works staff performs the crack sealing with in-house crews in advance of the slurry project. Public Works crews will perform crack sealing on the identified streets in the Spring of 2016 and complete the work in the Fall of 2016.

Project Schedule for Fiscal Year 2016-17 Budget:

Public Works staff will continue the crack sealing of roadways into this fiscal year. It is desirable to allow the crack sealing material a period to cure before the slurry coat is applied. Beginning this project in the Spring of 2017 will accomplish the goals of the City's Annual Street Improvement Project.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7135 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000,000
711-700-7135 Contractual	0	0	0	0	200,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,200,000
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000,000
711 Sewer Capital	0	0	0	0	200,000
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,200,000

Project Funding Narrative:

This project will be funded by Measure I Renewal Funds and Sewer Capital funds for the pipeline repair and associated street repairs.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2014-15 ADA Transition Plan – Year 1

Project Number: 7400

Department/Program: Development Services – Streets CIP

Project Description and Location:

In order to comply with the Americans with Disabilities Act (ADA), the City will need to make modifications to existing infrastructure, including public buildings. To determine the magnitude of the modification, a self-evaluation and transition plan is underway and expected to take more than one year to complete. In the interim, public street improvements can be initiated to reduce the outstanding number of modifications to be done. The City Council began this effort by awarding Community Development Block Grant (CDBG) funds for the Federal 2014-15 fiscal year. Combined with other funding, staff will prioritize modifications to handicap ramps and similar existing facilities, focusing on the CDBG target area.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

Staff identified various locations for removal and reconstruction that could occur with available funding. Specifications were prepared by staff and the project was released for bids in April 2015. HUD requires a minimum of two bids for public works projects utilizing CDBG funds, but the City only received one eligible bid; therefore, the Council rejected the low bid and directed staff to combine the ADA Improvements – Year 1 project with the ADA Improvements – Year 2 project for a combined larger project. It was determined that a single larger project would attract more eligible bidders when the project is re-bid in late spring 2016.

Project Schedule for Fiscal Year 2016-17 Budget:

Staff combined both the ADA Improvements – Year 1 (Fiscal Year 2014-15) and the ADA Improvements – Year 2 (FY 2015-16) into a single project and prepared the plans and specifications for bidding. Project was released for bids in late spring of 2016 and construction is estimated to be completed in late fall 2016.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
204-700-7400 Contractual	\$ 0	\$ 2,072	\$ 2,000	\$ 4,000	\$ 44,250
251-700-7400 Grant	0	0	0	0	50,750
Total Expenditures	\$ 0	\$ 2,072	\$ 2,000	\$ 4,000	\$ 95,000

Source of Funds

204 Measure I Renewal	\$ 0	\$ 2,072	\$ 2,000	\$ 4,000	\$ 44,250
251 Community Development Block Grant	0	0	0	0	50,750
Total Source of Funds	\$ 0	\$ 2,072	\$ 2,000	\$ 4,000	\$ 95,000

Project Funding Narrative:

This project will be funded by Measure I Renewal funds (\$50,322) and Community Development Block Grant (CDBG) funds (\$50,750).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2015-16 ADA Transition Plan (Year 2)

Project Number: 7401

Department/Program: Development Services – Streets CIP

Project Description and Location:

In order to comply with the Americans with Disabilities Act (ADA), the City will need to make modifications to existing infrastructure, including public buildings. To determine the magnitude of the modification, a self-evaluation and transition plan is underway and expected to take more than one year to complete. In the interim, public street improvements can be initiated to reduce the outstanding number of modifications to be done. The City Council began this effort by awarding Community Development Block Grant (CDBG) funds for the Federal 2014-15 Fiscal Year. Combined with other funding, staff will prioritize modifications to handicap ramps and similar existing facilities, focusing on the CDBG target area.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

During Year 1 of this multi-year project, staff identified various locations for removal and reconstruction that could occur with available funding. Specifications were prepared by staff and the project was released for bids in April 2015. HUD requires a minimum of two bids for public works projects utilizing CDBG funds, but the City only received one eligible bid; therefore, the Council rejected the low bid and directed staff to combine the ADA Improvements – Year 1 project with the ADA Improvements – Year 2 project for a combined larger project. It was determined that a single larger project would attract more eligible bidders when the project is re-bid in late spring 2016. Additional locations for removal and reconstruction were identified and added to the new combined project.

Project Schedule for Fiscal Year 2016-17 Budget:

Staff combined both the ADA Improvements – Year 1 (Fiscal Year 2014-15) and the ADA Improvements – Year 2 (FY 2015-16) into a single project and prepared the plans and specifications for bidding. Project was released for bids in late spring of 2016 and construction is estimated to be completed in late fall 2016.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
251-700-7401 Grant	\$ 0	\$ 0	\$ 260,000	\$ 0	\$ 570,750
Total Expenditures	\$ 0	\$ 0	\$ 260,000	\$ 0	\$ 570,750

Source of Funds

251 Community Development Block Grant	\$ 0	\$ 0	\$ 260,000	\$ 0	\$ 570,750
Total Source of Funds	\$ 0	\$ 0	\$ 260,000	\$ 0	\$ 570,750

Project Funding Narrative:

This project will be funded with Community Development Block Grant (CDBG) funds.

The original budget for this project was \$260,000; however, when the bids were opened for the Street Improvement Project – Fir Street & Rodeo Street Construction Order (C.O.) No. 7134 the bids came in considerably under budget and a portion of the remaining funds were re-allocated to this project by the City Council in order to construct additional ADA improvements. The portion of CDBG funds that were re-allocated to this project was in the amount of \$310,750. Therefore the revised total amount of CDBG Funds available for this project was increased to a total of \$570,750 (\$260,000 + \$310,750 = \$570,750).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2016-17 ADA Improvements – Year 3 (NEW)

Project Number: 7402

Department/Program: Development Services – Streets CIP

Project Description and Location:

In order to comply with the Americans with Disabilities Act (ADA), the City will need to make modifications to existing infrastructure, including public buildings. To determine the magnitude of the modification, a self-evaluation and transition plan is underway and expected to take more than one year to complete. In the interim, there are public street improvements that can be initiated to reduce the outstanding number of modifications to be done. The City Council began this effort by awarding Community Development Block Grant (CDBG) funds for the two previous fiscal years and followed up with approval of CDBG funding for this fiscal year. Staff will prioritize modifications to handicap ramps and similar existing facilities, focusing on the CDBG target area.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

No work was completed during FY 2015-16. This is a new project.

Project Schedule for Fiscal Year 2016-17 Budget:

During Year 1 and Year 2 of this multi-year project, staff identified various locations for removal and reconstruction that could occur with available funding. Under Year 3, staff will again identify locations for removal and reconstruction. Specifications will be prepared by staff and the project released for bids in Winter 2016. Construction is estimated to commence in late winter of 2017 and be completed in Summer of 2017.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
251-700-7402 Grant	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,614
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,614

Source of Funds

251 Community Development Block Grant	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,614
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 104,614

Project Funding Narrative:

This project will be funded with Community Development Block Grant (CDBG) funds.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: H-01 Drainage Facility – Section 3A (Fourth Avenue to Third Avenue)
Design, Right-of-Way Identification, and Construction

Project Number: 7091

Department/Program: Development Services – Drainage CIP

Project Description and Location:

This project involves the design and alignment selection of a major drainage facility to convey storm flow through the H-01 Drain Line designated in the City's Master Plan of Drainage from Fourth Avenue and Mojave Street to the Burlington Northern Santa Fe (BNSF) Railroad along Hesperia Road. The project would include the identification of right-of-way and easements required for the alignment of the storm drain. It is anticipated that once the alignment study is complete, the right-of-way acquisition would be completed.

The H-01 line is a major natural drainage wash that conveys storm flow from a large tributary area on the west side of the City. This tributary area includes a portion of the high-density residential area west of Maple Avenue. The City has constructed the portion of the H-01 storm drain line from Main Street north to Fourth Avenue. The design of the drain line south of Main Street would allow the channelization of the storm water run-off through residential neighborhoods and protect many existing homes from flooding.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

This project was awarded to Parsons Engineering in February 2008 as part of the CIP management contract and was subsequently awarded in October. Parsons is tasked with completing the alignment study and conceptual design with right-of-way needs assessment; however, due to a downturn in the economy and re-prioritization of projects in the CIP, work was suspended on this project to allow further evaluation in November 2008. The project was subsequently broken into two Sub-Phases after completion of Section 2 Construction Order (C.O.) 7087, to allow extension of the facility from Fourth Avenue to Third Avenue (Sub-Phase 3A), before the project needs to be extended to the railroad tracks (Sub-Phase 3B). No work was planned in FY 2009-10; however, damage sustained from February 2010 rain events caused focus to be placed again on Sub-Phase 3A. In-house design, survey, and easements/right-of-way work did not occur before December 2010, when additional damage was sustained between Fourth and Third Avenues. Coordination with the Federal Emergency Management Agency (FEMA) resulted in a commitment for reimbursement of the flood damage. With the project "federalized", additional environmental clearance was required, and a consultant (Tom Dodson & Associates) was engaged in February 2011 to obtain the necessary National Environmental Policy Act (NEPA) clearance. City staff has worked with Tom Dodson & Associates over the last 4 years through multiple submittals of the specialized studies required by Caltrans. Finally, in late 2015, Caltrans approved the last of the studies and cleared the project through the environmental review phase. City staff consulted with its State Advocate to try and determine what level of permitting would be required to move the project to construction and the costs associated with the permitting process.

Project Schedule for 2016-17 Budget:

City staff will continue to work with the City's State Advocate and consult with the Regional Water Quality Control Board, as well as the Army Corps of Engineers to determine the requirements associated with obtaining the permits for the project. Once the anticipated permit and mitigation costs are determined, the information will be presented to the City Council to determine the viability of moving the project to construction.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: H-01 Drainage Facility – Section 3A (Fourth Avenue to Third Avenue)
Design, Right-of-Way Identification, and Construction (Continued)

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
504-700-7091 Contractual	\$ 13,173	\$ 0	\$ 1,185,537	\$ 5,115	\$ 1,180,420
Total Expenditures	\$ 13,173	\$ 0	\$ 1,185,537	\$ 5,115	\$ 1,180,420

Source of Funds

504 City Wide Projects Fund-FEMA	\$ 13,173	\$ 0	\$ 1,185,537	\$ * 5,115	\$ 1,180,420
Total Source of Funds	\$ 13,173	\$ 0	\$ 1,185,537	\$ 5,115	\$ 1,180,420

*Note: The grant documents require completion of the project prior to submitting for reimbursement, which will cause the fund to be negative until reimbursement is obtained.

Project Funding Narrative:

The project will be funded from Development Impact Fee (DIF) Storm Drain and Federal Emergency Management Agency (FEMA) funds. Preliminary design work was done by in-house staff for environmental work to commence. Final design was performed by CCL Engineering and the contract was just under \$90,000. The final engineering plans will have to be revised for the project to move forward. Environmental clearance documentation was completed for \$5,115, with right-of-way acquisition estimated at \$100,000. Construction will spend the project balance.

Project Impact on Operating Budget:

This project has the potential to greatly reduce operations and maintenance expenses by removing the maintenance intensive outlet basin at Fourth Avenue.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 301 Construction/Property Acquisition

Project Number: 6517

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is the next phase of addressing the City's master-planned fire service needs that began in Construction Order (C.O.) 6514. Existing Station 301, located on the west side of Eleventh Avenue, south of Main Street (9430 Eleventh Avenue) contains approximately 3,700 square feet of building space. In order to fulfill the City's Public Safety Needs Report requirements, the facility needs to be expanded/reconstructed to 12,000 square feet.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

In FY 2006-07, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. Wolff/Lang/Christopher (WLC) Architects was selected as the firm most qualified to meeting the needs of the City. WLC Architects was engaged in November 2006 to prepare the necessary construction and architectural plans. By March 2007, the Public Safety Ad Hoc Committee had reached consensus on the floor plan and building elevations. City staff has completed the process of acquiring the necessary property south of the current facility. Architects prepared working drawings and completed design work in February 2009. The Planning Commission approved the facility design in April 2007. Bidding of the project was scheduled for March 2009, but was delayed due to Notice of Funding from the Federal American Recovery and Reinvestment Act (ARRA Economic Stimulus Plan) which was signed into law in February 2009. The City pursued funding from this law in order to reduce the financial cost to the Development Impact Fee (DIF) and Redevelopment Agency (RDA) funds. An application submittal was made for this C.O. and C.O. 6521 in July 2009. The City was not successful in the first two funding award rounds in October 2009 and February 2010. The City did not receive a Notice of Award by July 2010; consequently, the project was suspended in 2010 until funding could be identified to construct the new station without grant funds. In FY 2011-12 funding was budgeted to have the plans updated to conform to the new 2010 California Building Code adopted by the City. WLC Architects, the original architect for the project, was tasked with updating the plans and has completed this work. The plans and specifications for the project are now "shovel ready" and the project is ready for construction. All previous preliminary design work was performed under C.O. 6514, but construction of the project shall be completed under this C.O. Number (C.O. 6514 was closed out in 2011).

With adequate local funding identified in the FY 2012-13 CIP Budget, the project was advertised for bids in September 2012 and bids were opened in October 2012. The submitted bids were substantially higher than expected, and in November 2012, the City Council rejected all bids and directed staff to "value" engineer the scope of work, reduce the cost of the project, and re-bid the project in calendar year 2013. WLC Architects was directed to perform the value engineering and provide the revised plans, complete and ready to bid after July 2013. Due to other financial commitments with two major projects (Ranchero Undercrossing and Ranchero/I-15 Interchange), the project was deferred in FY 2012-13. The City received a Federal Emergency Management Agency (FEMA) Staffing for Adequate Fire and Emergency Response (SAFER) grant in July 2013, warranting establishment of temporary housing on-site until a permanent facility is built.

Due to budget commitments on other CIP projects, staff determined to proceed with this project in phases and construct the improvements over several fiscal years. Phase I of the project consists of construction of miscellaneous on-site and off-site improvements (i.e., perimeter block wall, curb and gutter, sewer main installation, etc.). WLC Architects has completed plan revisions to accommodate Phase I of the project and this phase of the project is now shelf-ready for bidding.

Project Schedule for Fiscal Year 2016-17 Budget:

Due to budget restraints and a review of the Fire Department operations by staff, no further funding is proposed.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 301 Construction/Property Acquisition (Continued)

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
302-650-6517 Contractual	\$ 613	\$ 0	\$ 0	\$ 0	\$ 0
502-650-6517 Contractual	0	69,059	0	0	0
Total Expenditures	<u>\$ 613</u>	<u>\$ 69,059</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

302 DIF Fire	\$ 613	\$ 0	\$ 0	\$ 0	\$ 0
502 Fire Capital	0	69,059	0	0	0
Total Source of Funds	<u>\$ 613</u>	<u>\$ 69,059</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

The estimated cost of construction (as of 2013) is \$4.8 million, with an additional \$900,000 in support costs and \$350,000 in utility relocation costs, which will be funded, in part, by Development Impact Fees (\$840,000), Fire Capital Fund (\$5 million), Sewer Capital (\$350,000), and other funding as available. Due to funding limitations, all improvements at this site will be put on hold pending future discussions and priorities.

Project Impact on Operating Budget:

Not applicable at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Park and Ride Facility
Project Number: 6523
Department - Program: Development Services – Facilities CIP

Project Description and Location:

The City, in coordination with Caltrans, operates a Park and Ride facility on State-owned property along United States (US) Highway 395 and its intersection with Joshua Street. The facility is heavily used by commuters, and all 188 spaces are filled each weekday, with overflow vehicles parking on vacant property adjacent to the facility. The City submitted an application to the San Bernardino Associated Governments (SANBAG) in mid-2009 for Congestion Mitigation and Air Quality (CMAQ) grant funds for Federal FY 2009-2010. The City was awarded a \$508,000 grant on March 3, 2010 in order to expand the existing facility, or construct an adjacent facility north of Joshua Street. Both sites are State-owned.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

This project was added in FY 2010-2011. CMAQ grant-funded projects require Caltrans oversight. Consequently, coordination first began in Spring 2011. City staff was able to get an additional grant from the Mojave Desert Air Quality Management District (MDAQMD) in August 2011 for construction gap funding. AB2766 funds of \$184,346 were awarded to the City by the MDAQMD Board on August 22, 2011. The project was surveyed by Cubit Engineering in March and a site plan was designed in-house. The project was approved through the City's Development Review Committee in October 2012 and engineering staff began the improvement plans for the project. Tom Dodson and Associates was hired as the environmental consultant and have completed the preliminary environmental assessment. Caltrans has now requested specialized studies which have been under review for the past four years. Caltrans finally gave approval to the environmental documents in February 2016. City staff will now have to obtain an encroachment permit from Caltrans to move forward with the project.

Project Schedule for 2016-17 Budget:

City staff will obtain the encroachment permit and agreements needed from Caltrans to advertise this project for construction. The permit and agreement phase could take the better part of this fiscal year, but construction could occur towards the end of the fiscal year. Long term (10 years) monitoring of the facility for its effect on air quality is required to meet the terms of the grant.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-650-6523 Contractual	\$ 13,948	\$ 650	\$ 4,000	\$ 0	\$ 4,000
504-650-6523 Contractual	0	17	692,346	0	692,346
Total Expenditures	\$ 13,948	\$ 667	\$696,346	\$ 0	\$ 696,346
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 13,948	\$ 650	\$ 4,000	\$ 0	\$ 4,000
504 CityWide Projects - CMAQ Grant	0	17	508,000	0	508,000
504 CityWide Projects - MDAQMD Grant	0	0	184,346	0	184,346
Total Expenditures	\$ 13,948	\$ 667	\$696,346	\$ 0	\$ 696,346

Project Funding Narrative:

Design of this project will be paid by Measure I Renewal funds. The construction phase of the project will be paid by CMAQ grant (\$508,000) and MDAQMD grant (\$184,346) funding.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Park and Ride Facility (Continued)

Project Number: 6523

Department - Program: Development Services – Facilities CIP

Project Impact on Operating Budget:

There will be a long-term increase to maintenance and operations costs associated with the maintenance of the landscaping and hardscape of the facility, along with the monitoring and reporting for grant compliances.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Animal Control Site Improvements

Project Number: 6524 (Completed FY 2015-16)

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City owns and operates a building at 11011 Santa Fe Avenue East. Previously occupied by Public Works, the Code Compliance Divisions of Code Enforcement and Animal Control, the site has been wholly occupied by Animal Control since 2011, as well as a contract veterinarian. The site contains holding tanks for wastewater, which have to be pumped multiple times per year, due to the lack of sewer collection lines in the area. In late 2011/early 2012, the Victor Valley Wastewater Reclamation Authority (VWVRA) installed a bypass interceptor line in Santa Fe Avenue East. Called the SAFARI project (Santa Fe Avenue Relief Interceptor), this facility provides an opportunity to eliminate the on-site system at Animal Control.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

On-site sewer piping was replaced by City staff during the summer 2015, plans and specifications were prepared for removal and replacement of paving and other minor site improvements. The project was bid in August 2015. Construction commenced in October 2015 and was completed in December 2015. Project close out was completed in February 2016.

Project Schedule for 2016-17 Budget:

Project was completed in February 2016.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
100-650-6524 Contractual	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0
Total Expenditures	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0
 <u>Source of Funds</u>					
100 General Fund	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0
Total Source of Funds	\$ 0	\$ 68,956	\$ 175,500	\$ 386,992	\$ 0

Project Funding Narrative:

The VWVRA connection fee to connect the facility to the sewer system was \$47,870. City staff spent \$22,727 on materials and miscellaneous administrative costs to remove the on-site septic tank and replace with new sewer lines that extended to the sewer main in the street. For the remaining \$385,351, the City hired a contractor to remove and replace all site paving and perform miscellaneous other site improvements. The total project costs of \$455,948 was paid out of the General Fund Reserve.

Project Impact on Operating Budget:

On-site maintenance costs will be reduced, but will be offset by bi-monthly sewer service charges (estimated at \$407).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Interstate 15 Corridor – New Water System Design

Project Number: 8077

Department/Program: Development Services – Water CIP

Project Description and Location:

On November 30, 2004, the City of Hesperia annexed the freeway corridor south from Highway 395 to the summit at Oak Hills. As part of this annexation, the City is required to construct the water and sewer infrastructure to serve this corridor. The agreement included a time requirement that all work was to be completed within three years. This work will include the preparation of plans and specifications for construction of new water and wastewater pipelines in Mariposa Road and Caliente Road from around the 395/I-15 Junction to the southern City limits, a new pump station at Plant 30, a new 5 MG water tank to service pressure zone 5 (a new pressure zone), and a new hydro-pneumatic booster station to serve pressure zone 6 (a new pressure zone).

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

In 2006, the City engaged a consultant to prepare an update to the Water and Wastewater Master Plans. The infrastructure needs of the freeway corridor were analyzed as part of the Master Plan Updates. The draft final reports were prepared in March 2007 and adopted in June 2008. Based on these reports, the required pipeline and associated sizing was determined, as well as the water storage needs. In March, the City concurrently solicited engineering firms for the design of the corridor. Carollo Engineers was selected to perform the analysis and design work for installation of the backbone water and wastewater system within the I-15 Corridor and began work in March 2008. Plans are at 65% completed by April 2009, and property acquisition for the reservoir site for the system began in late 2008/early 2009 [under Construction Order (C.O.) 8078], and continued through June 2010, at which time work was suspended due to changes in the economy and slowed development. A portion of the system design has been incorporated into the Rancho Interchange (C.O. 7086) to allow installation within the limits of that project. The City Council considered establishment of a Special Financing District (SFD), authorizing a feasibility analysis in January 2015. The study was completed, however the financial impact to the existing property owners was deemed too excessive to move forward with the formation of a financing district.

Project Schedule for 2016-17 Budget:

No funding is proposed this fiscal year. City staff will examine short-term alternatives to providing water and sewer service to the area around the Rancho Road Interchange.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
701-800-8077 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded from the Water Capital fund revenue and fund reserves as needed. Total budgeted design costs are \$1,470,000 and construction costs are estimated at more than \$14 million. A portion of the design costs were funded in Fiscal Year 2009-10, and will be funded in future years as the economy improves.

Project Impact on Operating Budget:

This project will result in an increase to operation and maintenance expenses due to construction of new water and wastewater system facilities (tentatively scheduled to begin in Fiscal Year 2015-16 or later).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Interstate 15 & Rancho Road: Frontage Road Water Improvements

Project Number: 8086 (Completed FY 2013-14)

Department/Program: Development Services – Water

Project Description and Location:

This project involves the relocation of existing City and County water lines within the frontage roads within the Interstate 15 and Rancho Road interchange project [Construction Order (C.O.) 7086]. The waterlines to be replaced are located within sections of road which front both the west and east side of Interstate 15 along Caliente Avenue to the west and Mariposa Road to the east.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The frontage road improvements were originally planned to be a separate project from the interchange, and the waterline relocation work was to be performed by the City's in-house waterline crew; however, due to timing and constraints, it was determined to bid and award the work through the competitive bid process. The project was awarded to Christensen Brothers Engineering on March 5, 2013 and construction began shortly thereafter. The City's contractor had to work under the general contractor for the Rancho Road and Interstate 15 interchange project, which is engaged through the San Bernardino Associated Governments (SANBAG). The utility improvements were expected to be completed by July 2013, but the project schedule has delayed completion. In August 2013, a significant change order was added to the project to meet Caltrans' new requirements to remove existing waterlines instead of the standard practice of abandoning in place. The work was completed in February 2014 and was accepted by the City Council as of March 4, 2014.

Project Schedule for 2016-17 Budget:

This project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 <u>Budget</u>	2015-16 <u>Revised</u>	2016-17 <u>Budget</u>
701-800-8086 Contractual	\$648,146	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$648,146</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$625,031	\$ 0	\$ 0	\$ 0	\$ 0
701 Water Capital - Reimbursement from San Bernardino County	23,115	0	0	0	0
Total Source of Funds	<u>\$648,146</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

The initial project was awarded at \$1,060,670 and two change orders increased the total to \$1,421,368. This project was funded by Water Capital funds. A small amount of costs to upgrade County lines was reimbursed to the Water District.

Project Impact on Operating Budget:

The project will have no impact on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Reclaimed Water Distribution System

Project Number: 8087

Department/Program: Development Services – Water Capital

Project Description and Location:

The Victor Valley Wastewater Reclamation Authority (VWVRA) has begun construction on the Hesperia Regional Water Reclamation Plant. This project will take approximately 24 months to construct, and upon completion will be capable of supplying one million gallons (MG) per day of reclaimed water, which can be used for irrigation purposes.

In order to utilize this resource, the City must build a distribution system to convey the reclaimed water to potential users. Using the City's Recycled Water Master Plan as a guide, staff has defined an alignment for the first phase of the distribution system. The primary user under this first phase will be the Hesperia Golf Course, but many other users can be served as well, including parks, schools, and Hesperia Civic Center Complex. The first phase of the distribution system will include approximately 8 miles of "purple" pipe, a storage reservoir, and a boost station necessary to provide the required pressures to operate large irrigation systems.

The distribution system is being designed in-house by City engineering staff, but due to the complexities of designing a 2.5 MG water tank and a pump station, the City issued a request for proposal for design services from engineering consultants for this portion of the project.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

In May 2015, staff prepared and issued a Request for Proposals for engineering design services related to the design of the new 2.5 MG Water Tank and the new Pump Station. In August 2015, the Council awarded a Professional Services Contract to Merrill-Johnson Companies to perform design-engineering services for the proposed water tank and pump station. Design work has commenced and will continue through FY 2015-16. Staff completed the pipeline design and specification documents for the pipeline portion of this project. Staff is awaiting the State to finalize the loan documents for the State Revolving Fund (SRF) loan.

Project Schedule for 2016-17 Budget:

Design work is estimated to be completed in late Summer 2016 on the reservoir and booster station. It is anticipated that the pipeline portion of the project will be awarded for construction this fiscal year, with construction commencing late Fall 2016, and the reservoir and booster station being awarded for construction shortly following the pipeline. The two portions of the project are being bid separately since they will be performed by different types of contractors. All distribution system work should be complete in early 2018.

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
701-800-8087 Contractual	\$ 2,313	\$ 38,954	\$ 0	\$ 70,000	\$10,000,000
Total Expenditures	\$ 2,313	\$ 38,954	\$ 0	\$ 70,000	\$10,000,000

Source of Funds

701 Prop 84 Drought Relief	\$ 0 *	\$ 0 *	\$ 0 *	\$ 0 *	\$ 1,500,000 *
701 Prop 1 Grant	0	0	0	0	4,727,337 *
701 State Revolving Fund Loan	2,313	38,954	0	70,000	3,772,663
Total Source of Funds	\$ 2,313	\$ 38,954	\$ 0	\$ 70,000	\$10,000,000

*Note - Final grant reimbursements will be received upon project completion.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Reclaimed Water Distribution System (Continued)

Project Number: 8087

Department/Program: Development Services – Water Capital

Project Funding Narrative:

Council amended the FY 2015-16 CIP Budget via Resolution HWD 2015-011 appropriating \$290,000 to this project for the reservoir and booster station.

At the time of application to the State Water Resources Control Board for a State Revolving Fund (SRF) Loan (September 2014), the estimated cost of the project was \$14,673,750. Due to the time that has elapsed while awaiting the State's approval of the SRF Loan, estimates of the project costs have risen to \$16.6 million.

The pipeline is being funded by a combination of the SRF Loan (\$9.9 million), Prop 1 Grant (\$4.7 million), and a Prop 84 Drought Relief Grant (\$2.0 million).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Appaloosa Avenue Reclaimed Water Line (FY 2016-17) (New)

Project Number: 8088

Department/Program: Development Services – Water Capital

Project Description and Location:

The Victor Valley Wastewater Reclamation Authority (VWVRA) has begun construction on the Hesperia Regional Water Reclamation Plant (HRWRP). This project will take approximately 24 months to construct, and upon completion will be capable of supplying one million gallons (MG) per day of reclaimed water, which can be used for irrigation purposes.

In order to utilize this resource, the City must build a distribution system to convey the reclaimed water to potential users. Using the City's Recycled Water Master Plan as a guide, staff has defined an alignment for the first phase of the distribution system. The primary user under this first phase will be the Hesperia Golf Course, but many other users can be served as well, including parks, schools, and the Hesperia Civic Center Complex. The first phase of the distribution system will include approximately 8 miles of "purple" pipe, a storage reservoir, and a booster station necessary to provide the required pressures to operate large irrigation systems.

The first phase of the reclaimed water line includes a portion of distribution water line [approximately 800 Linear Feet (L.F.)] that runs through Tract No. 17291 in Appaloosa Avenue, Trotter Street, and Hackney Avenue. The current contractor for the HRWRP is tasked with installing other water and sewer lines in these same streets to service the new Regional Plant, which is located contiguous to Tract No. 17291. The contractor is scheduled to install their water and sewer lines in June or July of 2016 while the City does not anticipate bidding the first phase of reclaimed water lines until later in the year.

The first phase of the City's reclaimed water line begins at the HRWRP, runs through Tract No. 17291, and then continues westward down Mojave Street. In order to take advantage of economies of scale and reduce costs to the first phase of the City's project, staff will request a cost proposal from the existing HRWRP contractor to install this 800 L.F. +/- portion of reclaimed water lines within Tract No. 17291 at the same time that they install their water line and sewer line. The reclaimed water line will be temporarily capped in Mojave Street. Once construction commences on the City's Reclaimed Water Distribution Project [Construction Order (C.O.) No. 8087], the temporary cap will be removed and connected to the remainder of the first phase of reclaimed water line.

This portion of reclaimed water line is a part of the City's Reclaimed Water Distribution Project (C.O.) No. 8087; However, since this short length of reclaimed water line (800 L.F. +/- out of the total length of reclaimed water line of 53,800 L.F.) is being installed prior to commencing construction on the remainder of the reclaimed water line it will not be eligible for funding via the Prop. 84 grant or the State Revolving Loan. The construction cost for this portion must be funded with local funding and must be tracked by a separate construction order number. In addition, this would be considered a sole-source, emergency contract as time is of the essence in order to meet the current contractor's construction schedule so that this portion of the reclaimed water line can be installed at the same time as the HRWRP's water and sewer line.

Existing Situation and Work Completed Through Fiscal Year 2015-2016:

The plans for this portion of the reclaimed water line are completed.

Project Schedule for Fiscal Year 2016-17 Budget:

Staff will request and receive a cost proposal from the contractor constructing the Regional Water Reclamation Plant to install this portion of the City's reclaimed water line. Construction will commence and be completed within 30 to 60 days from notice to proceed. The remainder of the reclaimed water line will be bid and constructed separately by the City.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Appaloosa Avenue Reclaimed Water Line (FY 2016-17) (New) (Continued)

Project Number: 8088

Department/Program: Development Services – Water Capital

Project Costs and Funding:

	2013-14	2014-15	2015-16	2015-16	2016-17
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
701-800-8088 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000
 <u>Source of Funds</u>					
701 Water Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 90,000

Project Funding Narrative:

This portion of the larger Reclaimed Water Distribution Project [Construction Order (C.O.) No. 8087] is being installed prior to the commencement of construction of the remainder of the project in order to take advantage of the fact that the existing contractor for the Hesperia Regional Water Reclamation Plant (HRWRP) will be working within the streets where this portion of reclaimed water line is proposed to be located. In order to avoid excavating in these streets two times, the City contracted with the HRWRP contractor to install this portion of the reclaimed water. Since this work will be done prior to commencing construction on the first phase of the City's reclaimed water line, it will be ineligible for Prop. 84 funding or SRF funding. Therefore this 800 Linear Feet (L.F.) portion of the reclaimed water line is being funded by Water Capital, Fund 701.

Project Impact on Operating Budget:

Initially, this project will have no impact on the operating budget. Once the whole first phase of the Reclaimed Water Distribution System is constructed and functioning, there will be impacts to the operating budget, which should be offset by increased revenue from sales of reclaimed water.

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