



2017-2018 CAPITAL BUDGET

**2018-2022 CAPITAL
IMPROVEMENT PROGRAM**



**STRATEGIC SUPPORT
CSA**

City Service Area Strategic Support



City Hall



San José McEnery Convention Center

Mission: To effectively develop, manage and safeguard the City’s fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects.

The Strategic Support City Service Area (CSA) is comprised of internal functions that enable the other five CSAs to deliver services to the community and to customers. The partners in the Strategic Support CSA design, build, and maintain City facilities while managing the City’s financial and technology systems. The Strategic Support CSA includes the Communications, Municipal Improvements, and Service Yards Capital Programs.

There are several large capital investments in the Strategic Support CSA. One of the largest projects in this CSA is the City Hall Network Operations Center Main Switchboard Replacement. Another notable project is the replacement of a boiler and chiller at the Police Administration Building, which will provide stable cooling and heating in multiple levels of the facility. Other investments include addressing some unmet deferred infrastructure needs at City Hall, the Central Service Yard, African American Community Services Center, Convention Center, Hammer Theatre, History San José locations, Mexican Heritage Plaza, San José Civic Auditorium, San José Municipal Stadium, San José Museum of Art, and the Tech Museum of Innovation. Funding is also included to support the Silicon Valley Regional Communications System (SVRCS), including the purchase of dispatch consoles necessary to implement the SVRCS.

CSA CAPITAL PROGRAMS

- Communications
- Municipal Improvements
- Service Yards

Recent Accomplishments

- Completed the City Hall Permit Center Breakroom and Restroom update in spring 2017
- Completed the Mexican Heritage Plaza Chiller Replacement in spring 2017
- Completed the San Jose Municipal Stadium Improvements in spring 2017
- Completed the City Hall Rotunda Lighting Updates in spring 2017

Program Highlights

Communications Capital Program

2018-2022 CIP: \$13.4 million

- Communications Equipment Replacement and Upgrade
- Silicon Valley Regional Communications System – Dispatch Consoles
- Silicon Valley Regional Communications System – Radios
- Silicon Valley Regional Interoperability Authority

Municipal Improvements Capital Program

2018-2022 CIP: \$18.3 million

- African American Community Services Center Improvements
- City Hall Audio/Visual Upgrade
- City Hall Network Operations Center Main Switchboard Replacement
- Convention Center Restrooms Upgrades
- Downtown Ice Rink Improvements
- Mexican Heritage Plaza HVAC System Components Upgrades
- History San José – Pacific Hotel – Restrooms Remodel
- Police Administration Building Boiler and Chiller Replacement
- Unanticipated/Emergency Maintenance and Repairs of City Facilities

Service Yards Capital Program

2018-2022 CIP: \$20.1 million

- Central Service Yard Roof Overhang Repairs
- Debt Service on Phase I Bonds for the Central Service Yard Expansion
- Mabury Yard Improvements
- Roof Replacement, Painting, and Supplemental Needs
- South Yard Vehicle Lift Replacement

CSA OUTCOMES

(Supported by the Capital Programs)

- ✓ Safe and Functional Public Infrastructure, Facilities and Equipment
- ✓ Effective Use of State-Of-The-Art Technology

Performance Measures

A set of consistent and comprehensive performance measurements along with targets and goals have been established for the entire capital program and adopted for each individual CSA. Measures focus on schedule (cycle time) and project delivery cost. Please see Budget Guide section narrative for additional information on capital performance measures.

Outcome: Quality CIP Projects Delivered On-Time and On-Budget

5 Year Strategic Goals		2015-2016 Actual ¹	2016-2017 Target	2016-2017 Estimate	2017-2018 Target	5-Year Goal
Strategic Support CSA delivers quality Capital Improvement Program (CIP) projects on-time and on-budget	1. % of CIP projects delivered within 2 months of approved baseline schedule ²	80% (4/5)	85%	100% (3/3)	85%	85%
	2. % of CIP projects that are completed within the approved baseline budget ³	100% (3/3)	90%	100% (2/2)	90%	90%

- 1 The 2015-2016 Actual number of projects may vary from the 2015-2016 Estimate as documented in the 2016-2017 Adopted Budget as a result of the date of the estimated beneficial use of the project being revised and the project expected to be delivered in the following fiscal year. Also, the number of projects may change with the inclusion of projects in the 2015-2016 Actual not originally included in the 2015-2016 Adopted Budget Estimate due to incomplete project information at that time.
- 2 Projects are considered "delivered" when they are available for their intended use and are considered "on schedule" if delivered within two months of the baseline schedule.
- 3 Projects are considered "completed" when final cost accounting has occurred and the project has been accepted; projects are considered "on budget" when the total expenditures do not exceed 101% of the baseline budget.

For the Strategic Support CSA, many of the projects are ongoing in nature and do not necessarily have discrete end dates. Three projects are expected to reach beneficial use in 2016-2017, including the City Hall Fence and Gate-South Wing, South Plaza Planter Installation, and the City Hall First Floor Employee Break Room and Restrooms. All three of these projects are expected to be delivered within the approved baseline schedules exceeding the 85% target.

In 2016-2017, two projects are estimated to reach completion and acceptance and are expected to be within the baseline budgets, exceeding the 90% target. The projects are the South Plaza Planter Installation, and the City Hall First Floor Employee Break Room and Restrooms. Staff relies heavily on the cost estimating and tracking tools that are available through the City's Capital Project Management System (CPMS). These tools allow project management staff to effectively track project costs on an ongoing basis and assist in ensuring that expenditures remain within budgeted levels.

Capital Program Summary by City Service Area

Strategic Support

	<u>2017-2018 Budget</u>	<u>2018-2022 CIP Budget</u>	<u>Total Budget (All Years)</u>	<u>Start Date</u>	<u>End Date</u>
<u>Communications</u>					
City Hall Debt Service Fund	5,000	29,000	32,000	Ongoing	Ongoing
Communications Equipment Replacement and Upgrade	100,000	500,000	*	Ongoing	Ongoing
Communications Maintenance	497,000	2,639,000	*	Ongoing	Ongoing
General Fund - Interest Income	13,000	65,000	*	Ongoing	Ongoing
Silicon Valley Regional Communications System - Dispatch Consoles	2,279,000	2,279,000	2,279,000	3rd Qtr. 2017	2nd Qtr. 2018
Silicon Valley Regional Communications System - Radios	250,000	2,250,000	*	Ongoing	Ongoing
Silicon Valley Regional Interoperability Authority - Administration	158,000	820,000	*	Ongoing	Ongoing
Silicon Valley Regional Interoperability Authority - Maintenance	<u>618,000</u>	<u>4,536,000</u>	*	Ongoing	Ongoing
Total: Construction/Non-Construction	3,920,000	13,118,000			
Ending Fund Balance	<u>424,140</u>	<u>238,140</u>	**		
Total: Communications	4,344,140	13,356,140	**		
<u>Municipal Improvements</u>					
African American Community Services Center Improvements	350,000	350,000	350,000	3rd Qtr. 2017	2nd Qtr. 2018
Arena Repairs	100,000	500,000	*	Ongoing	Ongoing
Children's Discovery Museum Carpet Replacement	50,000	50,000	50,000	3rd Qtr. 2017	2nd Qtr. 2018
City Hall and Police Communications Uninterrupted Power Supply Capital	200,000	1,000,000	*	Ongoing	Ongoing
City Hall Audio/Visual Upgrade	375,000	375,000	828,000	3rd Qtr. 2015	2nd Qtr. 2018
City Hall Network Operations Center Main Switchboard Replacement	500,000	500,000	500,000	3rd Qtr. 2017	2nd Qtr. 2018
Civic Auditorium Windows Replacement	500,000	500,000	500,000	3rd Qtr. 2017	2nd Qtr. 2018
Closed Landfill Compliance	350,000	1,750,000	*	Ongoing	Ongoing
Convention Center Concourse Column Covers	900,000	900,000	1,700,000	3rd Qtr. 2016	2nd Qtr. 2018
Convention Center Restrooms Upgrades	1,200,000	1,200,000	2,400,000	3rd Qtr. 2016	2nd Qtr. 2018
Cultural Facilities Rehabilitation/Repair - Electrical	1,000,000	1,000,000	*	Ongoing	Ongoing
Cultural Facilities Rehabilitation/Repair - Mechanical	500,000	500,000	*	Ongoing	Ongoing
Cultural Facilities Rehabilitation/Repair - Miscellaneous	350,000	350,000	*	Ongoing	Ongoing
Cultural Facilities Rehabilitation/Repair - Structures	2,000,000	2,000,000	*	Ongoing	Ongoing
Cultural Facilities Rehabilitation/Repair - Unanticipated	100,000	100,000	*	Ongoing	Ongoing

Capital Program Summary by City Service Area

Strategic Support

	2017-2018 Budget	2018-2022 CIP Budget	Total Budget (All Years)	Start Date	End Date
Downtown Ice Rink Improvements	100,000	100,000	200,000	3rd Qtr. 2016	2nd Qtr. 2018
Fuel Tank Monitoring	50,000	250,000	*	Ongoing	Ongoing
Hammer Theatre Centre Carpet Replacement	125,000	125,000	125,000	3rd Qtr. 2017	2nd Qtr. 2018
Hammer Theatre Centre Exterior Stucco Repairs	100,000	100,000	100,000	3rd Qtr. 2017	2nd Qtr. 2018
Hammer Theatre HVAC Controls	250,000	250,000	250,000	3rd Qtr. 2017	2nd Qtr. 2018
History San José - Pacific Hotel - Restrooms Remodel	250,000	250,000	250,000	3rd Qtr. 2017	2nd Qtr. 2018
Mexican Heritage Plaza HVAC System Components Upgrades	400,000	400,000	400,000	3rd Qtr. 2017	2nd Qtr. 2018
Montgomery Theater Restroom Remodel	450,000	450,000	450,000	3rd Qtr. 2017	2nd Qtr. 2018
Police Administration Building Boiler and Chiller Replacement	400,000	400,000	400,000	3rd Qtr. 2017	2nd Qtr. 2018
San José Municipal Stadium Light Pole Refurbishing and Repainting	50,000	50,000	50,000	3rd Qtr. 2017	4th Qtr. 2017
San José Museum of Art HVAC Controls Upgrades	100,000	100,000	100,000	3rd Qtr. 2017	2nd Qtr. 2018
San José Museum of Art Men's and Women's Restrooms Remodel	100,000	100,000	100,000	3rd Qtr. 2017	2nd Qtr. 2018
The Tech Museum Tile Wall Evaluation and Repairs	100,000	100,000	100,000	3rd Qtr. 2017	2nd Qtr. 2018
Unanticipated/Emergency Maintenance	900,000	4,500,000	*	Ongoing	Ongoing
Total: Construction/Non-Construction	11,850,000	18,250,000			
Ending Fund Balance	0	0			**
Total: Municipal Improvements	11,850,000	18,250,000			**
 <u>Service Yards</u>					
Asset Management Database	75,000	375,000	*	Ongoing	Ongoing
Central Service Yards - Roof Overhangs Repairs	200,000	200,000	200,000	3rd Qtr. 2017	2nd Qtr. 2018
City Hall Debt Service Fund	5,000	25,000	33,000	Ongoing	Ongoing
Debt Service on Phase I Bonds	1,667,000	8,307,000	13,856,000	3rd Qtr. 2003	4th Qtr. 2023
Facilities Capital Repairs	25,000	125,000	*	Ongoing	Ongoing
General Fund - Interest Income	25,000	125,000	*	Ongoing	Ongoing
Infrastructure Management System - Service Yards	112,000	621,000	*	Ongoing	Ongoing
Mabury Yard Improvements	300,000	300,000	357,000	3rd Qtr. 2014	2nd Qtr. 2018
Phase II Commercial Paper	893,000	4,465,000	7,323,000	2nd Qtr. 2008	2nd Qtr. 2023
Roof Replacement, Painting, and Supplemental Needs	425,000	2,125,000	*	Ongoing	Ongoing
Service Yards Equipment	95,000	475,000	*	Ongoing	Ongoing

Capital Program Summary by City Service Area

Strategic Support

	<u>2017-2018</u> <u>Budget</u>	<u>2018-2022</u> <u>CIP Budget</u>	<u>Total</u> <u>Budget</u> <u>(All Years)</u>	<u>Start Date</u>	<u>End Date</u>
Service Yards Management	372,000	1,957,000	*	Ongoing	Ongoing
South & West Yards - Water Heaters Replacement	75,000	75,000	75,000	3rd Qtr. 2017	1st Qtr. 2018
South Yard - Vehicle Lift Replacement	100,000	100,000	100,000	3rd Qtr. 2017	1st Qtr. 2018
Underground Fuel Tank Renovation/Replacement	59,000	295,000	*	Ongoing	Ongoing
VTA Property Lease	20,000	100,000	*	Ongoing	Ongoing
Total: Construction/Non-Construction	4,448,000	19,670,000			
Ending Fund Balance	1,570,618	440,618	**		
Total: Service Yards	6,018,618	20,110,618	**		
CSA Total: Construction/Non-Construction	20,218,000	51,038,000	**		
Ending Fund Balance	1,994,758	678,758	**		
CSA Total:	<u>22,212,758</u>	<u>51,716,758</u>	**		

* Total Budget information is not provided due to the ongoing nature of this project.

** The 2017-2018 through 2020-2021 Ending Balance are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting