A G E N D A

Meeting of the
Scotts Valley City Council

Date: May 16, 2018
Time: 6:00 p.m.

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted 5-11-18 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

ELECTED OFFICIALS	CITY STAFF MEMBERS
ELECTED OFFICIALS: Jim Reed, Mayor Jack Dilles, Vice Mayor Stephany E. Aguilar, Council Member Randy Johnson, Council Member Donna Lind, Council Member	**CITY STAFF MEMBERS:** Jenny Haruyama, City Manager Kirsten Powell, City Attorney Taylor Bateman, Community Development Director Steve Hammack, Interim Public Works Director Steve Walpole, Chief of Police Tracy Ferrara, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

Notice regarding City Council Meetings:
The City Council meets regularly on the 1st and 3rd Wednesday of each month at 6:00 pm in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066.

Agenda and Agenda Packet Materials:
The City Council agenda and the complete agenda packet are available for review by 5:00 pm the Friday before the Wednesday meeting on the Internet at the City's website: www.scottsvalley.org and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA. Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvalley.org.

Televised Meetings:
City Council meetings are cablecast "Live" on Community Television of Santa Cruz County on Comcast Channel 25.

CALL TO ORDER 6:00 PM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

COMMITTEE REPORTS

Council members are appointed to committees which are either City committees or committees dealing with other jurisdictions. This portion of the agenda allows the committee member to present oral or written reports to the Council regarding their committee assignments. It also allows the Council to make comments and give the committee member direction, as required.

CITY MANAGER REPORT

PUBLIC COMMENT TIME

This is the opportunity for individuals to make and/or submit written or oral comments to the Council on any items within the purview of the Council, which are NOT part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda.

ALTERATIONS TO CONSENT AGENDA

Council can remove or add items to the Consent Agenda.

CONSENT AGENDA

The Consent Agenda is comprised of items which appear to be non-controversial. Persons wishing to speak on any items may do so raising their hand to be recognized by the Mayor.

A. Approve City Council minutes of 5-2-18

B. Approve check registers dated 4-30-18, 5-7-18

C. Approve the Amendment to the Water Supply Agreement between the City of Scotts Valley and Pasatiempo Golf Club and authorize the City Manager to execute the amendment

D. Approve Resolution No. 1851.6 temporarily closing a portion of Scotts Valley Drive for the City's 4th of July parade

E. Approve Resolution No.1895.20, a resolution of intention to vacate and abandon a portion of Bethany Drive

F. Approve the following documents for the Glen Canyon Road/Green Hills Road/S. Navarra Drive Bike Corridor and Roadway Preservation Project:

(1) Agreement with Granite Construction Incorporated and authorize the City Manager to execute the agreement.
(2) Resolution No. 1948 authorizing the Interim Public Works Director to execute Program Supplement Agreement No. 0Q98.

G. Approve the following resolutions for The Hangar @ Skypark, 260 Mt. Hermon Road, APN 022-231-03:

(1) Resolution No. 1941.1 approving the Parcel Map for The Hangar @ Skypark, MLD17-002, 260 Mt. Hermon Road, APN 022-231-03
(2) Resolution No. 960.86 authorizing the execution of the Subdivision Improvement Agreement for The Hangar @ Skypark Subdivision, MLD 17-002, 16 Mt. Hermon Road, APN 022-231-03

ALTERATIONS TO REGULAR AGENDA

Council can remove or add items to the Regular Agenda.

REGULAR AGENDA

Persons wishing to speak on any item may do so by raising their hand to be recognized by the Mayor.

1. Oral Presentation: Scotts Valley Arts Commission Update

2. Oral Presentation: Danny Reber, Executive Director, Scotts Valley Chamber of Commerce

3. Review of Five-Year Financial Plan, Ten-Year General Fund Financial Forecast, and Preliminary FY 2018/19 Annual Budget (City Manager Haruyama / Financial Consultant Steve Toler)

4. Future Council agenda items
(This portion of the Regular Agenda allows the Council to determine items to be placed on a future agenda and to choose a date, if so desired.)

CONVENE TO CLOSED SESSION

CLOSED SESSION SUBJECT(S)

(1) Conference with labor negotiator re employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.
Legal Authority: Government Code Section 54957.6
Name of Case: N/A
Staff Present: City Manager, City Attorney, Labor Consultant

RECONVENE TO OPEN SESSION

REPORT ON ACTION TAKE DURING CLOSED SESSION

ADJOURNMENT

ADA NOTICE

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5602 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.

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M I N U T E S

Meeting of the
Scotts Valley City Council

Date: May 2, 2018
Time: 6:00 p.m.

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted 4-27-18 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

CALL TO ORDER

The City Council meeting was called to order at 6:48 pm.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Jim Reed, Mayor Jack Dilles, Vice Mayor Stephany E. Aguilar, Council Member Randy Johnson, Council Member Donna Lind, Council Member	Jenny Haruyama, City Manager Kirsten Powell, City Attorney Taylor Bateman, Community Development Director Steve Hammack, Interim Public Works Director Steve Walpole, Chief of Police Steve Toler, Financial Consultant Tracy Ferrara, City Clerk

COMMITTEE REPORTS

VM Dilles reported that he attended the Santa Margarita Groundwater Agency Board of Directors meeting as an alternate, where the Board discussed their budget, which incorporates a one million dollar grant from State of California, which must be matched by the local jurisdictions, to enable them to move ahead with planning for regional water savings.

Mayor Johnson reported that the Santa Cruz County Regional Transportation Commission met and discussed an operating agreement with Progressive Rail, which included excerpts from the proposal submitted by Progressive Rail for rail service operations on the Santa Cruz Branch Rail Line.

CM Lind reported that the Santa Cruz Metropolitan Transit District (SCMTD) Board met and discussed several topics, which included a report from the SCMTD Committee they sent to Washington, D.C. to advocate for funding with the current Federal Legislature. She also reported that the SCMTD received a $1.2 million grant, and combined with matching funds from Measure D and SB1, the SCMTD will be able to purchase four new CNF buses.

CM Lind reported that the Santa Margarita Groundwater Agency Board of Directors met and worked on their budget. They were also 1 of 78 agencies who received a grant for $1 million dollars from the State of California to develop a groundwater sustainability plan. She reported that they also approved a contract with the California State University Sacramento for Facilitation Services to assist with their groundwater sustainability plan.

CM Lind reported that LAFCO Board met and worked on their budget; reviewed the Watsonville Sphere of Influence Study. She also reported that the LAFCO Board voted to support AB 2268, which would restore vehicle licensing fund revenue to local jurisdictions.

CM Lind reported that the Criminal Justice Council met and they are working on a conference to support gang prevention.

Mayor Reed reported that the Library Committee met to work on the possible use of Measure S funds for the Theater as directed by Council at their meeting of March 21, 2018. He stated that they were able to work out a schedule, they are working with the Scotts Valley Community Theater Guild and the Library, and they are talking with a consultant on possible mixed use designs.

CITY MANAGER REPORT

1. **Glenwood Preserve Update**: A notice to proceed has been issued to the Land Trust and trail building has begun on the West Glenwood Trails. It is anticipated the 3-mile trail network will be completed by July, 2018. Progress has been made on the Shugart unimproved parking area – it should be ready for use by the time the new trail system is open. Staff is pursuing wayfinding signs that will direct staff from the parking area to both Glenwood Preserve and Siltanen Park. Staff has also met with both SV School staff, and SV fire staff to discuss improvements to the K-Street proposed parking. This input will be used in planning and improving the area for additional parking, security improvements for the high school, and trail head access to the West Glenwood Trails.

2. The City received a $1-million dollar matching grant for a $2-million dollar project that will be used for Glenwood Drive roadway and bicycle improvements. This grant will also pay for K-Street and Siltanen parking improvements and fund the construction of the East Glenwood trails.

3. As part of its "Earthquake Warning System," the United States Geological Service (USGS) contacted the City regarding the placement of monitoring stations on city land near the high school. There may be opportunity for real time data derived from the monitoring station to be accessed by the SV School District science classes.

4. The Mt. Hermon Intersection project is on schedule, and targeted for completion by May 30, 2018.

5. The Summer Recreation Activity Guide is out and sign ups have begun!

PUBLIC COMMENT TIME

Frans Lind, Scotts Valley resident, questioned an article in the Scotts Valley Banner from March 30, where it stated that a consultant had been selected for the Town Center, because he would like to know where the dog park will be going when the Town Center is constructed. He also asked what the required back-up distance is in Scotts Valley for vehicles.

Sue Draper, Scotts Valley resident, questioned the amount of retail that will be built at the Town Center, as she would like to see a larger amount of retail so that the City can increase its sales tax base.

ALTERATIONS TO CONSENT AGENDA

CM Aguilar requested that Item C be moved to the regular agenda for discussion.

M/S: Aguilar/Lind
To approve the Consent Agenda as amended moving Consent Agenda Item C to the regular agenda for discussion.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

CONSENT AGENDA

A. Approve City Council meeting minutes 3-21-18, 4-8-18

B. Approve check register – 4-13-18, 4-23-18

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Dilles
To approve the Regular Agenda as amended moving Consent Agenda Item C to the regular agenda for discussion.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

C. **Approve non-collection of the $400 Facilities Use Permit fee for the Bocce Ball Tournament Fundraiser scheduled to be held May 19, 2018**

CM Aguilar expressed concerns about the large amount of requests that the City receives annually for the non-collection of fees. She stated that she believes that the non-profit fee structure is adequate and requested a future agenda item to discuss a Council policy against to eliminate these requests.

M/S: Aguilar/Dilles
To approve non-collection of the $400 Facilities Use Permit fee for the Bocce Ball Tournament Fundraiser scheduled to be held May 19, 2018
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

1. **Consider approval of Resolution No. 1947 opposing the Tax Fairness, Transparency, and Accountability Act of 2018**

CM Haruyama presented the written staff report and responded to questions from Council.

M/S: Aguilar/Dilles
To approve Resolution No. 1947 opposing the Tax Fairness, Transparency and Accountability Act of 2018 and direct the City Manager to send letters of opposition to the California Business Roundtable and applicable members.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

2. **Implementation and direction regarding the Fiscal Sustainability Plan**

CM Haruyama presented the written staff report and responded to questions from Council.

Steve Toler, Financial Consultant, gave a PowerPoint presentation on the City of Scotts Valley's Fiscal Sustainability Plan Budget Strategies; Fiscal Model Update; and Implementation Action Plan, and responded to questions from Council.

Sue Draper, Scotts Valley resident, expressed concerns about moving from a 10% Transient Occupancy Tax (TOT) to a 12% TOT.

CM Johnson expressed concerns about going from a 10% TOT to a 12% TOT. He stated that he would prefer an 11% TOT and would like to see the City work with the business owners and hoteliers as it relates to these taxes to determine what percentage is best. He stated that he does not support polling the community.

VM Dilles spoke in support of placing a 12% TOT measure on the November 2018 ballot (he would also like to see if TOT can be collected monthly instead of quarterly); placing a sales tax measure on the November 2019 ballot to increase from .50% to .75%, due to all of the infrastructure needs and ongoing maintenance that is needed throughout the City; and polling the community on whether the sales tax measure should be a short term, long term, or permanent, using random stratified sampling and including simple introductory questions such as “How are we doing?” VM Dilles stated that he is concerned about waiting too long on the sales tax measure due to a potential economic downturn.

CM Lind spoke in support of placing a 12% TOT measure on the November 2018 ballot; placing a sales tax measure on the November 2019 ballot to increase from .50% to .75%; and polling the community on whether the sales tax measure should be a short term, long term, or permanent tax. She expressed concerns about losing the ability to renew our sales tax if we wait too long, based on what other jurisdictions may have coming forward in the future.

Mayor Reed expressed concerns about going from a 10% to a 12% TOT, and spoke in support of a TOT measure on the November 2018 ballot, however, he could not support a specific percentage without additional information; reach out to business owners and hoteliers regarding the TOT; he does not support a sales measure until 2019 or 2020, and would like the sales tax to be temporary, not permanent, and he is not sure about the percentage; he does not support polling the community. He stated that he does not see how it would be possible to cut services, and supports providing public education to the community on why the additional revenue is needed, and what potential service impacts would be to the community.

CM Aguilar stated that the cities of Capitola, Santa Cruz, and Watsonville have a permanent sales tax. She spoke in support of placing a 12% TOT measure on the November 2018 ballot, and recommended doing a statistical analysis on whether the percentage of TOT has an impact on hotel reservations; placing a sales tax measure on the November 2019 ballot to increase from .50% to .75%; and polling the community on whether the sales tax measure should be a short term, long term, or permanent tax, using random stratified sampling. She stated that she would like to see an analysis of putting 10% towards the City’s pension obligations.

M/S: Aguilar/Dilles
To move forward with bringing a resolution forward in June to place a 12% Transient Occupancy Tax (TOT) on the November 2018 ballot; meet with hoteliers regarding the increased TOT; poll for placing a .50% or .75% sales tax measure on the November 2019 ballot, with polling to include what the percent and timeframe should be, i.e. short term, long term, or permanent.
Carried 3/2 (AYES: Aguilar, Dilles, Lind; NOES: Johnson, Reed)

Mayor Reed stated that he was voting no on the motion. He believes the City should move forward in November 2018 with a TOT increase, and he is open to 12%, but he would like to see the City do this in conjunction with other jurisdictions and not on its own. He is in support of considering .75% for the sales tax, however, he would also like to consider .50%, and he feels it is premature to schedule this for 2019 instead of 2020 without further information. Also, he does not support polling.

3. **Discussion of public hearing notice requirements for development projects**

CDD Bateman presented the written staff report and responded to questions from Council.

M/S: Lind/Dilles
Direct staff to expand the noticing radius from 300 to 600 feet for projects that require a general plan amendment or zoning change for a period of 6 months. During this time, staff will explore and develop alternatives to streamline the noticing process (e.g. notice reformatting and contracting out services) and provide an update to Council regarding the noticing process and implementation of the City's new website and e-subscription services.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

4. **Future Council agenda items**

None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:30 p.m. to discuss the following items:

(1) Pursuant to Government Code Section 54957.6, the City Council met in closed session to confer with their labor negotiator regarding employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 10:15 p.m.

REPORT ON ACTION TAKE DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 10:15 p.m.

Approved: ______________________________
Jim Reed, Mayor

Attest: ____________________________
Tracy A. Ferrara, City Clerk

CONSENT AGENDA ITEM B
DATE: 5-16-2018

Report Selection:

RUN GROUP... 050718 COMMENT... A/P AS OF MAY 7 2018

DATA-JE-ID	DATA COMMENT
W-05072018-993	A/P AS OF MAY 7 2018

Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
L		01		CASCPRT02	Y	S	6	066	10			

BANK	VENDOR		CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT					
	003123	A T &T	113367	05/07/18	376.51	
	003497	ALVAREZ INDUSTRIES, INC	113368	05/07/18	1,111.00	
	000627	ALVAREZ/JOSE F.	113369	05/07/18	517.24	
	000563	APPI	113370	05/07/18	251.52	
	000998	ASSOCIATED SERVICES CO.	113371	05/07/18	103.09	
	001670	AT &T	113372	05/07/18	1,067.58	
	000097	AT&T	113373	05/07/18	188.93	
	000614	BATTERIES PLUS	113374	05/07/18	5.44	
	001566	BUSINESS WITH PLEASURE	113375	05/07/18	146.49	
	001051	COASTAL EVERGREEN CORP	113376	05/07/18	1,900.00	
	001546	CRAIG/ROBERT J	113377	05/07/18	1,000.00	
	003564	CREATIVE SECURITY COMPAN	113378	05/07/18	1,783.71	
	000098	ESCALON SERVICES	113379	05/07/18	1,023.40	
	000054	EWING IRRIGATION PRODUCT	113380	05/07/18	185.49	
	000202	FEDERAL EXPRESS	113381	05/07/18	24.54	
	000582	FERRARA/TRACY A.	113382	05/07/18	30.00	
	000615	HOHMANN/PATRICK J.	113383	05/07/18	123.00	
	003592	KAHN/JESSICA	113384	05/07/18	132.76	
	003332	KRAEGER/BROOK A	113385	05/07/18	57.67	
	001333	LARA/JESUS D	113386	05/07/18	103.55	
	003321	LOPEZ/RENE	113387	05/07/18	254.23	
	001234	MC GRAW DDS/BERNARD	113388	05/07/18	42.40	
	003171	MICHALAK/GENE	113389	05/07/18	110.00	
	000083	MISSION UNIFORM SERVICE	113390	05/07/18	1,018.47	
	000967	MONTEREY BAY SYSTEMS	113391	05/07/18	963.94	
	000939	NATIONAL COMTEL NETWORK	113392	05/07/18	15.19	
	000323	NBS GOVERNMENT FINANCE G	113393	05/07/18	1,775.00	
	001615	OLIN CORP-CHLOR ALKALI	113394	05/07/18	1,826.13	
	000785	PITNEY BOWES	113395	05/07/18	5,000.00	
	001024	S V UNIFIED SCHOOL DISTR	113396	05/07/18	4,337.50	
	001883	S.W.R.C.B.	113397	05/07/18	110.00	
	000128	SCARBOROUGH LUMBER	113398	05/07/18	1,117.05	
	000130	SCOTTS VALLEY FIRE DISTR	113399	05/07/18	1,971.63	
	001361	STEVENS DDS/JOHN A	113400	05/07/18	104.00	
	001085	SYCAL ENGINEERING INC	113401	05/07/18	600.00	
	001560	TRITON CONSTRUCTION	113402	05/07/18	75.00	
	001497	TURF & INDUSTRIAL EQUIP.	113403	05/07/18	374.00	
	001366	U.S. BANCORP OFFICE	113404	05/07/18	1,260.35	
	000151	VISION SERVICE PLAN	113405	05/07/18	1,173.60	
	003145	WAGE WORKS	113406	05/07/18	149.00	
	001930	WEST MARINE PRO	113407	05/07/18	85.00	
	003091	WESTERN TRUCK FAB	113408	05/07/18	399.24	
	GENERAL CHECKING ACCOUNT				32,893.65	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				32,893.65

RECORDS PRINTED - 000117

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	23,846.09
004	RECREATION	1,156.68
010	WASTEWATER OPERATIONS	3,953.37
011	TERTIARY TREATMENT PLANT	74.90
012	WASTEWATER CAPITAL RESERVE	600.00
023	SVRDA SUCCESSOR AGENCY	1,775.00
024	LENNAR TRUST FUNDS	64.91
028	SENIOR CENTER	116.82
077	SKYPARK MAINT ASSESS DIST	1,000.00
112	DENTAL INS INTERNAL SERV	269.40
123	COMMUNITY FACILITY CENTER	36.48
TOTAL ALL FUNDS		32,893.65

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	32,893.65
TOTAL ALL BANKS		32,893.65

SCOTTS VALLEY ACCOUNTS PAYABLE CITY OF SCOTTS VALLEY
04/30/2018 12:07:36 Check Register GL050S-V08.08 COVERPAGE
GL540R

Report Selection:

RUN GROUP... 043018 COMMENT... A/P AS OF 4/30/2018

DATA-JE-ID	DATA COMMENT
W-04302018-977	A/P AS OF 4/30/2018

Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
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BANK	VENDOR	CHECK#	DATE	AMOUNT
BA GENERAL CHECKING ACCOUNT				
000041	ACC BUSINESS	113295	04/30/18	1,300.88
003025	ACTION AUTO GLASS	113296	04/30/18	50.00
003457	ADAMS/TROY	113297	04/30/18	30.00
001219	ALHAMBRA	113298	04/30/18	97.84
001219	ALHAMBRA	113299	04/30/18	87.93
000620	ALVAREZ/TONY	113300	04/30/18	20.00
001009	ARD/KRISTIN	113301	04/30/18	30.00
000998	ASSOCIATED SERVICES CO.	113302	04/30/18	98.61
001373	BAY TREE, LLC	113303	04/30/18	3,620.38
001963	BELLVILLE/WAYNE	113304	04/30/18	1,000.00
001593	BENEDICT DDS/NANETTE	113305	04/30/18	783.80
000107	BIRT/DUSTIN	113306	04/30/18	20.00
000500	BOLANOS/DORENE	113307	04/30/18	20.00
000018	BRINK'S TROPHY SHOPPE	113308	04/30/18	129.70
015008	CENTRAL HOME SUPPLY	113309	04/30/18	377.34
000235	CIVIL CONSULTANTS GROUP	113310	04/30/18	2,160.00
002091	COMCAST	113311	04/30/18	146.20
003384	COVER PRO	113312	04/30/18	209.16
000207	DEPARTMENT OF JUSTICE	113313	04/30/18	294.00
001627	DITTRICH DDS/RUDOLPH	113314	04/30/18	332.00
000202	FEDERAL EXPRESS	113315	04/30/18	189.97
003253	FIRST ALARM	113316	04/30/18	133.50
003154	FLANNERY/MARLENE	113317	04/30/18	135.46
001828	GONZALES/GABE	113318	04/30/18	20.00
003387	HEIDARI DDS/ALI	113319	04/30/18	50.00
000615	HOHMANN/PATRICK J.	113320	04/30/18	20.00
003271	HOME DEPOT CREDIT SERVIC	113321	04/30/18	24.67
003449	HOSPICE OF SANTA CRUZ CO	113322	04/30/18	789.00
001841	IDEXX LABORATORIES, INC.	113323	04/30/18	1,484.02
001308	JOHNSON DDS/BRETT	113324	04/30/18	119.00
001903	JONES/KIMARIE	113325	04/30/18	1,508.00
003592	KAHN/JESSICA	113326	04/30/18	30.00
003142	KELLY-MOORE PAINT CO INC	113327	04/30/18	254.82
001660	KING/KATI	113328	04/30/18	282.00
002032	KT MECHANICAL INC	113329	04/30/18	320.00
003321	LOPEZ/RENE	113330	04/30/18	20.00
003403	MAR-KEN INTERNATIONAL PO	113331	04/30/18	260.00
001591	MARKELL/ROD	113332	04/30/18	1,974.00
001815	MC GRATH/TRISH	113333	04/30/18	20.00
001234	MC GRAW DDS/BERNARD	113334	04/30/18	814.70
001852	MCCAIN INC.	113335	04/30/18	9,282.50
002078	METRO MOBILE COMMUNICATI	113336	04/30/18	626.49
003607	NATIONAL ASSOCIATION OF	113337	04/30/18	60.00
001974	NORTH AMERICAN UV INC	113338	04/30/18	897.13
001485	O'NEILL SEA ODYSSEY	113339	04/30/18	22,650.00
002063	PATEL-CROSKREY/DARSHANA	113340	04/30/18	57.23
000382	PETE'S OUTFLOW TECHNICIA	113341	04/30/18	185.00
001787	PETRINI'S GARDENING SERV	113342	04/30/18	75.00

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA GENERAL	CHECKING ACCOUNT				
000723	PIED PIPER INC./THE	113343	04/30/18	75.50	
003323	POMPETTE/NICOLE	113344	04/30/18	20.00	
001233	PORTER DDS MS/BRENT J	113345	04/30/18	726.40	
001097	PRODESSE PROPERTY GROUP	113346	04/30/18	3,523.52	
.15256	PURSELL CONSTRUCTION, IN	113347	04/30/18	21.00	
000463	RALEY'S	113348	04/30/18	1,344.25	
003675	REDER DDS/SETH	113349	04/30/18	50.00	
001883	S.W.R.C.B.	113350	04/30/18	125.00	
001823	SANTA CRUZ CO ENVIRONMEN	113351	04/30/18	662.00	
001823	SANTA CRUZ CO ENVIRONMEN	113352	04/30/18	662.00	
001544	SANTA CRUZ COUNTY CONFER	113353	04/30/18	45,328.14	
000129	SCOTTS VALLEY BANNER	113354	04/30/18	484.50	
000319	SCOTTS VALLEY CAR WASH	113355	04/30/18	51.94	
000133	SCOTTS VALLEY SPRINKLER	113356	04/30/18	65.71	
002053	STEPFORD	113357	04/30/18	5,321.00	
003347	TOWNE FORD	113358	04/30/18	30,808.89	
001560	TRITON CONSTRUCTION	113359	04/30/18	2,600.00	
000754	UPS STORE/THE	113360	04/30/18	25.00	
000754	UPS STORE/THE	113361	04/30/18	25.00	
000754	UPS STORE/THE	113362	04/30/18	25.00	
000443	WALPOLE/STEVE	113363	04/30/18	236.00	
001342	WELCH/JAMES	113364	04/30/18	20.00	
003008	WILLIAMS/JESSE	113365	04/30/18	20.00	
002021	ZOOM	113366	04/30/18	19.30	
GENERAL	CHECKING ACCOUNT			145,330.48	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				145,330.48

RECORDS PRINTED - 000098

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	67,592.74
002	RECYCLING/ENVIRONMENTAL	22,650.00
004	RECREATION	2,019.24
010	WASTEWATER OPERATIONS	6,732.99
011	TERTIARY TREATMENT PLANT	897.13
019	AFFORDABLE HOUSING	1,974.00
023	SVRDA SUCCESSOR AGENCY	7,143.90
028	SENIOR CENTER	702.69
112	DENTAL INS INTERNAL SERV	4,599.90
123	COMMUNITY FACILITY CENTER	209.00
306	SUPPL LAW ENFORCEMENT SRVS	30,808.89
TOTAL	ALL FUNDS	145,330.48

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	145,330.48
TOTAL	ALL BANKS	145,330.48

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: March 16, 2018

TO: Honorable Mayor and City Council

FROM: Kirsten Powell, City Attorney

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **APPROVAL OF AMENDMENT TO WATER SUPPLY AGREEMENT BETWEEN THE CITY OF SCOTTS VALLEY AND PASATIEMPO GOLF CLUB**

SUMMARY OF ISSUE

On March 23, 2016, the City Council entered into the Water Supply Agreement between the City of Scotts Valley and Pasatiempo Golf Club ("Agreement"). Under the Agreement, the City agreed to pump up to 35 million gallons per year through the City's pipes to Pasatiempo Golf Club ("PGC") for 30 years. PCG agreed to pay five equal installments of $311,633.80 beginning May 1, 2016 for the use of the City's pipe and the water.

Under the Agreement, the City is responsible for all costs, permissions, permits and approvals to convey the secondary treated water to PGC, with the exception of the cost of purchasing and installing the valve that would divert the water from the City's ocean outfall pipeline to PGC's facility. PGC was responsible for the cost of the valve and its installation (estimated as up to $200,000). PGC designed its recycled water system to receive pressurized water in anticipation of receiving pressurized water from the City. PGC contends that the City had an obligation to pressurize the delivery of the water. The City contends it provides pressurized water to PGC. Because the water delivered to PGC is not pressurized to the extent necessary for PGC's water system, PGC redesigned its system to pressurize the water on site. The costs incurred by PGC to change its design and operations to pressurize on site are anticipated to exceed $800,000 over the life of the Agreement.

A dispute has arisen over who should bear the costs of pressurizing the water delivered to PGC. The proposed amendment will resolve that dispute by eliminating the requirement that the water provided to PGC be pressurized and reducing the payments to the City by $175,000 per year in 2020 and 2021.

FISCAL IMPACT

The proposed amendment to the settlement agreement will result in reduced funding for future Capital Improvement Program (CIP) projects, including, but not limited to wastewater. Annual payments will be reduced by $175,000 in 2020 and 2021 respectively. This reduction has been reflected in the proposed FY 2018/19 – FY 2023/24 CIP Budget.

STAFF RECOMMENDATION

It is recommended the City Council approve the Amendment to the Water Supply Agreement between the City of Scotts Valley and Pasatiempo Golf Club and authorize the City Manager to execute the amendment.

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WATER PRESSURIZATION SETTLEMENT AGREEMENT BETWEEN THE CITY OF SCOTTS VALLEY AND PASATIEMPO GOLF CLUB

This Water Pressurization Settlement Agreement ("Settlement Agreement" or "Agreement") is entered into this ___ day of __________, 2018 ("Effective Date"), by and between the City of Scotts Valley ("City") and Pasatiempo Inc. ("Pasatiempo Golf Club" or "PGC"), collectively "Parties".

RECITALS

A. The City is a municipal corporation organized under the California Government Code section 34500 *et seq.*;

B. The City provides wastewater treatment and effluent management services for the City;

C. PGC is a California corporation, organized pursuant to the California Corporations Code section 200 *et seq.*;

D. PGC operates a golf course for public play and for its Shareholders within the County of Santa Cruz but outside of the City of Scotts Valley;

E. The City operates a 1.5 million gallon per day activated sludge wastewater treatment plant and a 1.0 million gallon per day tertiary treatment plant;

F. Pursuant to an agreement entitled "Recycled Water Supply Use, Maintenance and Operation Agreement Between the City of Scotts Valley and the Scotts Valley Water District" ("District"), dated September 4, 2013, ("Maintenance Agreement"), the City agreed to make available to the District up to one million gallons per day of recycled water from the City's tertiary treatment plant;

G. Pursuant to the First Amendment of that Maintenance Agreement, dated April 20, 2016, the City and the District agreed to reduce the amount of recycled water available to the District by up to 170,000 gallons per day of wastewater with an annual total not to exceed 35,000,000 gallons per year, unless additional wastewater is available, to allow the City to instead sell that water to PGC;

H. Pursuant to that certain agreement entitled "Water Supply Agreement" dated March 23, 2016 between the City and PGC, City is responsible for all costs, permissions, permits and approvals to convey the "Treated Water" (the recycled water from the City's secondary wastewater treatment plant that the City would sell to PGC) to the "Point of Delivery" at PGC, with the exception of the cost of purchasing and installing the valve that would divert the Treated Water from the City's ocean outfall pipeline to the Point of Delivery;

I. Pursuant to the Water Supply Agreement, PGC was responsible for the cost of the valve and its installation (estimated as up to $200,000);

J. PGC designed its recycled water system to receive pressurized water in anticipation of receiving pressurized Treated Water pursuant to the Water Supply Agreement;

K. PGC contends that the City had an obligation to pressurize the delivery of the Treated Water;

M. The City contends it provides pressurized water to PGC;

N. Because the water delivered to PGC is not pressurized to the extent necessary for PGC's water system, and because the City refused to further pressurize the water, PGC redesigned its system to pressurize the Treated Water on site;

O. The costs incurred by PGC to change its design and operations to pressurize on site are anticipated to exceed $800,000 over the life of the Water Supply Agreement;

P. A dispute has arisen over who should bear the costs of pressurizing the Treated Water delivered to PGC;

Q. PGC contends that the City is liable for these changes that PGC was forced to make to its system as a result of the City's decision to not pressurize the delivery of Treated Water; and

S. The City asserts that it is not liable for the costs PGC incurred to pressurize the Treated Water on site.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties wish to resolve the dispute regarding the responsibility for the cost of pressurizing the Treated Water that is delivered to PGC and therefore agree as follows:

1. **Amendments to Water Supply Agreement.** Upon execution of this Settlement Agreement, the Water Supply Agreement shall only be amended to be consistent with the following:

1.1 The City shall have no obligation to pressurize the delivery of Treated Water;

1.2 PGC shall be solely responsible for all costs necessary to pressurize the Treated Water for ultimate use at PGC;

1.3 Section 4.3.1.2 is amended such that PGC has no obligation to pay for the valve or its installation;

1.4 Section 6.1 is amended to read:

6.1. Commencing May 1, 2017, PGC shall make three (3) annual payments of $311,633.80 each on May 1st of each year to the City, with the last such payment on May 1, 2019. Thereafter, commencing May 1, 2020, PGC shall make two (2) annual payments of $136,633.80 each on May 1st of each year to the City, with the last such payment on May 1, 2021. The City shall compensate the District for the loss of the portion of their entitlement pursuant to the terms of the agreement between the City and the District.

In all other respects, the Water Supply Agreement shall remain in full force and effect.

1.6 This Settlement Agreement does not address any issues related to the quantity of water delivered by the City.

2. **Miscellaneous.**

2.1 **Organization and Authority.** The individuals executing this Agreement have full authority to enter into this Agreement on the terms and conditions set forth herein. The execution and delivery of this Agreement and performance by the Parties of their respective obligations under this Agreement will not violate or breach any agreement, covenant or obligation binding on any Party. There are no claims by third parties, pending or threatened, that would impair any Party's ability to perform its obligations under this Agreement.

2.2 **Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of the Parties, their respective heirs, successors (by merger, consolidation or otherwise), assigns, devisees, administrators and representatives.

2.3 **Amendments.** No change, amendment or modification of this Agreement shall be valid or binding upon the Parties unless such change, amendment or modification shall be in writing and duly executed by all Parties.

2.4 **Captions.** The captions contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.

2.5 **Severability.** The invalidity of one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the validity of the remaining portions of this Agreement so long as the material purposes of this Agreement can be determined and effectuated.

2.6 **No Waiver.** Any failure of any Party to enforce any of the provisions of this Agreement or to require compliance with any of its terms at any time during the pendency of this Agreement shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the right of such Party thereafter to enforce any and each such provision. Any consent or approval given pursuant to this Agreement shall be limited to its express terms and shall not otherwise increase the obligations of the Party giving such consent or approval or otherwise reduce the obligations of the Party receiving such consent or approval.

2.7 **Further Assurances.** All Parties agree to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary to effectuate the purposes and intent of this Agreement.

2.8 **Governing Law.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California.

2.9 **Survival.** Notwithstanding any provision of this Agreement to the contrary, expiration or other termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such expiration or termination, including promises of indemnity and payment obligations.

2.10 **Attorneys' Fees.** In the event that any of the Parties fail to perform any of its obligations under this Agreement, or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable costs and expenses incurred by the other Party or Parties in enforcing or establishing its rights hereunder or otherwise with respect to the Agreement. Such costs shall include, without limitation, court costs and reasonable counsel fees, whether or not legal action was commenced, and shall also include, without limitation, all such costs and expenses incurred in an action or participation in, or in connection with, a case or proceeding under Chapter 7 or 11 of the Bankruptcy Code or any successor statute thereto.

2.11 **Notices.** All notices and demands which any Party hereto may be required or desires to serve upon any other Party under the terms of this Agreement shall be in writing and shall be served upon the other Party as follows:

If delivered to PGC:

Pasatiempo Golf Club
Attn: General Manager
20 Clubhouse Rd.
Santa Cruz, CA 95060
Fax No.: (831) 426-0739

If delivered to City: City of Scotts Valley

City of Scotts Valley
Attn: City Manager
One Civic Center Drive
Scotts Valley, CA 95066
Telephone No.: (831)440-5600
Fax No.: (831) 438-2793

In the event a Party is no longer located at the address specified above and has not provided the other Party hereunder with a current address, reasonable effort shall be made to ensure actual delivery of any such notice.

2.12 **No Third Party Beneficiaries.** Except as otherwise expressly set forth herein, the Parties do not intend, and this Agreement shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Agreement.

2.13 **Documents Included.** This Agreement consists of this document and the Exhibits, Appendices and Schedules attached hereto in accordance with the provisions hereof, which are specifically incorporated herein and made a part hereof by this reference.

2.14 **Counterparts.** This Agreement may be executed in one or more counterparts and delivered by facsimile or electronic mail, each of which counterparts shall, for all purposes, be deemed an original and all such counterparts, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

PASATIEMPO, INC.	CITY OF SCOTTS VALLEY
D Scott Hoyt	
By:	By: Jenny Haruyama, City Manager
Its: GENERAL MANAGER	

{00438937:2}

AGENDA ITEM D
DATE: 5-16-2018

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Steve Walpole, Chief of Police

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **ROAD CLOSURE FOR CITY'S 2018 4TH OF JULY PARADE**

SUMMARY OF ISSUE

On July 4, 2018, the City of Scotts Valley will celebrate Independence Day by hosting a parade along Scotts Valley Drive. The proposed parade route will begin at Carbonero Way, travel northbound to El Pueblo Road, and then circle back and return to Carbonero Way. The roadway will be closed in both directions in order to maximize pedestrian/audience safety, with police officers and volunteers manning various driveways and barricaded sections along the route.

The parade will begin at 3:00 p.m. and be followed by the opening of Skypark for the annual evening fireworks show. Anticipated participants for the parade include antique/classic car enthusiasts, children's groups (such as 4H, Cub Scouts, etc.), dance groups, martial arts clubs, bicyclists, pets, emergency vehicles, service clubs, floats, etc.

Closure of the roadway will require the City Council to adopt a resolution in compliance with California Vehicle Code 21101(e). Appropriate notice letters will be distributed to affected businesses and residences, and the police department will further alert the public via the mobile radar trailer message board prior to the event. A press release will be issued for media coverage and appropriate teletypes sent to affected agencies (such as fire, ambulance, transit, sheriff, CHP, etc.).

FISCAL IMPACT

Additional overtime will be necessary for police staff to work this event. It is anticipated that eight police officers and two police dispatchers will be required to work this event from 1:00 pm to 5:00 pm. The cost will be absorbed by the Police Department's overtime budget which is expected to cost approximately $2,000.

STAFF RECOMMENDATION

It is recommended that the City Council approve Resolution No. 1851.6, establishing a road closure along the above specified route of Scotts Valley Drive in order to host a parade in celebration of Independence Day on July 4, 2018.

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RESOLUTION NO. 1851.6
RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SCOTTS VALLEY
TEMPORARILY CLOSING A PORTION OF
SCOTTS VALLEY DRIVE FOR THE
CITY'S 4th OF JULY PARADE

WHEREAS, in celebration of Independence Day, the City has planned a parade to be held on July 4, 2018; and

WHEREAS, the parade route shall be along Scotts Valley Drive from Carbonero Way, travel northbound to El Pueblo Road, and then circle back and return to Carbonero Way; and

WHEREAS, participants in the parade and spectators will utilize all lanes of Scotts Valley Drive; and

WHEREAS, it is necessary to temporarily close Scotts Valley Drive from Carbonero Way to El Pueblo Road for the safety and protection of the participants and spectators of the parade.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Scotts Valley hereby orders the temporary closure of Scotts Valley Drive from Carbonero Way to El Pueblo Road from 2:00 p.m. until 5:00 p.m. on July 4, 2018. Such closure shall be posted along the parade route by June 25, 2018.

The above and foregoing resolution was adopted at a duly held regular meeting of the City Council on the 16th day of May 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: ______________________________
Jim Reed Mayor

Attest:

____
Tracy A. Ferrara, City Clerk

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Ken D. Anderson, City Engineer

APPROVED: Jenny D. Haruyama, City Manager

SUBJECT: **INTENT TO VACATE A PORTION OF RIGHT-OF-WAY KNOWN AS BETHANY DRIVE**

SUMMARY OF ISSUE

On January 12, 1948, Bethany Park, Tract No. 77 was recorded with the County of Santa Cruz. On this tract map Bethany Drive was offered for dedication but not accepted.

1440 Foundation redeveloped the former Bethany University campus into an educational learning center. As part of that redevelopment, 1440 Foundation realigned a portion of Bethany Drive and has submitted an Offer of Dedication for the newly realigned 50.00 foot wide right-of-way. As the realigned portion is complete, the old right-of-way is not needed and can be vacated.

The portion of Bethany Drive to be vacated will no longer be necessary for any traffic circulation, public service easement or public utility facilities, except for those portions reserved for a public utilities easement and public sidewalk easements as shown on Exhibit "A" of the resolution.

The purpose of this resolution is to indicate intent to:

1. Vacate and abandon a portion of the Bethany Drive right of way, and
2. Reserve an easement over a portion necessary for public utilities; and
3. Reserve an easement over those portions necessary for public access.

The 1440 Foundation has requested this right-of-way vacation, including any underlying public easement, except those specifically shown and described on Exhibit "A" to the Resolution of Intention.

One property owner (APN 023-021-08) would require an access easement over a portion of the vacated right of way, which has been provided for as shown in Exhibit A. This property owner has submitted a letter indicating he approves of the vacation of said portion of Bethany Drive.

Division 9, Part 3, Chapter 3 of the Streets and Highway Code requires the following for abandoning and terminating the offer of dedication:

- Adopt a resolution of intention setting date of a public hearing.
- Posting of notices 10 days prior to the date of the hearing.
- Hold the public hearing not less than 15 days after adoption of a Resolution of Intention.
- Order of vacation recorded with the County Recorder.

FISCAL IMPACT

Upon acceptance of the realigned Bethany Drive, the 1440 Foundation would responsible for all maintenance and repair of any nonstandard improvements located within Bethany Drive. It is anticipated that the City's annual maintenance expenses for its part of the public right of way would be relatively minimal.

STAFF RECOMMENDATION

It is recommended that the City Council adopt Resolution No.1895.20, a Resolution of Intention to Vacate and Abandon a Portion of Bethany Drive.

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RESOLUTION NO. 1895.20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY A RESOLUTION OF INTENTION TO VACATE AND ABANDON A PORTION OF BETHANY DRIVE

WHEREAS, 1440 Foundation redeveloped the former Bethany University campus into an educational learning center; and

WHEREAS, as part of that redevelopment, Bethany Drive was realigned; and

WHEREAS, the realigned Bethany Drive has been completed and offered for dedication to the City; and

WHEREAS, upon acceptance of the realigned Bethany Drive, the old right-of-way alignment of Bethany Drive as shown on Exhibit A is no longer needed.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED as follows:

Section 1. Pursuant to Division 9. Part 3, Chapter 3 et seq. of the Streets and Highway Code of the State of California, the City Council of the City of Scotts Valley hereby declares its intention to order the vacation and abandonment of a portion of Bethany Drive described as "Parcel 1" and "Parcel 2" as shown upon the attached Exhibit "A", which constitutes a legal description and map on file with the Public Works Department of the City of Scotts Valley.

Section 2. All proceedings hereinunder shall be conducted pursuant to Division 9, Part 3, Chapter 3 of the Streets and Highway Code of the State of California, and the City Council of the City of Scotts Valley hereby declares that these proceedings are taken without reservation of any easement for public convenience or public utilities except within those portions described as "Parcel 3", "Parcel 4" and "Parcel 5" as shown on and described in "Exhibit A", and that any other easements or right-of-way shall not be affected.

Section 3. June 20, 2018, at the hour of 6:30 p.m. at the City Council Chambers, 1 Civic Center Drive, Scotts Valley, California 95066, is hereby fixed as the time and place for hearing all persons interested or objecting to the proposed vacation and abandonment.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 16th day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: ______________________________
Jim Reed, Mayor

Attest: ______________________________
Tracy A. Ferrara, City Clerk

AGENDA ITEM F
DATE: 5-16-2018

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Jessica Kahn, Civil Engineer

APPROVED: Jenny Haruyama, City Manager

SUBJECT: APPROVAL OF AGREEMENT WITH GRANITE CONSTRUCTION INCORPORATED, FOR GLEN CANYON ROAD/GREEN HILLS ROAD/S. NAVARRA DRIVE BIKE CORRIDOR AND ROADWAY PRESERVATION PROJECTAND CALTRANS SUPPLEMENT AGREEMENT

SUMMARY OF ISSUE

In 2016, the City was awarded Surface Transportation Block Grant Program (STBG) funding by the Santa Cruz County Regional Transportation Commission (RTC) for the Glen Canyon Road/Green Hills Road/S. Navarra Drive Bike Corridor and Roadway Preservation Project. This project will implement significant improvements to both preserve the existing roadways and enable its use as an eastern corridor of the City's Active Transportation Network. Part of Glen Canyon Road and all of Green Hills Road are currently in very poor condition and require repaving. Safety will be improved with the use of bike lane green striping and signage at the Glen Canyon Road/Green Hills Road and Mt. Hermon Road/Glen Canyon Road intersections. Safety is also a concern through a narrow stretch of Glen Canyon Road under Highway 17. To address safety issues, signage and sharrows will be added Glen Canyon as well as S. Navarra Drive.. Sharrows are road markings used to indicate a shared lane environment for bicycles and automobiles. Together, these project improvements will provide a key piece in the City's overall plan to increase bicycling and walking to all of its primary destinations.

The original call for bids was advertised on February 26 and March 5. Public Works received two bids on Thursday, March 22, 2018. The bids received were for $1,462,342 and $1,473,895 from Granite Construction and Graniterock respectively. Both bids exceeded the available project funding. On April 16, 2018, staff rejected all bids and re-bid the project.

The current call for bids was advertised on April 17, 2018. Public Works received the following bids on Thursday, May 10, 2018:

Granite Construction Inc.	**$ 979,203.50**
Granite Rock	$1,058,006.60

Based on the bids received, staff recommends that the City enter into a contract with Granite Construction Incorporated, the lowest responsive bidder, to perform the work.

Pursuant to project specifications, Granite Construction Incorporated will complete this project within 60 days after approval of the contract. Neighboring residents, schools and businesses will be informed of construction activities and progress through flyers and website postings. Attached for Council consideration is the proposed agreement with Granite Construction Incorporated.

Program Supplement Agreement
Caltrans has issued a Finance Letter for the project as required by the STBG program. Prior to receiving reimbursement for costs applied to the project, the Program Supplement Agreement No. 0Q98 must be executed. Caltrans also requires a certified authorizing resolution clearly identifying the project and the City official authorized to execute the agreement.

FISCAL IMPACT

Approximately $811,000 was included in the FY 2017/18 Capital Improvement Program (CIP) for this project; $711,000 funded by the Regional Transportation Improvement Program and $100,000 paid with Measure D funds. $89,000 was appropriated in FY 2016/17 from gas tax revenues for design of the project of which $11,500 has not been expended. On October 4, 2017 Council approved the use of FY2017-18 SB1 funds ($68,609) for this project. In November 2017, an additional $98,000 was awarded by the RTC to complete the project due to increased construction costs.

Therefore, the construction of this project will be funded by $809,000 funded by the Regional Transportation Improvement Program, $100,000 of Measure D funds, and $80,109 in gas tax funds, for a total of $989,109.

There is no fiscal impact to the General Fund.

STAFF RECOMMENDATION

It is recommended that the Council consider and take the following actions:

1. Approve the attached agreement with Granite Construction Incorporated for the Glen Canyon Road/Green Hills Road/S. Navarra Drive Bike Corridor and Roadway Preservation Project and authorize the City Manager to execute the agreement.
2. Adopt Resolution No. 1948 authorizing the Interim Public Works Director to execute Program Supplement Agreement No. 0Q98.

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AGREEMENT
CITY OF SCOTTS VALLEY
STATE OF CALIFORNIA

THIS AGREEMENT, made and concluded that **16th** day of **May, 2018** between the **CITY OF SCOTTS VALLEY**, hereinafter called CITY, and **Granite Construction Incorporated**, hereinafter called CONTRACTOR.

ARTICLE I. WITNESS TO, that for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by CITY, and under the conditions expressed in the bonds, bearing even date with these presents and hereunto annexed, CONTRACTOR agrees with CITY, at CONTRACTOR'S own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the specifications to be furnished by CITY, necessary to construct and complete the work of the improvement herein referenced in a good workmanlike and substantial manner and to the satisfaction of the CITY'S Interim Director of Public Works, **Glen Canyon and Green Hills Road Bike Lane Project**, in accordance with the Special Provisions hereto annexed, and also in accordance with the General Prevailing Wage Rates as determined by the Department of Industrial Relations, which said Special Provisions and General Prevailing Wage Rates are hereby specifically referred to and by such reference made a part hereof.

The work to be done is described in Section 9 "Description of Work" of the Special Provisions, which said Special Provisions are hereby made a part of this contract, and is shown upon the plans entitled **"Glen Canyon and Green Hills Road Bike Lane Project "**, which said plans are hereby made a part of the contract. **The work shall be completed 60 calendar days after receipt of notification to proceed.**

ARTICLE II. CITY hereby promised and agrees with CONTRACTOR to employ, and does hereby employ, CONTRACTOR to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices set forth in the Bid of CONTRACTOR for the work to be constructed and completed under this Agreement, which prices shall be considered as though repeated herein, subject to additions and deductions as provided therein, and hereby contracts to pay the same at the time, in the manner upon the conditions herein set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III. The statement of prevailing wages appearing in the General Prevailing Wage Rates is hereby specifically referred to and by this reference is made a part of this contract. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said CONTRACTOR, then this instrument shall control, and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE IV. By my signature hereunder, as CONTRACTOR, I certify that I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE V. **CONTRACTOR shall be compensated for satisfactory completion of the work in compliance with the contract documents for the sum not to exceed $979,203 in accordance with the payment schedule outlined in the CONTRACTOR'S Bid Form dated May 10, 2018.**

CONTRACTOR agrees to receive and accept the prices as set forth in the Bid of CONTRACTOR for the work to be constructed and completed under this Agreement, which prices shall be considered as though repeated herein, subject to additions and deductions as provided therein, as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also, for all loss or damage arising out of the nature of the work aforesaid, or from the action of elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by CITY, and for all the risks of every description connected with the work; also, for all expenses incurred by or in consequence of the suspension or discontinuance of work; and for well and faithfully completing the work, and the whole thereof, in the manner and according to the plans and specifications, and the requirements of Engineer.

ARTICLES VI. CONTRACTOR shall indemnify and save harmless and defend Owner, its officers, agents, servants and employees, and each of them from and against:

(a) Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including CONTRACTOR, or any officer, agent, consultant, servant and/or employee of CITY or CONTRACTOR, and damages to or destruction of property of any person, including but not limited to, CITY and/or CONTRACTOR and their officers, agents, consultants, servants and/or employees, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, regardless of any negligence of CITY or its officers, agents, servants or employees, except the sole negligence or willful misconduct of CITY or its officers, agents, consultants, servants or employees, or the active negligence of CITY, its officers, agents or employees;

(b) and any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CONTRACTOR.

CONTRACTOR shall, at CONTRACTOR'S own cost, expense and risk, defend any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against CITY or CITY'S officers, agents, consultants, servants or employees.

CONTRACTOR shall pay and satisfy and judgment, award or decree that may be rendered against CITY or its officers, agents, consultants, servants or employees, in any such suit, action or other legal proceedings;

CONTRACTOR shall reimburse CITY and its officers, agents, servants and employees for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

ARTICLE VII. Prior to the commencement of any work, CONTRACTOR shall provide CITY with evidence that it has obtained insurance and Performance and Payment Bonds satisfying all requirements outlined in the Insurance Certificate. Failure to do so shall be deemed a material breach of this Construction Contract.

ARTICLE VIII. The complete contract for the work of improvement herein referenced consists of the following documents, all of which are hereby expressly made a part hereof and incorporated herein by this reference. CONTRACTOR shall be bound by the requirements and obligations of such documents.

1. Notice To Bidders
2. Bid Form
3. Designation of Subcontractors
4. Bidder's Bond
5. Agreement
6. Bond for Faithful Performance
7. Bond of Security of Laborers and Material Person
8. Standard Specifications dated 2015 and Standard Plans dated 2015 of the California Department of Transportation
9. Labor Surcharge and Equipment Rental Rates and the General Prevailing Wage Rates as determined by the California Department of Transportation Division of Construction (all as referenced herein)
10. Plans entitled, **"Glen Canyon and Green Hills Road Bike Lane Project"**
11. Insurance Certificate
12. Information for Bidders
13. Special Provisions

IN WITNESS WHEREOF, CITY has caused these presents to be executed by its officers hereunto duly authorized, and CONTRACTOR has subscribed same, all on the day and year first above written.

CONTRACTOR,

By:____________________________

Date:__________________________

License No.______________________

FOR CITY OF SCOTTS VALLEY

By:____________________________ Date:__________________________
Jim Reed, Mayor

ATTEST:

By:____________________________ Date:__________________________
Tracy Ferrara, City Clerk

APPROVED AS TO FORM:

By:____________________________ Date:__________________________
Kirsten Powell, City Attorney

RESOLUTION NO. 1948

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY AUTHORIZING THE INTERIM PUBLIC WORKS DIRECTOR TO EXECUTE PROGRAM SUPPLEMENT AGREEMENT NO. 0Q98

WHEREAS, the State of California – California State Transportation Agency Department of Transportation (Caltrans) has issued a Finance Letter for Project No. RPL-5400(018); and

WHEREAS, Caltrans requires modification to the Administering Agency-State Agreement No. 00242S for Project No. RPL-5400(018); and

WHEREAS, Caltrans required the Program Supplement Agreement No. 0Q98.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Interim Director of Public Works is hereby authorized to sign the program supplement on behalf of the City and is hereby directed to return the original and duplicate original of the Program Supplement Number 0Q98 together with one certified copy of this resolution to the State of California Department of Transportation for further processing.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 16th day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: ______________________________
Jim Reed, Mayor

Attest: ______________________________
Tracy A. Ferrara, City Clerk

PROGRAM SUPPLEMENT NO. Q98 **to** **ADMINISTERING AGENCY-STATE AGREEMENT FOR STATE FUNDED PROJECTS NO** 00242S	**Adv Project ID** 0518000100 **Date:** April 10, 2018 **Location:** 05-SCR-0-SCTV **Project Number:** RPL-5400(018) **E.A. Number:** **Locode:** 5400

This Program Supplement, effective 03/21/2018, hereby adopts and incorporates into the Administering Agency-State Agreement No. 00242S for State Funded Projects which was entered into between the ADMINISTERING AGENCY and the STATE with an effective date of 09/26/12 and is subject to all the terms and conditions thereof. This PROGRAM SUPPLEMENT is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. approved by the ADMINISTERING AGENCY on (See copy attached).

The ADMINISTERING AGENCY further stipulates that as a condition to the payment by the State of any funds derived from sources noted below encumbered to this project, Administering Agency accepts and will comply with the Special Covenants and remarks set forth on the following pages.

PROJECT LOCATION:

Glen Canyon Rd./Green Hills Rd./S. Navarra Dr.

TYPE OF WORK: Road Rehabilitation

Estimated Cost	State Funds		Matching Funds		
	STATE	$707,000.00	LOCAL		OTHER
$826,000.00			$119,000.00		$0.00

CITY OF SCOTTS VALLEY

By ______________________

Title ______________________

Date ______________________

Attest ______________________

STATE OF CALIFORNIA
Department of Transportation

By ______________________

Chief, Office of Project Implementation
Division of Local Assistance

Date ______________________

I hereby certify upon my personal knowledge that ~~budgeted~~ funds are available for this encumbrance:

Accounting Officer [signature] **Date** 4/10/18 $707,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

STATE OF CALIFORNIA. DEPARTMENT OF TRANSPORTATION

PROGRAM SUPPLMENT AND CERTIFICATION FORM

PSCF (REV. 01/2010)

TO: STATE CONTROLLER'S OFFICE Claims Audits 3301 "C" Street, Rm 404 Sacramento, CA 95816	DATE PREPARED: 10-Apr-18	PROJECT NUMBER: 0518000100
	REQUISITION NUMBER / CONTRACT NUMBER: RQS 051800000383	

FROM:

Department of Transportation

SUBJECT:

Encumbrance Document

VENDOR / LOCAL AGENCY:

City of Scotts Valley

CONTRACT AMOUNT:

$707,000.00

PROCUREMENT TYPE:

Local Assistance

CHAPTER	STATUTES	ITEM	YEAR	PEC / PECT	TASK / SUBTASK	AMOUNT
13	2016	2660-101-0042	2016-2017	2030600/620	2620/0420	$707,000.00

ADA Noti For individuals with sensory disabilities, this document is available in alternate formats. For information, call (915) 654-6410 of TDD (916) -3880 or write Records and Forms Management, 1120 N. Street, MS-89, Sacramento, CA 95814.

SPECIAL COVENANTS OR REMARKS

1. This PROJECT is programmed to receive funding from the State Transportation Improvement Program (STIP). Funding may be provided under one or more components. A component(s) specific fund allocation is required, in addition to other requirements, before reimbursable work can occur for the component(s) identified. Each allocation will be assigned an effective date and identify the amount of funds allocated per component(s).

   This PROGRAM SUPPLEMENT has been prepared to allow reimbursement of eligible PROJECT expenditures for the component(s) allocated. The start of reimbursable expenditures is restricted to the later of either 1) the effective date of the Master Agreement, 2) the effective date of the PROGRAM SUPPLEMENT, or 3) the effective date of the component specific allocation.

2. STATE and ADMINISTERING AGENCY agree that additional funds made available by future allocations will be encumbered on this PROJECT by use of a STATE approved Allocation Letter and Finance Letter. ADMINISTERING AGENCY agrees that STATE funds available for reimbursement will be limited to the amount allocated by the California Transportation Commission (CTC) and/or the STATE.

3. Upon ADMINISTERING AGENCY request, the CTC and/or STATE may approve supplementary allocations, time extensions, and fund transfers between components. An approved time extension will revise the timely use of funds criteria, outlined above, for the component(s) and allocation(s) requested. Approved supplementary allocations, time extensions, and fund transfers between components made after the execution of this PROGRAM SUPPLEMENT will be documented and considered subject to the terms and conditions thereof.

   Documentation for approved supplementary allocations, time extensions, and fund transfers between components will be a STATE approved Allocation Letter, Fund Transfer Letter, Time Extension Letter, and Finance Letter, as appropriate.

4. This PROJECT will be administered in accordance with the CTC STIP guidelines, as adopted or amended, and the STATE Procedures for Administering Local Grant Projects in the State Transportation Improvement Program (STIP), the Local Assistance Program Guidelines, and the Local Assistance Procedures Manual. The submittal of invoices for project costs shall be in accordance with the above referenced publications and the following.

5. The ADMINISTERING AGENCY shall invoice STATE for environmental & permits, plans specifications & estimate, and right-of-way costs no later than 180 days after the end of last eligible fiscal year of expenditure. For construction costs, the ADMINISTERING AGENCY has 180 days after project completion to make the final payment to the contractor and prepare the final Report of Expenditures and final invoice, and submit to STATE for verification and payment.

6. All obligations of STATE under the terms of this Agreement are subject to the

SPECIAL COVENANTS OR REMARKS

appropriation of resources by the Legislature and the encumbrance of funds under this Agreement. Funding and reimbursement are available only upon the passage of the State Budget Act containing these STATE funds.

7. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer immediately after the award. Failure to do so will cause delay in processing the invoices for the construction component. As a minimum, the award information should have the following: Project number, project description, PPNO, date the project was advertised, award amount, bid opening date, award date and estimated completion date.

8. This PROJECT is subject to the timely use of funds provisions enacted by Senate Bill 45 (SB 45), approved in 1997, and subsequent CTC guidelines and State procedures approved by the CTC and STATE, as outlined below:

   Funds allocated for the environmental & permits, plan specifications & estimate, and right-of-way components are available for expenditure until the end of the second fiscal year following the year in which the funds were allocated.

   Funds allocated for the construction component are subject to an award deadline and contract completion deadline. ADMINISTERING AGENCY agrees to award the contract within 6 months of the construction fund allocation and complete the construction or vehicle purchase contract within 36 months of award.

9. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumberances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

   If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

   ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

10. Any State and Federal funds that may have been encumbered for this project are

SPECIAL COVENANTS OR REMARKS

available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

11. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

    Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

12. ADMINISTERING AGENCY agrees to comply with the requirements in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (applicable to Federal and State Funded Projects).

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Ken Anderson, City Engineer

APPROVED: Jenny Haruyama, City Manager

SUBJECT: **PARCEL MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR MINOR LAND DIVISION MLD17-002, THE HANGAR @ SKY PARK- 260 MOUNT HERMON ROAD, APN 022-231-03**

SUMMARY OF ISSUE

On March 21, 2018 the City Council approved a subdivision of a vacant 1.51-acre parcel into two commercial parcels of 26,463 square feet and 39,457 square feet from one existing parcel located at 260 Mount Hermon Road. Staff has reviewed the conditions of approval for MLD No. 17-002 as set forth in Resolution No. 1941 and found that all necessary conditions have been completed prior to the filing of the Parcel Map.

FISCAL IMPACT

There is no fiscal impact to the General Fund. Approximately $5,647 was collected from the applicant to cover the intake process and applicable city costs. Impact fees related to this project will be collected prior to issuance of any and all building permits.

STAFF RECOMMENDATION

It is recommended that the City Council approve Resolution No. 1941.1, a resolution approving the Parcel Map, and Resolution No. 960.86, a resolution approving the Subdivision Improvement Agreement and Bonds for MLD 17-002, The Hangar at Skypark, 260 Mt. Hermon Road, APN 022-231-03.

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RESOLUTION NO. 1941.1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE HANGAR @ SKY PARK PARCEL MAP, MLD 17-002 260 MOUNT HERMON ROAD, APN 022-231-03

WHEREAS, the City of Scotts Valley (City) approved the Tentative Map for The Hanger @ Sky Park, by Resolution No. 1941 (the Subdivision) on March 21, 2018; and

WHEREAS, consistent with the approved Tentative Map, Hangar @ Skypark, LLC (Owner), submitted a Parcel Map for the Subdivision to the City for approval; and

WHEREAS, staff has reviewed the proposed Parcel Map and finds it to be technically correct and consistent with the Tentative Map and that all applicable Parcel Map conditions of approval have been substantially satisfied; and

WHEREAS, a Subdivision Improvement Agreement has been approved by the City Attorney and bonds have been posted to the City for the construction of the required improvements; and

WHEREAS, the City has determined that the Parcel Map is statutorily exempt from the California Environmental Quality Act (CEQA) Statutory Exemptions, Title 14 of the California Code of Regulations Section 15268(b)(3) Ministerial Projects, approval of final subdivision maps.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley as follows:

1. The location and configuration of the lots to be created by the Subdivision substantially comply with the previously approved Tentative Map; and

2. The Parcel Map is categorically exempt from the California Environmental Quality Act (CEQA), Statutory Exemptions, Title 14 of the California Code of Regulations Section 15268(b)(3) Ministerial Projects, approval of parcel subdivision maps; and

3. The City Council of the City of Scotts Valley, pursuant to Government Code Section 66458, hereby approves the Parcel Map for the Subdivision, a copy of which is hereby attached as Exhibit A and made part of this Resolution.

The above and foregoing Resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 16th day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: ______________________________
Jim Reed, Mayor

Attest: ______________________________
Tracy A. Ferrara, City Clerk

EXHIBIT A

OWNER'S STATEMENT

WE, THE HANGAR AT SKYPARK, LLC, HEREBY STATE THAT WE ARE THE SUBDIVIDER'S OF THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION AS SHOWN ON THIS MAP AND THAT WE ARE THE ONLY PERSONS NECESSARY TO SIGN SAID MAP PURSUANT TO SECTION 66445(e) OF THE SUBDIVISION MAP ACT OF THE STATE OF CALIFORNIA, AND THAT WE HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE SUBDIVISION BOUNDARY LINES.

WE HEREBY DEDICATE TO PUBLIC USE A STRIP OF LAND DELINEATED AND DESIGNATED AS "PUBLIC SIDEWALK EASEMENT" (PSE) FOR PUBLIC SIDEWALK PURPOSES ONLY.

OWNER:

BY: ____________________

ACKNOWLEDGEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)

COUNTY OF ____________)

ON ____________ BEFORE ME, ____________

PERSONALLY APPEARED ____________
WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

NOTARY SEAL NOT REQUIRED (Sec 66436 (c))

COUNTY OF NOTARY'S PRINCIPAL PLACE OF BUSINESS ____________ NOTARY COMMISSION NUMBER AND EXPIRATION DATE ____________

NOTARY NAME ____________ NOTARY SIGNATURE ____________

CITY CLERK'S STATEMENT

I, TRACY FERRARA, CITY CLERK OF THE CITY COUNCIL, CITY OF SCOTTS VALLEY, COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA, HEREBY CERTIFY THAT SAID COUNCIL APPROVED THE WITHIN MAP ON

THE ______ DAY OF ____________ 2018, IN ACCORDANCE WITH THE CONDITIONAL APPROVAL OF THE TENTATIVE MAP AND THAT THE PUBLIC SIDEWALK EASEMENT SHOWN HEREON BE ACCEPTED.

DATED ____________

(SIGNED AND SEALED) ____________
TRACY FERRARA
CITY CLERK OF THE CITY OF SCOTTS VALLEY
STATE OF CALIFORNIA

AUDITOR CONTROLLER'S CERTIFICATE

I HEREBY STATE THAT THERE ARE NO LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES AGAINST THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR AGAINST ANY PART THEREOF, EXCEPT TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES WHICH ARE NOT YET PAYABLE, AND WHICH IT IS HEREBY ESTIMATED WILL NOT EXCEED THE

SUM OF $____________ FOR THE YEAR 20____ - 20____, AND THAT SAID LAND OR PORTION THEREOF IS SUBJECT TO SPECIAL ASSESSMENTS IN SPECIAL ASSESSMENT DISTRICTS AS FOLLOWS TO WIT:

NAME, NUMBER OR DESIGNATION OF DISTRICT	TOTAL OUTSTANDING PRINCIPLE AND INTEREST TO MATURITY	FINAL MATURITY DATE
____	____	____

AND THAT THIS CERTIFICATE DOES NOT INCLUDE ANY ASSESSMENTS OF ANY ASSESSMENT DISTRICT THE BONDS OF WHICH HAVE NOT YET BECOME A LIEN AGAINST SAID LAND OR ANY PART THEREOF.

DATED: ____________ AUDITOR-CONTROLLER OF THE COUNTY OF SANTA CRUZ

BY: ____________
DEPUTY

CLERK OF THE BOARD'S CERTIFICATE

THE CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ DOES HEREBY CERTIFY THAT ALL CERTIFICATES AND SECURITIES REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE GOVERNMENT CODE HAVE BEEN DULY FILED AND DEPOSITS HAVE BEEN DULY MADE. PURSUANT TO THE AUTHORITY DELEGATED TO ME BY SAID BOARD, I HEREBY APPROVE SAID CERTIFICATES AND SECURITIES ON BEHALF OF THE COUNTY OF SANTA CRUZ.

DATED ____________

EX-OFFICIO CLERK OF THE BOARD OF SUPERVISORS OF SANTA CRUZ COUNTY, STATE OF CALIFORNIA ____________ BY DEPUTY ____________

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF CORBETT WRIGHT ON APRIL 1, 2018. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED TENTATIVE MAP, ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, THE MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

DATED ____________

(SIGNED AND SEALED) ____________
JEAN-PAUL HAPPEE
PROFESSIONAL LAND SURVEYOR NO. PLS 8807

LICENSED LAND SURVEYOR JEAN-PAUL HAPPEE 8807 STATE OF CALIFORNIA

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS PARCEL MAP AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT PURSUANT TO SECTION 66450 (a)(4) OF THE SUBDIVISION MAP ACT.

DATED ____________

(SIGNED AND SEALED) ____________
ROBERT J. CRAIG, CITY SURVEYOR OF THE CITY OF SCOTTS VALLEY, STATE OF CALIFORNIA
PROFESSIONAL LAND SURVEYOR NO. 5418

CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS PARCEL MAP AND THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF. ALL PROVISIONS OF THE STATE SUBDIVISION MAP ACT, SECTION 66450 (a) (1) (2) (3), AND THE CITY OF SCOTTS VALLEY SUBDIVISION ORDINANCE, APPLICABLE AT THE TIME OF THE APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH, AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

DATED ____________

(SIGNED AND SEALED) ____________
KEN D. ANDERSON, CITY ENGINEER RCE 46485
CITY OF SCOTTS VALLEY, STATE OF CALIFORNIA

COUNTY RECORDER'S STATEMENT

SERIAL NUMBER ____________

I HEREBY STATE THAT THIS MAP WAS PRESENTED AT ________ M.

ON THE ________ DAY OF ____________, AT THE REQUEST OF THE

CITY ENGINEER OF THE CITY OF SCOTTS VALLEY, STATE OF CALIFORNIA, AND

THAT AFTER EXAMINATION, I ACCEPT SAID MAP FOR RECORDATION ON

THE ________ DAY OF ________ AT ____ M.

IN VOLUME ______ OF PARCEL MAPS AT PAGE ________

SANTA CRUZ COUNTY RECORDS.

____
COUNTY RECORDER, COUNTY OF SANTA CRUZ

____
BY DEPUTY

MLD 17-002

PARCEL MAP

THE HANGAR AT SKY PARK, LLC
MINOR LAND DIVISION

BEING A SUBDIVISION OF THE LANDS OF THE HANGAR AT SKY PARK, LLC RECORDED JULY 7, 2017 AS DOC 2017-0022671
SITUATE IN
THE CITY OF SCOTTS VALLEY
SANTA CRUZ COUNTY, CALIFORNIA

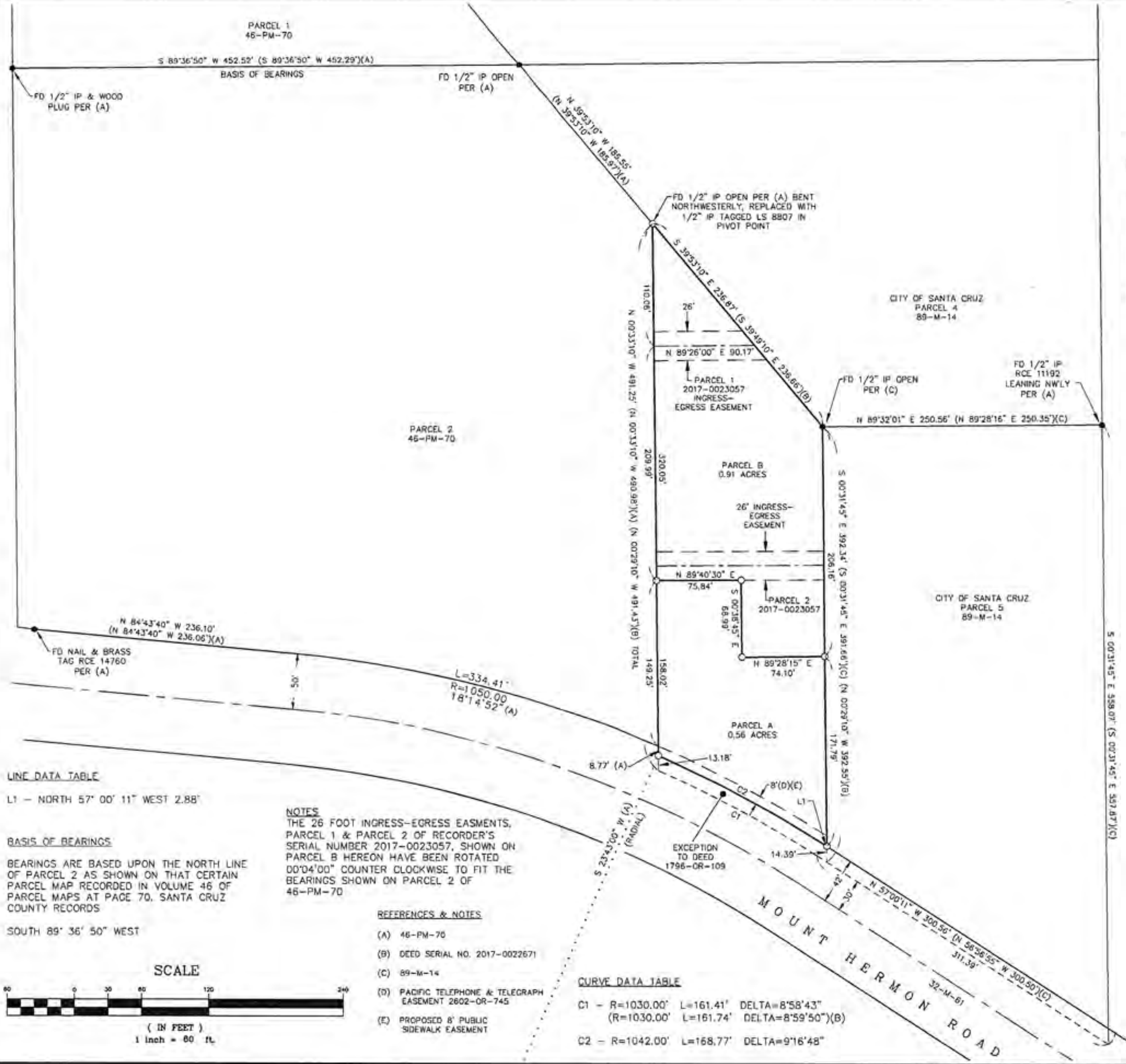
SHEET 1 OF 2

ALPHA SURVEYING
4444 SCOTTS VALLEY DRIVE #7
SCOTTS VALLEY, CA 95066
(831) 438-4453

A.P.N. 022-231-03

DATE MAY 7, 2018

VOL _____ OF PARCEL MAPS, PAGE _____



LINE DATA TABLE

L1 – NORTH 57° 00' 11" WEST 2.88'

BASIS OF BEARINGS

BEARINGS ARE BASED UPON THE NORTH LINE OF PARCEL 2 AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED IN VOLUME 46 OF PARCEL MAPS AT PAGE 70, SANTA CRUZ COUNTY RECORDS

SOUTH 89° 36' 50" WEST

SCALE

0 30 60 120 240

(IN FEET)
1 inch = 60 ft.

NOTES
THE 26 FOOT INGRESS-EGRESS EASMENTS, PARCEL 1 & PARCEL 2 OF RECORDER'S SERIAL NUMBER 2017-0023057, SHOWN ON PARCEL B HEREON HAVE BEEN ROTATED 00°04'00" COUNTER CLOCKWISE TO FIT THE BEARINGS SHOWN ON PARCEL 2 OF 46-PM-70

REFFERENCES & NOTES

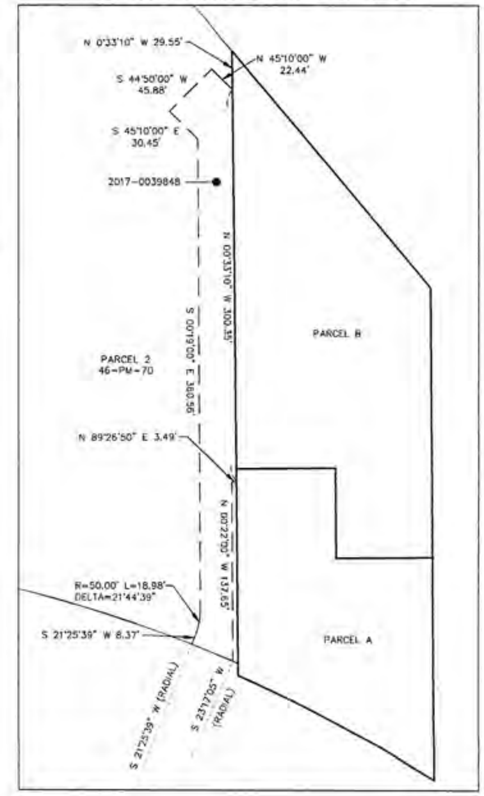
(A) 46-PM-70
(B) DEED SERIAL NO. 2017-0022671
(C) 89-M-14
(D) PACIFIC TELEPHONE & TELEGRAPH EASEMENT 2602-OR-745
(E) PROPOSED 8' PUBLIC SIDEWALK EASEMENT

CURVE DATA TABLE

C1 – R=1030.00' L=161.41' DELTA=8°58'43"
(R=1030.00' L=161.74' DELTA=8°59'50")(B)

C2 – R=1042.00' L=168.77' DELTA=9°16'48"

DETAIL OF INGRESS-EGRESS EASEMENT OVER PARCEL 2 OF 46-PM-70 RECORDED ON SANTA CRUZ COUNTY RECORDER'S SERIAL NUMBER 2017-0039848
SEE RECORDED DOCUMENT FOR PARTICULARS



LEGEND & ABBREVIATIONS

PROPERTY LINE
EASEMENT LINE
CENTER LINE
SET 1/2" IRON PIPE LS 8807

MLD 17-002

PARCEL MAP

THE HANGAR AT SKY PARK, LLC
MINOR LAND DIVISION

BEING A SUBDIVISION OF THE LANDS OF THE HANGAR AT SKY PARK, LLC RECORDED JULY 7, 2017 AS DOC 2017-0022671
SITUATE IN
THE CITY OF SCOTTS VALLEY
SANTA CRUZ COUNTY, CALIFORNIA

SHEET 2 OF 2

ALPHA SURVEYING
4444 SCOTTS VALLEY DRIVE #7
SCOTTS VALLEY, CA 95066
(831) 438-4453

DATE MAY 7, 2018

A.P.N. 022-231-03

RESOLUTION NO. 960.86

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY AUTHORIZING THE EXECUTION OF THE SUBDIVISION IMPROVEMENT AGREEMENT FOR THE HANGAR @ SKY PARK SUBDIVISION- MLD 17-002 260 MOUNT HERMON ROAD, APN 022-231-03

WHEREAS, the City Council of the City of Scotts Valley desires to enter into a Subdivision Improvement Agreement with Hangar @ Skypark, LLC (Owner) for the development of a vacant 1.51 acre parcel into two commercial parcels (Parcel A at 26,463 square feet in size and B at 39,457 square feet in size) from one existing parcel located at 260 Mount Hermon Road, MLD No. 17-002, Resolution 1941, APN 022-231-03, and

WHEREAS, this agreement will require the Developer to complete approximately $578,016.24 in public & private improvements and drainage infrastructure in accordance with the project conditions of approval and City standard construction design as shown on those certain improvement plans dated May 8, 2018; and

WHEREAS, Developer has submitted sureties in the amount of 578,016.24 for Faithful Performance and $289,008.12 for Labor and Materials. The amount of such sureties have been reviewed and approved by the City Engineer.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley that the Subdivision Improvement Agreement with Hangar @ Skypark, LLC is hereby approved and the City Manager is hereby authorized to execute the Subdivision Improvement Agreement for the development of The Hangar @ Sky Park in the form attached hereto as Exhibit A and made part of this resolution.

The above and foregoing Resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 16th day of May, 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: ______________________________
Jim Reed, Mayor

Attest: ______________________________
Tracy A. Ferrara, City Clerk

NO RECORDING FEE PER GOV. CODE SEC. 27383
Recorded At Request Of
And When Recorded, Return To:

City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066
Attn: City Clerk

SUBDIVISION IMPROVEMENT AGREEMENT

AGREEMENT BY OWNER OR SUCCESSORS IN INTEREST TO CONSTRUCT LAND DEVELOPMENT IMPROVEMENTS

PROJECT IDENTIFICATION: Hangar at Sky Park, APN 022-231-03

This Subdivision Improvement Agreement (the "Agreement") is made and entered into by and between the City of Scotts Valley, a California municipal corporation, hereinafter referred to as "City", and Hangar at Sky Park, LLC hereinafter referred to as "Owners" on May 16th, 2018.

RECITALS

A. Owners desire to subdivide and develop the real property described and shown in Exhibit "A" (the "Property") and wish to defer construction of permanent improvements as set forth in Exhibit "B" (the "Improvements") and as shown on those certain plans titled “Improvement Plans for The Hangar at Sky Park 260 Mount Hermon Road, Scott’s Valley, Ca. 95066 APN : 022-231-03”, dated May 8, 2018.

B. In exchange for the deferment of Owners' obligation as provided herein, Owners agree to complete the Improvements as provided herein.

NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

AGREEMENT

1. Agreement Binding On Successors In Interest.
This agreement is an instrument affecting the title and possession of the Property. All of the terms, covenants and conditions herein imposed shall be binding upon and inure to the heirs, successors or assigns of Owners. Upon any sale, division or transfer of the Property, the terms of this Agreement shall apply separately to each parcel and the new owner of each parcel and Owners shall be jointly liable to complete the obligations imposed on Owners by this Agreement.

2. Improvements.

2.1 Owners agree to construct the Improvements as indicated on the attached exhibit “B”. The Improvements required by City generally consist of curbs, gutters, sidewalk, driveways, and other miscellaneous improvements.

2.2 The Owners shall, within twenty-four (24) months of the date of this Agreement, complete to the satisfaction of the City Engineer, all Improvements in accordance with City's plans and specifications.

In the event Owners fail and/or neglect to complete all Improvements within twenty-four (24) months of the date of this Agreement, City shall have the right at any time thereafter to complete the Improvements at Owners' expense; provided, however, the City Council may in its sole discretion, extend the completion period for an additional period of time upon written request by Owners.

3. Performance Of Work. Owners agree to perform the work, construct and install the Improvements and make the payments required by City within the time period of completion established herein and in a good workmanlike manner, in accordance with accepted construction practices and the plans and specifications for the improvements and to the satisfaction of the City Engineer. Owners agree to commence and complete the Improvements within a period of twenty-four (24) months from the date of this Agreement and to notify City at least forty-eight (48) hours prior to commencement of work. If it becomes necessary for City to construct the Improvements, permission is granted to City by Owners to enter upon to the property of Owners as may be necessary for City to construct the Improvements.

4. Improvement Plan Warranty. Owners warrant the improvement plans for the work are adequate to accomplish the work as promised in Section 2 and as required by the Conditions of Approval for the Subdivision. If, at any time before the City Council accepts the work as complete or during the one year guarantee period, said improvement plans prove to be inadequate in any respect, Owners shall make whatever changes are necessary to accomplish the work as promised.

5. Maintenance of Improvements and Guarantee Of Work. City agrees to accept for maintenance, only those Improvements which are constructed and completed in accordance with City's standards and requirements and are installed within public rights-of-way or easements dedicated and accepted as complete by City resolution, after the expiration of one (1) year from and after the date of satisfactory completion and acceptance by the City. Owners shall maintain all the Improvements at Owners' sole cost and at all times prior to acceptance of the Improvements by City. After acceptance of the dedicated portion of the Improvements by City, Owners shall continue to maintain at their sole cost and expense the private portion of the Improvements. Owners guarantee that all completed Improvements shall be free from defects in material or workmanship and shall perform satisfactorily for a period of one (1) year from and after the date the City Council accepts the work as complete. Owners agree to correct, repair, or replace, at Owners' sole cost and expense, any defects in said work.

Owners agree to provide necessary temporary drainage facilities, access road(s) or other improvements required by City Engineer, to assume responsibility for the proper functioning thereof, to submit plans to City for review, if required, and to maintain said improvements and facilities in a manner which will preclude any hazard to life or health or damage to adjoining property.

6. Bond, Cash Deposit or Instrument Of Credit. Concurrent with the execution hereof, Owners shall furnish:

a. A bond, cash deposit or instrument of credit in a form acceptable to City, in its sole discretion, in an amount equal to at least one hundred percent (100%) of the engineer's estimated cost of improvements (as approved by the City Engineer) as security for the faithful performance of this Agreement; and

b. A bond, cash deposit or instrument of credit in a form acceptable to City, in its sole discretion, in an amount equal to at least fifty percent (50%) of the engineer's estimated cost of improvements (as approved by the City Engineer) as security for the payment of all persons, furnishing materials, equipment or labor in connection with this work.

The surety on any bond or instrument of credit shall be satisfactory to the City Engineer. Pursuant to Government Code Section 66499(a) all bonds shall be from an authorized corporate surety in the State of California. An instrument of credit shall be from an institution subject to regulation by the State of California or the Federal government, and shall pledge that the funds necessary to carry out the forms of the Agreement are on deposit and guaranteed for payment. The cash deposit may take the form of a Certificate of Deposit which shall name the City of Scotts Valley as the holder of the certificate. The certificate shall be held by City until satisfactory completion of all Improvements and upon certification of the City Engineer of satisfactory completion, shall be released by the City and endorsed over to Owners, along with any interest earned thereon. Should City be required to use any funds deposited to satisfy the requirements of this Agreement, City may use all principal and accrued interest to complete the Improvements. Principal and interest, if any, remaining after the satisfactory completion of the Improvements shall be returned to the Owners by City.

7. Insurance. Owners shall maintain, or shall require any contractor engaged by Owners to perform work, to maintain, at their sole cost and expense, at all times during the performance of the work called for herein, a comprehensive public liability and property damage insurance policy with City as additional named primary insured, for bodily injury (including death) with limits of not less than One Million Dollars ($1,000,000) per person and Two Million Dollars ($2,000,000) per occurrence and property damage limits of not less than Five Hundred Thousand Dollars ($500,000). Owners shall provide City with a certificate evidencing such policy with a clause requiring the insurance carrier to give thirty (30) day written notice to the City's City Manager, in advance of the policy being canceled for any reason whatsoever.

8. Indemnity. Owners shall assume the defense with counsel selected by City and shall hold harmless, defend and indemnify City, its agents, servants or employees, from every expense, liability or payment, including attorney's fees, against any and all actions including claims or demands for injury, death, loss or damages, regardless of fault or cause, by anyone whomsoever (except where such injury, death, loss or damage was solely due to the negligent acts or omissions of City, its agents, servants or employees) arising out of performance of any of the duties, promises, covenants or conditions arising out of this agreement, including but not limited to injury, death, loss or damage is a consequence of, or arises out of, or is incidental to, the deferment of permanent drainage facilities or the adequacy, safety, use, or non-use of temporary drainage facilities, the performance or non-performance of the work, by Owners or any other persons or parties pursuant to authorization by Owners.

9. Time Is Of The Essence. Time is of the essence in this Agreement.

10. Waiver. No waiver of any term, provision or condition of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or be construed as, a further or continuing waiver of any such term, provision or condition or as a waiver of any other term, provision or condition of this Agreement.

11. Attorney's Fees. If either party hereto incurs any expense, including reasonable attorneys' fees, in connection with any action or proceeding instituted by reason of any default or alleged default of the other party hereunder, the party prevailing in such action or proceeding shall be entitled to recover from the other party reasonable expenses and attorneys' fees in the amount determined by the Court, whether or not such action or proceeding goes to final judgement. In the event of a settlement or final judgement in which neither party is awarded all of the relief prayed for, the prevailing party as determined by the Court shall be entitled to recover from the other party reasonable expenses and attorneys' fees.

12. Notices. All required notices shall be in writing and delivered in person or by Registered U.S. Mail, postage pre-paid. Notices required to be given to City shall be addressed as follows:

Public Works Director
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

Notices required to be given to Owners shall be addressed as follows:

Hangar at Sky Park, LLC
PO Box 66339
Scotts Valley, CA 95067

Either party may change such address by notice in writing to the other party. Thereafter, notices shall be addressed and transmitted to the new address.

13. Costs. Owner shall pay when due, all cost of the Improvements, including city fees and inspections.

14. Entire Agreement. This Agreement contains the entire agreement between the parties. No promise, representation, warranty or covenant not included or referred to in this Agreement has been or is relied on by either party. Each party has relied on his own examination of this Agreement, the counsel of his own advisors, and the warranties, representation, and covenants in the Agreement itself and those referred to in the Agreement. The language in all parts of this Agreement shall be in all cases construed simply, according to its fair meaning and not for or against City or Owners, regardless of which party drafted the particular language which is being construed, all parties having been represented by adequate counsel.

IN WITNESS WHEREOF, the City and the Owners have executed this Improvement Agreement as of the date first set forth above.

"CITY"
CITY OF SCOTTS VALLEY

BY:_____________________________
JIM REED, MAYOR

ATTEST:

____
TRACY FERRARA, CITY CLERK

APPROVED AS TO FORM:

____
KIRSTEN POWELL, CITY ATTORNEY

Hangar at Sky Park, LLC

BY:__________________________________
Corbett Wright, Managing Member

(ATTACH ACKNOWLEDGMENTS)

LEGAL DESCRIPTION

Real property in the City of Scotts Valley, County of Santa Cruz, State of California, described as follows:

BEING A PORTION OF PARCEL 3 OF LANDS DESCRIBED IN THE DEED FROM GRAHAM TO GRAHAM, RECORDED AUGUST 09, 1957, IN VOLUME 1143, PAGE 333, OFFICIAL RECORDS OF SANTA CRUZ COUNTY, AND BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIPE, R. E. 11,423, STANDING ON THE NORTHERLY LINE OF MOUNT HERMON ROAD, AS SHOWN ON SHEET 1 OF A RECORD OF SURVEY MAP FILED APRIL 18, 1958 IN MAP BOOK 32, PAGE 61, RECORDS OF SANTA CRUZ COUNTY, FROM WHICH A 1/2 INCH IRON PIPE STANDING AT THE SOUTHEAST CORNER OF FIRST SAID PARCEL 3, BEARS SOUTH 56° 58' 10" EAST 239.89 FEET DISTANT; THENCE ALONG SAID NORTHERLY LINE, NORTH 56° 58' 10" WEST 10.42 FEET TO A POINT OF TANGENCY; THENCE ALONG A CURVE TO THE LEFT THROUGH AN ANGLE OF 8° 59' 50" WITH A RADIUS OF 1030.00 FEET, AN ARC LENGTH OF 161.74 FEET TO A 1/2 INCH IRON PIPE, R. E. 11,423; THENCE LEAVING SAID NORTHERLY LINE, NORTH 0° 29' 10" WEST 491.43 FEET TO A 1/2 INCH IRON PIPE, R. E. 11,423; STANDING ON THE NORTHERLY BOUNDARY OF SAID PARCEL 3; THENCE ALONG LAST SAID NORTHERLY BOUNDARY, SOUTH 39° 49' 10" EAST 236.66 FEET TO A 1/2 INCH IRON PIPE, R. E. 11,423; THENCE LEAVING LAST SAID NORTHERLY BOUNDARY SOUTH 0° 29' 10" EAST 392.55 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL RIGHTS AS RESERVED IN THE DEED FROM J. JACKSON GRAHAM, ET UX., TO PAJARO VANGAS, RECORDED MAY 18, 1961 IN VOLUME 1395, PAGE 19, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

ALSO EXCEPTING THEREFROM THE LAND DESCRIBED IN THE DEED TO THE COUNTY OF SANTA CRUZ, RECORDED DECEMBER 05, 1972, IN VOLUME 1796, PAGE 109, OFFICIAL RECORDS OF SANTA CRUZ COUNTY.

APN: 022-231-03

C2G /CIVIL CONSULTANTS GROUP, INC.
Engineers/Planners

EXHIBIT B

Hangar at Scotts Valley - ONSITE
For Public Works - bonding purposes

ITEM NO.	DESCRIPTION OF ITEM	QUANTITY (APPROX.)	UNIT OF MEASURE	UNIT PRICE	ITEM TOTAL
Site Improvements					
1	AC pavement	27,646	SF	5.00	$ 138,230.00
2	Vehicular Concrete	321	SF	7.75	$ 2,487.75
3	Sidewalk (4" Conc. / 3" AB)	88	SF	7.25	$ 638.00
4	Pervious Pavers	9,058	SF	12.50	$ 113,225.00
5	Curb Ramp	9	EA	850.00	$ 7,650.00
6	Vertical curb	1,190	LF	14.00	$ 16,660.00
7	Curb & Gutter	546	LF	22.00	$ 12,012.00
8	Valley Gutter	259	LF	25.00	$ 6,475.00
9	Modified Curb and Gutter	140	LF	27.00	$ 3,780.00
10	Signage (trunc. domes, ADA signs, etc.)	1	LS	12,000.00	$ 12,000.00
11	Pavement Striping	1	LS	7,500.00	$ 7,500.00
12	Sanitary Sewer - 8" PVC SDR-35	19	LF	68.00	$ 1,292.00
13	Sanitary Sewer - 6" PVC SDR-26	285	LF	62.00	$ 17,670.00
14	Sanitary Sewer Lateral- 4" PVC SDR-26	70	EA	720.00	$ 50,400.00
15	Sanitary Sewer - 48" Manhole (6' average depth)	2	EA	5,200.00	$ 10,400.00
16	Storm Drainage - UG Chambers	1,542	SF	45.00	$ 69,390.00
17	Storm Drainage - 12" HDPE Pipe	95	LF	74.00	$ 7,030.00
18	Storm Drainage - 10" HDPE Pipe	195	LF	70.00	$ 13,650.00
19	Storm Drainage - 8" HDPE Pipe	331	LF	58.00	$ 19,198.00
20	Storm Drainage - 6" HDPE Pipe	92	LF	50.00	$ 4,600.00
21	Storm Drainage - U23 Drop Inlet	1	EA	2,400.00	$ 2,400.00
22	Storm Drainage - U21 Drop Inlet	3		1,800.00	$ 5,400.00
23	Storm Drainage - V12 Drain Inlet	4	EA	900.00	$ 3,600.00
24	Storm Drainage - 48" Manhole (8' average depth)	2	EA	5,900.00	$ 11,800.00
25	Storm Drainage - 8" Area Drain	12	EA	400.00	$ 4,800.00
				Subtotal	**$ 542,287.75**
		5% Contingency			$ 27,114.39
	GRAND TOTAL				**$ 569,402.14**

Note: The above cost estimate does not include the following:

1. Construction Staking / surveying
2. City fees
3. SWPPP fees and inspections
4. Dry Utilities (Gas, Telecommunication, Electric)
5. Landscaping

C2G 4444 Scotts Valley Drive, Suite 6, Scotts Valley, CA 95066-4529
831/438-4420 • Fax 831/438-5829 • [name]@c2gengrs.com • www.civilconsultantsgroup.com

C2G /CIVIL CONSULTANTS GROUP, INC.
Engineers/Planners

Hangar at Scotts Valley - OFFSITE
For Public Works - bonding purposes

ITEM NO.	DESCRIPTION OF ITEM	QUANTITY (APPROX.)	UNIT OF MEASURE	UNIT PRICE	ITEM TOTAL
Site Improvements					
1	*Sidewalk (4" Conc. / 3" AB)*	*892*	*SF*	*7.25*	*$ 6,467.00*
2	*Curb & Gutter*	*62*	*LF*	*22.00*	*$ 1,364.00*
				Subtotal	***$ 7,831.00***
		15% Contingency			*$ 783.10*
	GRAND TOTAL				***$ 8,614.10***

Note: The above cost estimate does not include the following:

1. Construction Staking / surveying
2. City fees
3. SWPPP fees and inspections
4. Dry Utilities (Gas, Telecommunication, Electric)
5. Landscaping

C2G 4444 Scotts Valley Drive, Suite 6, Scotts Valley, CA 95066-4529
831/438-4420 • Fax 831/438-5829 • [name]@c2gengrs.com • www.civilconsultantsgroup.com

AGENDA ITEM 1
DATE: 5-16-2018

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **ORAL PRESENTATION: ARTS COMMISSION UPDATE**

AGENDA ITEM 2
DATE: 5-16-2018

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **ORAL PRESENTATION: DANNY REBER, EXECUTIVE DIRECTOR, SCOTTS VALLEY CHAMBER OF COMMERCE**

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: May 16, 2018

TO: Honorable Mayor and City Council

FROM: Jenny D. Haruyama, City Manager

SUBJECT: **REVIEW OF FIVE-YEAR FINANCIAL PLAN, TEN-YEAR GENERAL FUND FINANCIAL FORECAST, AND PRELIMINARY FY 2018/19 ANNUAL BUDGET**

SUMMARY OF ISSUE

Attached for City Council consideration is the Preliminary FY 2018/19 Annual Budget that includes a five-year financial plan for all funds and a ten-year financial plan for the General Fund. Policy direction received by the Council regarding the Preliminary FY 2018/19 Annual Budget will be incorporated into the proposed budget after hearing non-profit funding requests on June 6, 2018. Formal adoption of the budget is scheduled for June 20, 2018 with duplication and distribution by June 29, 2018.

Previously, the City Council provided policy and budget input and direction at four City Council Meetings:

- **December 5, 2017** – A Special Council Workshop was held to discuss the City's fiscal outlook and explore budget strategy options for future incorporation into a Fiscal Sustainability Plan.
- **March 7, 2018** – the Council received the FY 2017/18 Mid-Year Financial Report and provided policy direction on City goals and priorities relative to the preparation of the Preliminary FY 2018/19 Annual Budget and Five-Year Financial Plan. The Council also reviewed a report from Management Partners regarding the budget strategies identified in preparation of a Fiscal Sustainability Plan and provided direction on strategies that should be included in a preliminary plan.
- **April 18, 2018** – the Council provided direction regarding the draft Five-Year Capital Improvement and Capital Purchase Plan ("Five-Year CIP Plan").
- **May 2, 2018** – the Council reviewed an updated ten-year financial forecast for the fiscal sustainability plan that included the budget strategies identified in the March 7 meeting and provided direction regarding the implementation action plan and timing of the strategies to be incorporated in the preliminary fiscal sustainability plan.

The preliminary budget and was distributed to City Council and published online on May 11, 2018.

Budget Document
The following sections provide an executive summary of the annual budget and financial overview:

- City Manager's Budget Message
- Five-Year Financial Plan and Ten-Year General Fund Financial Forecast
- Financial and Personnel Summaries
- Five-Year CIP Plan

The other sections of the budget contain the individual department narratives or fund summaries, and line-item details of the proposed FY 2018/19 budget.

Five-Year Financial Plan and Ten-Year General Fund Financial Forecast
The Preliminary Budget document includes a five-year financial forecast of all City funds, with a ten-year financial forecast for the General Fund. The forecast projects revenue and expenditure trends using a series of assumptions that are articulated within the Plan. Particular attention was paid to the General Fund, General Capital Improvement Project Fund, Recreation Enterprise Fund, and Wastewater Enterprise Funds given anticipated fiscal issues over the five-year forecast period.

The 5-year financial forecast and 10-year General Fund forecast both assume prior Council policy direction regarding minimum target reserve levels for three of its key operating funds:

- **General Fund** – a minimum targeted reserve equal to two months (or 17%) of annual operating expenditures plus net transfers, with the additional understanding that the Recreation Enterprise Fund will be subsidized in full by the General Fund should its revenues fall short of expenditures.
- **General CIP Fund** – a minimum targeted reserve equal to $500,000 to provide immediate funding of any emergency repair/replacement of City infrastructure or equipment.
- **Wastewater Funds** – a minimum operating reserve equal to eight months (67%) of annual operating expenditures in light of the fact that the City receives the majority of its revenues from charges placed on the property tax bills through Santa Cruz County; and, a minimum capital reserve equal to $1 million to provide immediate funding of any emergency repair/replacement of the wastewater collection system and treatment plant.

It should be noted that the City's user fee study is in its final stages of completion and will be presented to City Council on June 6, 2018. The financial forecast and proposed FY 2018/19 do not include any proposed fee adjustments based on the results of the study; amendments or changes to the City's master fee schedule as directed by Council will be brought forward as part of a scheduled public hearing on June 20, 2018.

In the next five years, the City will face challenges in generating sufficient financial resources to maintain service levels and fund infrastructure improvements. Two scenarios were included in the General Fund forecast: 1) a baseline scenario that indicates that a $2.2 annual structural deficit exists in the General Fund that, if not corrected, would reduce General Fund reserves below the minimum target reserve of two months (17% of annual operating expenditures plus transfers by FY 2019/20, and fully deplete reserves below zero by FY 2021/22; and, 2) a fiscal sustainability plan scenario that incorporates the budget strategies identified by the City Council that should be pursued in resolving the structural gap. These strategies are outlined below:

Fiscal Sustainability Plan

Based upon direction provided at the City Council's May 2 meeting, the fiscal sustainability plan includes budget strategies that, if enacted, would solve the General Fund's structural deficit, provide reserves above the minimum target reserve policy, and begin to set aside funds for unfunded/underfunded capital improvements. Those budget strategies are:

Revenue Enhancements

- **Transient Occupancy Tax (TOT)** – increase tax rate from 10% to 12% via ballot measure at the November 2018 election. Several nearby cities (Santa Cruz and Santa Clara Counties) are contemplating TOT measures this November.

- **Local Transactions and Use (Sales) Tax** – increase tax rate from 0.50% to 0.75%, extend the effective date at least through FY 2027/28, and implement via ballot measure not later than November 2019; however, the Council determined that polling would be used to inform the proposed tax rate and duration.

Expenditure Controls/Cost Shifts

- **Pension Cost Sharing by Employees** – implement a cost sharing of pension contributions by employees of at least 3% starting in FY 2018/19, subject to bargaining with affected labor groups.

- **Cost Allocation Plan to Shift Costs to Wastewater Operations** – increase in the allocation of administrative costs to support wastewater operations starting in FY 2020/21.

Service Delivery Changes

- **Vehicle/Fleet Maintenance** – conduct fleet utilization study and identify opportunities to outsource fleet maintenance services at a lower cost by FY 2019/20.

- **Online Permitting** – implement online permitting as a means of implementing efficiencies in the planning and building processes, pending the completion of a strategic technology master plan.

Five-Year CIP Plan

The Preliminary FY 2018/19 Annual Budget includes the Five-Year CIP Plan (FY 2018/19 – FY 2022/23). Based on discussions at the April 18, 2018 meeting, the table below presents projects have been added or amended in the Five-Year CIP Plan:

Add/Amend	#	Description	Revised Project Amount	Comments
Amend	17	Rehabilitation of Glenwood Drive	$1,460,000	Construction estimate reduced from $1,575,000; funding sources from CTC-LPP confirmed
Amend	27	Recreation Building Windows	$25,000	Project was originally intended to repair the recreation building roof. Instead, the project has been amended to deal with the more pressing matter of replacing the facility's windows, reduced in cost from $52,900 to $25,000
Add	28	Skypark Restroom Improvements	$60,000	Based on City Council direction, improvements to the restrooms at Skypark has been prioritized for refurbishment for FY 2018/19
Amend	31	Skypark Tennis Area Improvements	$50,000	The project scope has been scaled back and costs have been reduced from $145,300 to $50,000, and moved up from FY 2020/21 to FY 2018/19
Amend	37	Play Structure Equipment – Skypark	$980,000	The project has been moved to the unfunded and unscheduled list
Amend	38	Glenwood Open Space Preserve East Trails	$640,000	The project has been moved from the unfunded and unscheduled list to FY 2018/19, and increased from $525,000 to $640,000, based on confirmation of funds from CTC-LPP and to fulfill the grant agreement in regards to improvements to the trails.
Amend	47	Police Station Locker Room	$94,000	Project has been moved up from FY 2020/21 to FY 2018/19, and reduced in cost from $99,400 to $94,000, to address repairs necessary to the showers due to water heater systems that are in need of immediate replacement.

FISCAL IMPACT

There is no fiscal impact associated with the review the Preliminary FY 2018/19 Annual Budget. Final adoption of the budget is scheduled for June 20, 2018, which at that time will establish the appropriations for the City for FY 2018/19.

STAFF RECOMMENDATION

It is recommended that the City Council provide policy direction on the proposed FY 2018/19 Annual Budget. Policy questions for the City Council to address as the budget is discussed are as follows:

1. Based upon the updated Ten-Year General Fund Financial Forecast, and the updated budget strategies reflected in the preliminary fiscal sustainability plan, does Council have additional direction regarding the preparation of the final FY 2018/19 Annual Budget?
    - **Staff recommendation**: N/A
2. Does the City Council have any recommended changes to the proposed FY 2018/19 Annual Budget?
    - **Staff recommendation:** N/A
3. Does the City Council have any additional desired changes to the proposed FY 2018/19 Five-Year CIP Plan?
    - **Staff recommendation:** N/A

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City of Scotts Valley

Preliminary FY 2018/19 Annual Budget and Five- and Ten-Year Financial Plan

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FY 2018/19 Annual Budget and Five-Year Financial Plan

City of Scotts Valley Organization Chart

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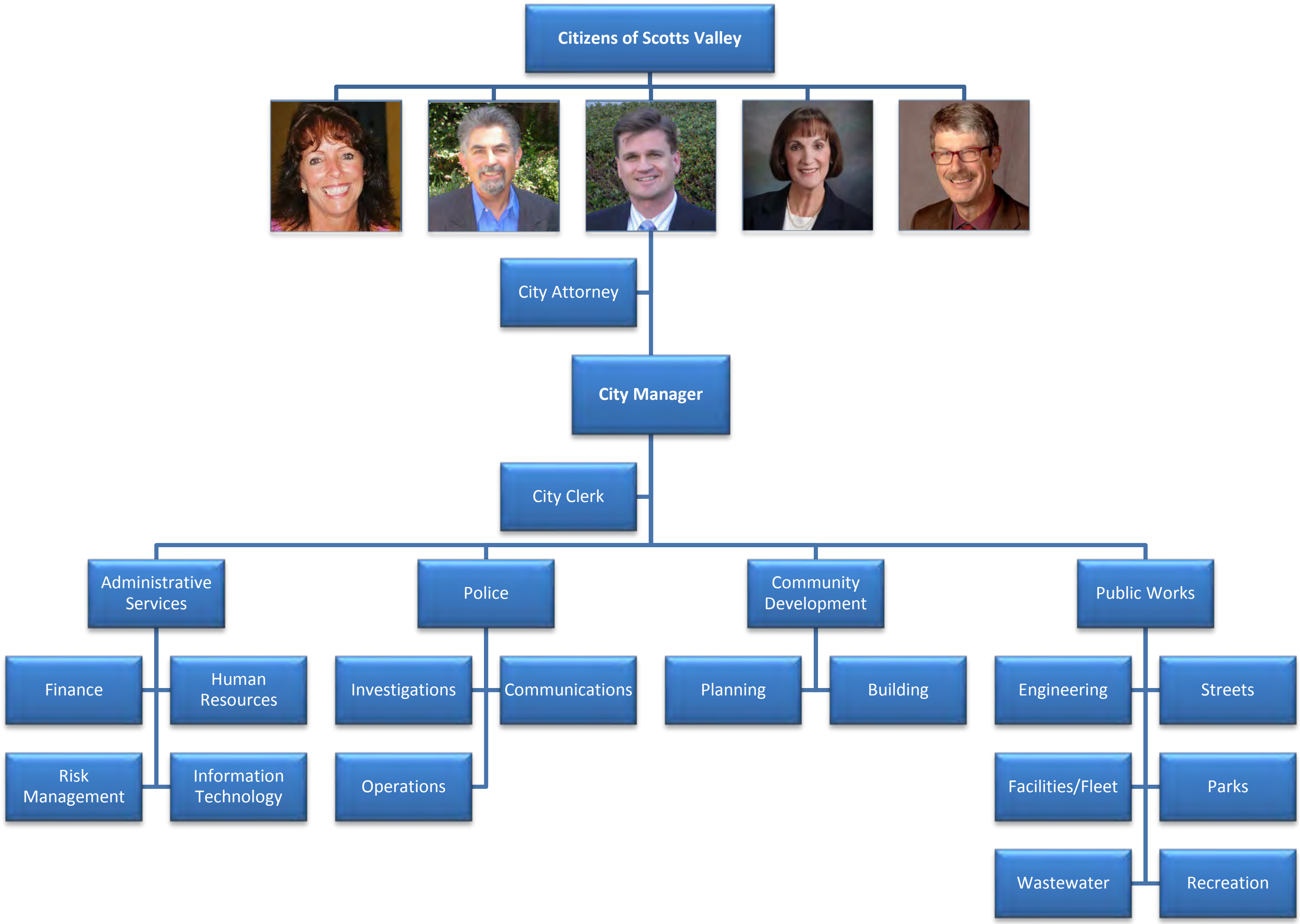


City Manager Budget Message

May 16, 2018

Honorable Mayor and Members of the City Council:

The City's Preliminary FY 2018/19 Annual Operating Budget and Five-Year Financial Plan presents a budget that is based on goals and priorities established by the City Council and reflects the allocation of financial resources to achieve those objectives. The proposed budget maintains service levels to ensure Scotts Valley's high quality of life, but will require the City to draw down on its General Fund reserves by approximately $1.2 million in FY 2018/19.

The Council established the following priorities for FY 2018/19:

1. **Encourage Business Development and Expand the City's Economic Base**
    - Complete the General Plan Update
    - Facilitate the Development of the Town Center and other Complimentary Land Uses
    - Explore Business-Friendly Processes to Expedite Permitting Activities

2. **Ensure Long-Term Financial Stability**
    - Develop Fiscal Sustainability Action Plan and Implement Strategies as Directed By Council
    - Complete Citywide Fee Study
    - Engage and Educate the Community and Organization about the City's Fiscal Outlook and Long-term Sustainability Strategies

3. **Implement Operational Initiatives to Enhance City Services**
    - Complete the City's New Website
    - Develop a Citywide Strategic Technology Plan, including Online Permitting Options
    - Explore Policy Guidelines for Council Standing and Project Specific Committee for Increased Effectiveness Transparency

4. **Maintain Quality of Life for Residents**
    - Maintain Investment in Public Safety
    - Conduct a Review of Building Design Standards
    - Research Options to Address Housing Affordability and Identify Best Practices
    - Facilitate the Development of the Glenwood Open Space Preserve Trail System
    - Explore Creative Solutions to Address Code Enforcement Issues

The goals and objectives adopted by Council were developed in the context of a Five-Year Financial Plan for all City funds, and a Ten-Year Financial Plan for the General Fund. These plans are strategic, long-range forecast of revenues and expenditures and allows the City Manager, staff, and ultimately the Council as policy makers to consider the City's long-term financial goals when making budgetary decisions.

Financial Overview

The proposed FY 2018/19 annual budget indicates that sufficient financial resources exist, in the form of anticipated revenues and existing available reserves, in order to maintain existing service levels. While those resources are able to fund operations and proposed capital improvement projects (CIP), the City faces significant long-term financial challenges as evidenced in the long-term Financial Plan in funding all of its obligations as discussed below:

- The General Fund is projected to draw down its reserves by $1.16 million in FY 2018/19 to balance the budget, and is projected to have a long-term annual structural deficit of $2.2 million if no actions are taken to resolve that deficit. General Fund reserves would fall below the City Council's target minimum reserve level of two months (or 17%) of annual operating expenditures plus transfers, and would be fully depleted by FY 2021/22 unless significant expenditure reductions or revenue enhancements are implemented.

- The City has been developing a comprehensive Fiscal Sustainability Plan (FSP) in advance of this year's annual budget. That Plan has identified a combination of revenue enhancements and expenditure reductions that, if implemented, would provide fiscal sustainability to the General Fund and allow the City to maintain reserves above the minimum target reserves indicated above for every year of the 10-year forecast. In order to achieve this, however, the City would need to submit two tax measures to the voters between now and November 2019 with proposed increases to its transient occupancy tax and local transactions and use (sales) tax rates. If either of those measures are not approved, the City will need to identify other revenue enhancements or significant expenditure reductions that will reduce the City's level of service provided to the community.

- The General CIP Fund reserves will require an infusion of capital investment from the City's General Fund totaling $1.56 million over the next five years in order to accomplish the capital improvement projects identified in the five-year capital improvement plan. However, this would leave the General CIP Fund with nearly no additional reserves to address emergency infrastructure replacement needs without the fiscal sustainability plan being implemented.

- Transportation-related projects are currently expected to be funded based upon additional revenue sources provided by Santa Cruz County Measure D, ongoing gas tax revenues, and the new revenues from the Road Repair and Accountability Act of 2017 (or SB-1) funding package. Furthermore, the City was successful in its efforts to acquire nearly $1 million in grant funding through the California Transportation Commission's 2018 Local Partnership Program, and an additional $581,000 from the County's Regional Transportation Improvement Program, that will fund the rehabilitation of Glenwood Drive, sidewalk improvements to Kings Village Road, and improvements to the Glenwood Open Space Preserve East Trails. The new SB-1 funds have helped the City increase its annual street maintenance/resurfacing program from $75,000 to $275,000 per year by FY 2022/23. While these projects and additional funding sources help address critical infrastructure issues, the City's pavement management study pavement management study (PMS) conducted in 2017 identified the need for nearly $900,000 in funding required to maintain the City's roadways at a pavement condition index (PCI) level of 70. Additional resources will be required to maintain the PCI levels desired by the City. The City's fiscal sustainability plan, if enacted, would assist in providing the additional resources needed to maintain the City's underfunded infrastructure needs such as roadway and sidewalk repair and improvements.

- Wastewater operations indicate that reserve levels will continue to improve over the next few years due to the combination of rate increases through FY 2019/20 approved by the City Council as part of the wastewater rate study conducted in FY 2017/18, and the anticipated wastewater impact fee revenues associated with new development that will allow for additional capacity to be constructed to meet growing demand on the collection system and treatment plant.

- Pension obligations will increase the City's contribution to CalPERS by over $839,000 per year by FY 2022/23 based on projected FY 2018/19 levels. These increases are primarily caused by the December 2016 decision by the CalPERS Board to decrease the investment return (or "discount") rate expectations on its portfolio from 7.5% to 7.0%. This does not include further potential reductions that the CalPERS Board may consider in future years.

Fiscal Reserves in Five-Year Forecast

The City Council established target reserve policies for its operating or capital funds – namely the General Fund, General CIP Fund, Recreation Fund, and Wastewater Operating and Capital Funds as follows:

- **General Fund** – a target reserve level equal to two months, or 17%, of annual operating expenditures plus net transfers out to other funds

- **General Capital Improvement Fund** – a target reserve level of $500,000 for emergency capital needs

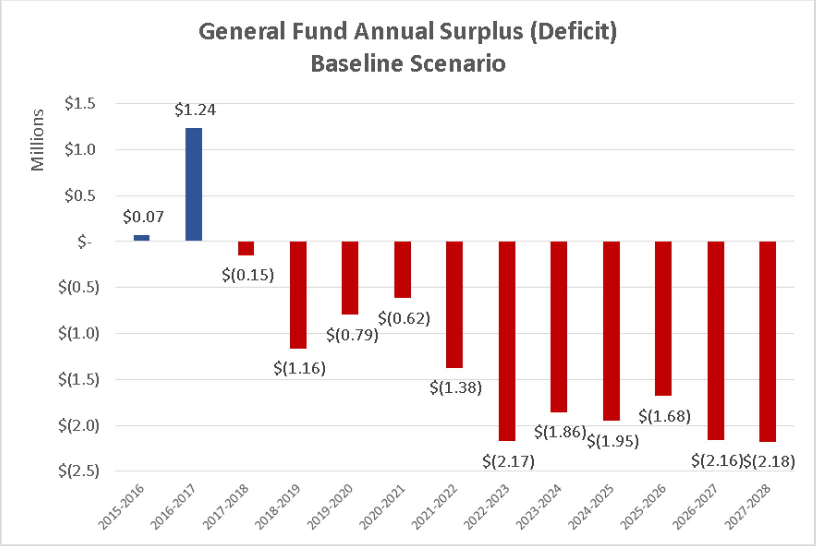
- **Recreation Fund** – a minimum reserve level of zero with transfers from the General Fund to subsidize any deficits

- **Wastewater Fund** – a target reserve level equal to eight months, or 67%, of annual operating expenditures plus a $1 million reserve for emergency capital needs.

General Fund Structural Deficit and Impact on Reserves

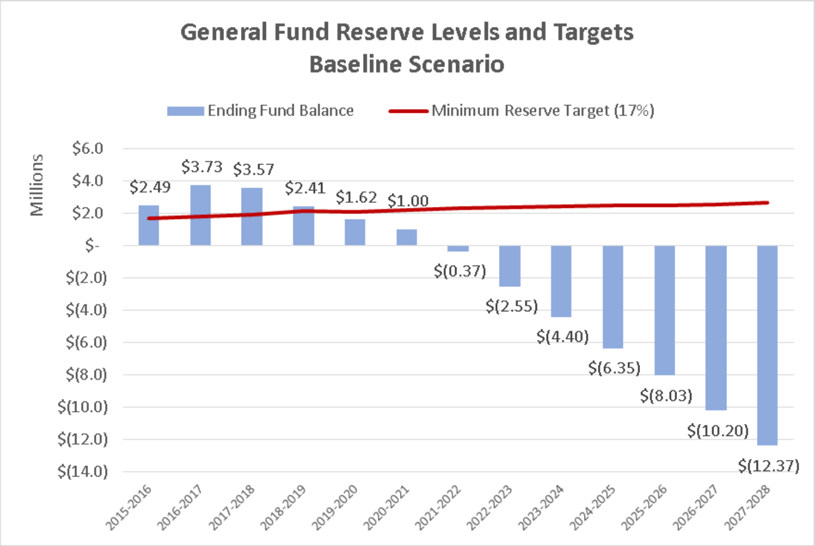
Figure 1 shows the projected annual structural deficit (expenditures and transfers exceeding revenues) of $2.2 million in the baseline ten-year forecast assuming that currently known trends continue without corrective action. A major contributing factor of the structural deficit is the expiration of Measure U, the 0.50% local transactions and use (sales) tax measure approved by voters in 2013 that expires in March 2022.

Figure 1. General Fund Ten-Year Projection of Annual Surplus (Deficits) – FY 2017/18 to FY 2027/28 (Baseline Scenario)



These structural deficits in the baseline scenario will see General Fund reserves fall below the minimum targeted reserve level in FY 2019/20, and fall below zero in FY 2021/22, as presented in Figure 2.

Figure 2. General Fund Ten-Year Projection of Ending Reserves, Revenues and Expenditures – FY 2017/18 to FY 2027/28 (Baseline Scenario)



General Fund Fiscal Sustainability Plan

The City Council and staff have identified a *preliminary* fiscal sustainability plan that includes a combination of revenue enhancements, expenditure controls/cost shifts and service delivery changes that, if implemented successfully, will address the General Fund fiscal gap. The strategies that comprise the preliminary fiscal sustainability plan include:

Revenue Enhancements

- **Transient Occupancy Tax** – increase tax rate from 10% to 12% via ballot measure at the November 2018 election

- **Local Transactions and Use (Sales) Tax** – increase tax rate from 0.50% to 0.75%, extend the effective date at least through FY 2027/28, and implement via ballot measure not later than November 2019; polling will be conducted to assess community interest

Expenditure Controls/Cost Shifts

- **Pension Cost Sharing by Employees** – implement a cost sharing of pension contributions by employees of at least 3% starting in FY 2018/19, subject to bargaining with affected labor groups.

- **Cost Allocation Plan to Shift Costs to Wastewater Operations** – increase in the allocation of administrative costs to support wastewater operations starting in FY 2020/21.

Service Delivery Changes

- **Vehicle/Fleet Maintenance** – conduct fleet utilization study and identify opportunities to outsource fleet maintenance services at a lower cost by FY 2019/20.

- **Online Permitting** – implement online permitting as a means of implementing efficiencies in the planning and building processes.

Should these budget strategies be successfully implemented through City action and (in the case of revenue enhancements) voter approval, the General Fund structural deficit would be eliminated (Figure 3) and reserve levels would remain above the minimum targeted reserve in each fiscal year in the ten-year forecast (Figure 4).

Figure 3. General Fund Ten-Year Projection of Annual Surplus (Deficits) – FY 2017/18 to FY 2027/28 (Fiscal Sustainability Plan Scenario)

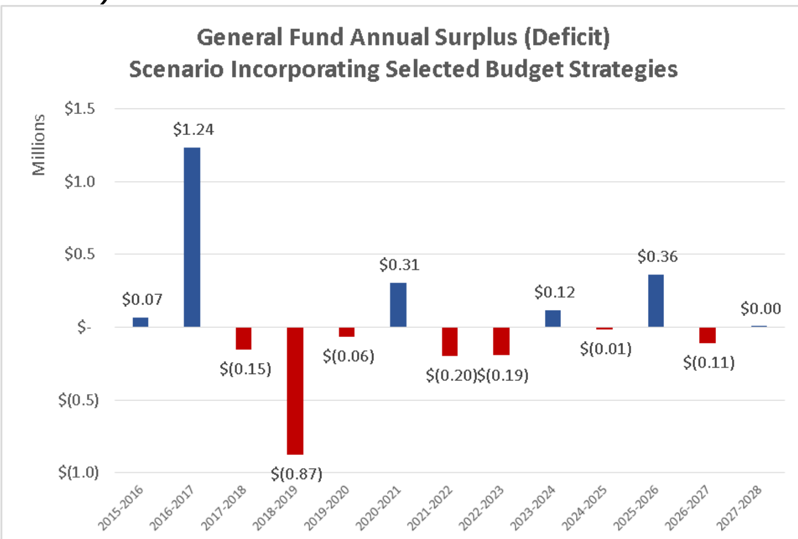
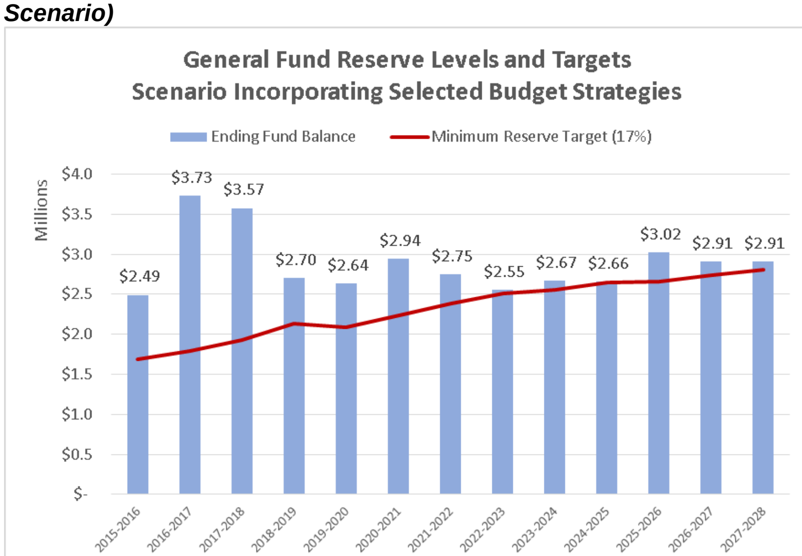


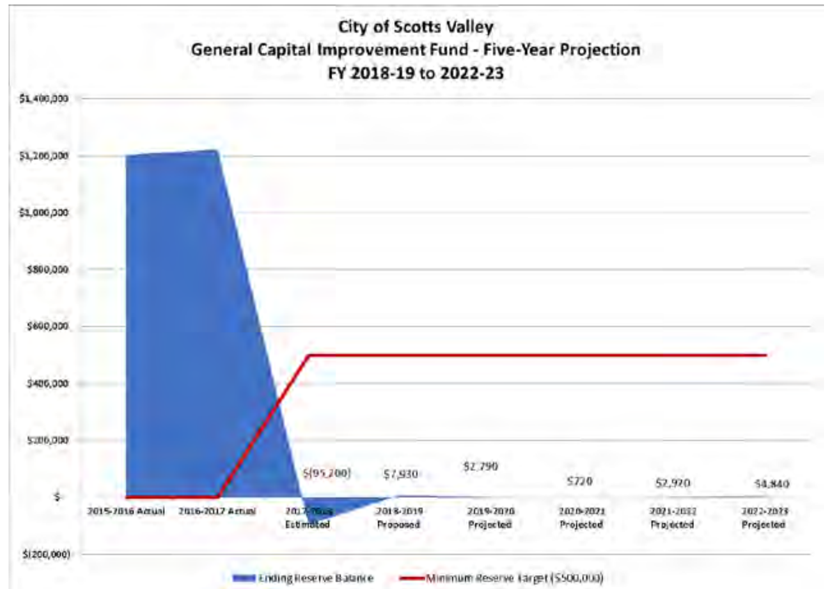
Figure 4. General Fund Ten-Year Projection of Ending Reserves, Revenues and Expenditures – FY 2017/18 to FY 2027/28 (Baseline Scenario)



General CIP Fund Reserves

Figure 5 indicates that General CIP Fund reserves, while not the main funding source for CIP projects, will remain close to zero through FY 2022/23. The General Fund will be required to transfer a total of $1.56 million over the five-year period to fund the projects anticipated in the five-year CIP plan.

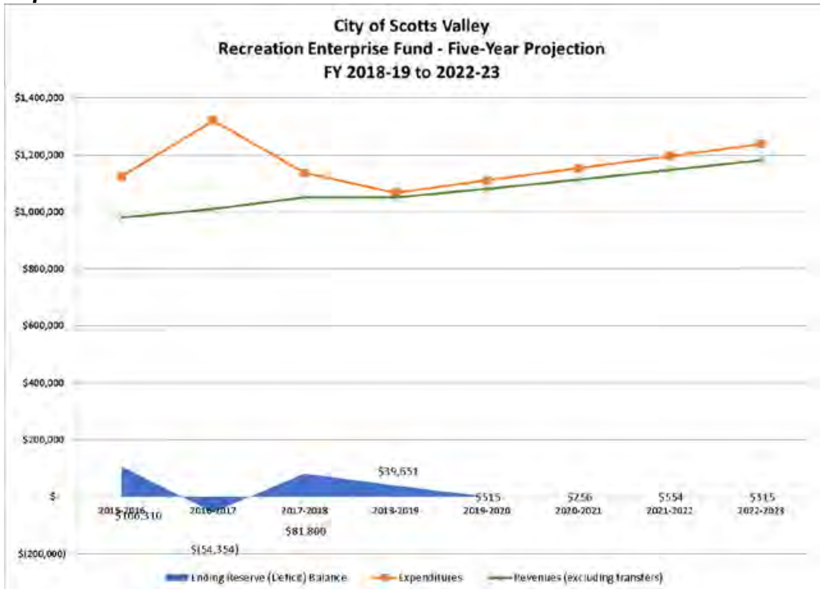
Figure 5. General CIP Fund Five-Year Projection of Ending Reserves – FY 2018/19 to FY 2022/23



Recreation Fund Reserves

Figure 6 presents the Recreation Fund revenues, expenditures and reserve levels. The Recreation Fund has an operating deficit that grows from $18,000 in FY 2018/19 to $58,000 in FY 2022/23, which is being subsidized through transfers from the General Fund.

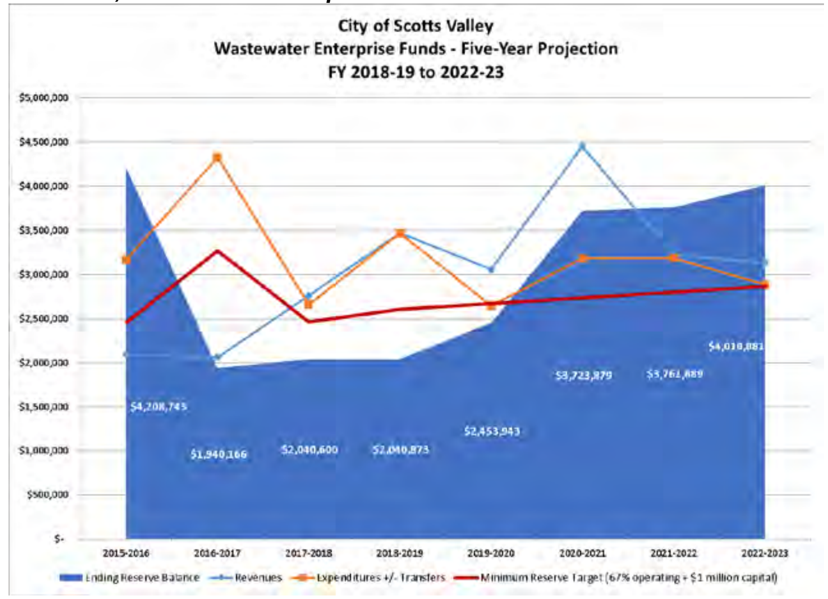
Figure 6. Recreation Fund Five-Year Projection of Revenues and Expenditures – FY 2018/19 to FY 2022/23



Wastewater Funds (Operating and Capital) Reserves

Finally, Figure 7 indicates that the Wastewater Funds' reserve levels will be restored due to fee increases implemented through FY 2019/20 and additional impact fees from development projects through FY 2022/23. Projected reserves will stay above the City Council's target reserve level of 8 months of operating expenditures and $1 million for capital replacement of wastewater collection and treatment.

Figure 7. Wastewater Funds Five-Year Projection of Ending Reserves, Revenues and Expenditures – FY 2018/19 to FY 2022/23



In spite of these fiscal challenges, the City Council and staff have demonstrated a commitment to maintaining services levels and being prudent in its expenditure of City resources. However, maintenance and community development activities are becoming stretched beyond the point of capacity.

The good news is that the current and anticipated development activity may provide ongoing, long-term fiscal resources to support City operations. The new 1440 Multiversity site is now generating ongoing transient occupancy tax revenues for the City. A new hotel, the Four Points Sheraton, will be opening in the Fall of 2018. Another hotel, the proposed Marriott, is expected to being construction soon and open in FY 2019/20. Additionally, proposed residential projects will provide limited additional property tax revenue while diversifying the City's housing stock. Further realization of economic development initiatives, including the update of the City's General Plan coupled with the potential enhancement of the City's financial resources could result in new opportunities with financial implications.

General Fund Overview

The General Fund is expected to start FY 2018/19 with $3.57 million in available reserves. Operating revenues are expected to fall below expenditures by $404,500. After taking into account transfers from gas tax revenues to support streets maintenance activity, and transfers to other funds to cover debt service on pension obligations bonds and subsidize Recreation services that net to a transfer out of $754,800, the General Fund will have a deficit of nearly $1.16 million in FY 2018/19, and reserves will be drawn down to $2.4 million. That equates to 19% (just over 2 months) of annual operating expenditures.

Compared to FY 2017/18 year-end estimates, FY 2018/19 General Fund revenues are projected to decrease by $91,300 (less than 1%) as depicted in Table 1, primarily due to a projected softening of sales tax revenues based on estimates provided by the City's sales tax consultant, HdL Companies, and a conservative estimate of fees and services in planning and building compared to the significant development that has occurred in the past two years. Transient occupancy tax revenues, however, are expected to increase by 14% due to the addition of the Four Points Sheraton Hotel. The City's projected revenues do not include potential adjustment to City fees as a result of the current fee study underway.

General Fund Revenues – FY 2016/17 to FY 2018/19

	FY 2016/17 Actual	FY 2017/18 Projected	FY 2018/19 Estimated	% Change from FY 2017/18
Taxes				
Property taxes and assessments	$ 1,579,897	$ 1,479,200	$ 1,469,700	(0.6%)
Sales taxes - General	2,078,070	2,159,000	2,115,000	(2.0%)
Sales taxes - Local (Measure U)	1,265,724	1,333,000	1,340,000	0.5%
Franchise taxes	994,613	1,026,000	1,036,900	1.1%
Transient occupancy taxes	1,218,063	1,587,000	1,814,400	14.3%
Utility users taxes	747,585	740,000	740,000	0.0%
Business license taxes	344,293	361,700	351,700	(2.8%)
Other taxes	1,114,206	1,146,800	1,172,500	2.2%
Total Taxes	9,342,452	9,832,700	10,040,200	2.1%
Intergovernmental	8,197	-	-	N/A
Fines and forfeitures	37,680	37,650	24,200	(35.7%)
Fees and services (recurring)	1,657,335	561,950	563,300	0.2%
Fees and services (one-time/significant)	-	561,000	233,000	(58.5%)
Investment earnings	20,816	12,100	12,100	0.0%
Other	1,306,435	555,700	597,000	7.4%
Total Revenues	$ 12,372,915	$ 11,561,100	$ 11,469,800	(0.8%)

The proposed FY 2018/19 budget maintains existing service levels in General Fund operations. General Fund expenditures are expected to increase by $563,900 (5%) as depicted in Tables 2 and 3. This is due primarily to increases in CalPERS pension costs, the conversion of a part-time to full-time School Resource Officer in the Police Department, increases to plan check and inspection consulting services in the Building and Public Works Engineering Divisions based on potential development activity, one-time expenditures to conduct strategic technology planning services, and implementing the provisions of the fiscal sustainability plan.

Table 1. General Fund Expenditures by Department – FY 2016/17 to FY 2018/19

Department	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed	% Change from FY 2017/18
Legislative	$ 246,847	$ 251,686	$ 263,317	4.6%
City Attorney	177,780	184,000	184,000	0.0%
General Government	1,243,624	977,171	1,199,190	22.7%
City Manager/Administration	379,885	404,874	476,037	17.6%
Admin Services - Finance	531,269	716,170	684,504	(4.4%)
Admin Services - Human Resources	-	91,800	16,800	N/A
Admin Services - Information Technology	-	119,190	156,500	N/A
Admin Services - Risk Management	-	118,100	234,773	N/A
Police	4,766,241	5,087,823	5,102,083	0.3%
Animal Control	118,136	120,000	120,000	0.0%
Emergency Services	84,936	102,241	105,660	3.3%
Community Development - Planning	499,696	528,490	560,094	6.0%
Community Development - Building	803,722	756,475	913,761	20.8%
Public Works - Engineering	605,695	672,113	692,199	3.0%
Public Works - Streets	416,679	410,923	432,463	5.2%
Public Works - Vehicle/Equipment Maintenance	124,183	154,477	149,593	(3.2%)
Public Works - Parks	242,838	358,288	335,832	(6.3%)
Public Works - Building Maintenance	280,363	257,526	248,598	(3.5%)
Non-departmental	799	600	450	N/A
Total General Fund Expenditures	$ 10,522,693	$ 11,311,947	$ 11,875,854	5.0%

Table 2. General Fund Expenditures by Type – FY 2016/17 to FY 2018/19

Department	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed	% Change from FY 2017/18
Employee Services	$ 7,607,412	$ 8,492,650	$ 8,618,616	1.5%
Services and supplies	2,404,092	2,060,700	2,359,118	14.5%
Fixed Assets	12,095	82,575	82,650	0.1%
Other	499,094	676,022	815,470	20.6%
Total General Fund Expenditures	$ 10,522,693	$ 11,311,947	$ 11,875,854	5.0%

Wastewater Funds Overview

The proposed FY 2018/19 budget maintains service levels in the Wastewater Funds operations. The wastewater rate increases approved by the City Council in August 2017 have been included. The projected $708,900 (26%) increase in revenues shown in Table 4 is due to the wastewater rate increases as well as expected one-time wastewater development impact fees from various residential projects.

Table 3. Wastewater Funds Revenues – FY 2016/17 to FY 2018/19

	FY 2016/17 Actual	FY 2017/18 Projected	FY 2018/19 Estimated	% Change from FY 2017/18
Fees and services (recurring)	2,018,436	2,324,200	2,649,083	14.0%
Fees and services (one-time/significant)	-	412,000	796,700	93.4%
Investment earnings	13,146	9,350	8,700	(7.0%)
Other	28,047	13,000	13,000	0.0%
Total Revenues	$ 2,059,628	$ 2,758,550	$ 3,467,483	25.7%

Wastewater Funds expenditures are expected to increase by $812,100 in FY 2018/19, as depicted in Table 5, due primarily to increases in insurance cost allocations, utilities costs, and an increase in capital expenditures associated with the projects in the five-year CIP plan.

Table 4. Wastewater Funds Expenditures by Type – FY 2016/17 to FY 2018/19

Department	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed	% Change from FY 2017/18
Employee Services	$ 1,043,078	$ 1,072,220	$ 1,049,689	(2.1%)
Services and supplies	1,050,043	852,662	1,080,152	26.7%
Fixed Assets	889,169	429,455	1,022,800	138.2%
Other	286,689	256,200	270,000	5.4%
Total Wastewater Fund Expenditures	$ 3,268,979	$ 2,610,537	$ 3,422,641	31.1%

Organizational Changes

The Police Department is requesting the addition of one full-time Police Officer which will convert an existing temporary, part-time School Resource Officer into a full-time position. The Administrative Services Director position in the Administrative Services Department will be dedicated to the finance, human resources, risk management and information technology functions and will not oversee Recreation Services as was previously considered in the FY 2017/18 budget. The Public Works Director title will include the function of City Engineer. Finally, the City is expected to enter into an agreement with the City of Capitola to share a Chief Building Official, split 50% between the two agencies, which is included in the Planning/Building Department.

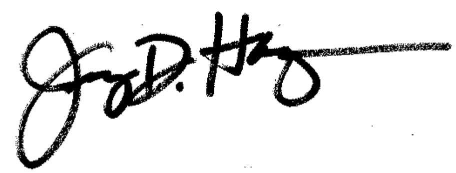
There are no further recommended changes to the City's organizational structure at this time.

Closing

The City's financial situation for most funds looks promising due to the level of current development activity and the anticipated resources available through fees for charges, grant revenues, and ongoing tax and other revenues sources. However, the City's General Fund faces a fiscal emergency given the anticipated structural deficit if corrective measures are not taken. The preliminary fiscal sustainability plan, if fully implemented, will allow the City's General Fund to remain healthy and solvent. Action will need to be taken by the City Council and staff over the next several months to implement the necessary strategies to avoid significant reduction in service levels through expenditure cuts.

I would like to acknowledge the time and talents of the Executive Team, and extend my appreciation to Mid-Management and staff throughout the organization for their assistance in the budget development process.

I also wish to thank the City Council for their continued support of the Scotts Valley organization, and look forward to working with the City Council and the community in addressing the fiscal challenges that lie ahead.



Jenny Haruyama
City Manager

FIVE YEAR FINANCIAL PLAN
and TEN YEAR GENERAL FUND FINANCIAL FORECAST
For the Five Years ended June 30, 2023
and Ten Years ended June 30, 2028

CITY COUNCIL
Jim Reed, Mayor
Jack Dilles, Vice Mayor
Stephany Aguilar
Randy Johnson
Donna Lind

CITY MANAGER
Jenny Haruyama

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FIVE- AND TEN-YEAR FINANCIAL FORECAST (FY 2018/19 to FY 2027/28)

The City has prepared a five-year financial forecast for all funds, and a ten-year financial forecast for the General Fund. These forecasts not intended to accurately predict in fine details the outcome of future financial operations. Rather, financial forecasts are used as planning tools to identify future trends and issues that require policy direction relative to capital improvement expenditures funding, providing and maintaining service levels to the community, and identify if there are any fiscal challenges that lay ahead that may require revenue enhancements to maintain desired service levels, or expenditure cuts in order to protect the city's fiscal resources.

The key in preparing any forecast is to start with a reasonably accurate assessment of current revenue projections, develop an expenditure plan that is reflective of the current service levels, and incorporate a capital expenditure plan that identifies the priorities for maintaining city infrastructure.

It was only four years ago when the City, the region, California, and the nation exited one of the worst economic recessions since the 1920's. Economists were suggesting economic growth at a slow to moderate pace. The greater Bay Area has experienced one of the highest levels of economic expansion in recent history. Unemployment in California and the region have hovered around the 4% level, which many are considering the "new normal" for full employment. Property values in Silicon Valley have skyrocketed, incenting more people to seek properties in Scotts Valley and the Central Coast, increasing property values and impacts on local roadways for those that commute over the hill every day for work. Demand for affordable housing continues to increase. Real estate demand is exceeding supply, and inventory of available single-family residences and condominium/townhome units continue to be at historically low levels.

Developers are seeking opportunities to develop residential and commercial properties in Scotts Valley and the region. The 1440 Multiversity project opened its doors for business this past year, providing a world-class multidimensional immersion learning facility that is expected to provide additional property and transient occupancy taxes to the City's General Fund. The former Lexington Hotel property on Scotts Valley Drive was purchased by a new developer in 2018 that intends to open the new 128-room Four Points Sheraton Hotel in Fall 2018. The developer of the proposed 120-room Marriott Residence Inn on the former Polo Ranch property anticipates starting construction in Summer 2018 and opening 12-18 months thereafter. Both of these projects will result in additional transient occupancy tax revenues for the City. The City expects that various levels of commercial and residential development activity will continue into the next fiscal year. This activity this does not include the Town Center along Mount Hermon Road, which is still in the pre-development stage.. Finally, the City is currently updating its General Plan, which will include an Economic Development Element, helping the City to strategically facilitate business expansion, retention, and attraction.

And yet, even with current and anticipated development, the City continues to face significant fiscal challenges. The previous and continued deferral of capital improvement projects due to limited revenues is manifesting itself in increased maintenance and infrastructure costs. For example, it will cost the City an estimated $900,000 annually just to maintain City roadway infrastructure at a "fair" level (target index level of 70). Other needs include ample storm drain improvements and parks infrastructure projects, and the replacement and maintenance of City fleet and equipment.

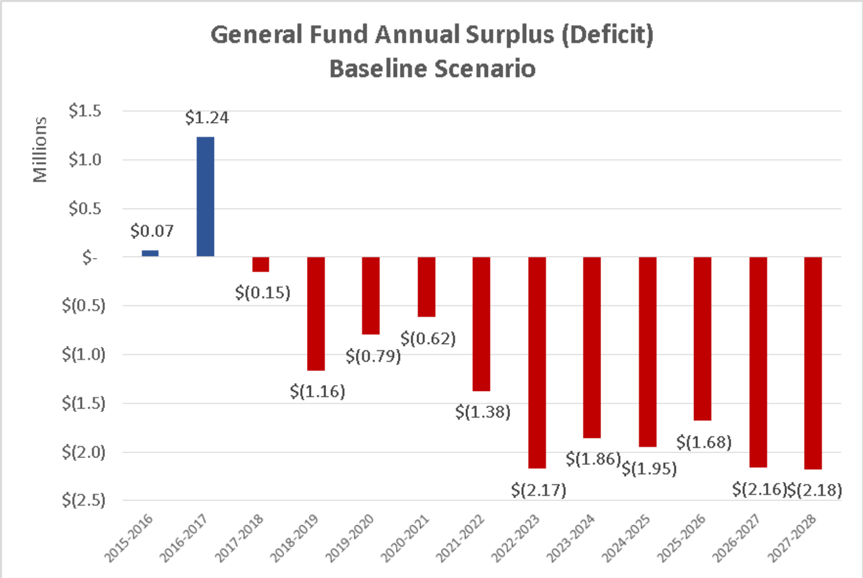
Further, the Building Division has had difficulty in filling inspector positions due to the frenetic pace of development within the region and the relatively low compensation levels that the City is able to provide to potential candidates based on current compensation and benefit levels.

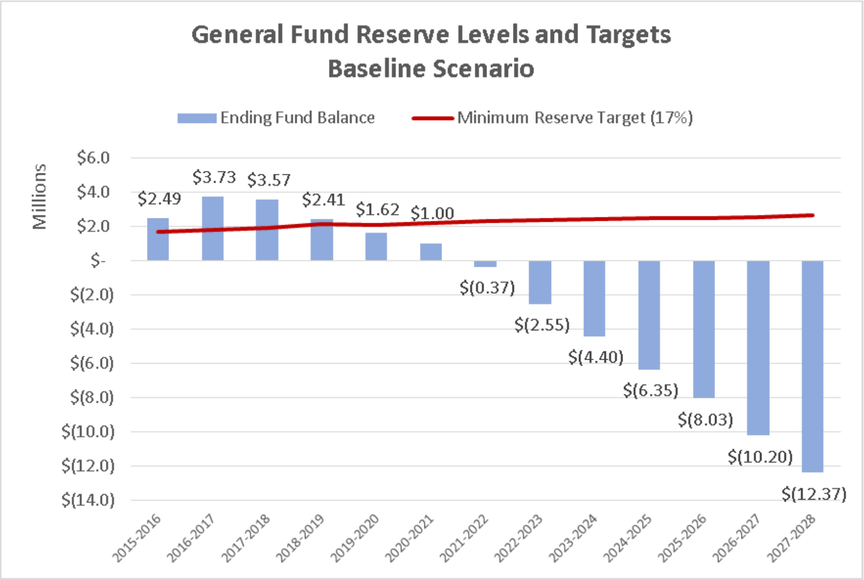
The General Fund is also expected to continue to subsidize the cost of providing recreation services to maintain affordable programs and facility rentals to the community.

Finally, the overall cost of providing citywide services is expected to further increase due to CalPERS' reduction of the pension investment return (discount) rate from 7.5% to 7.0% that will result in pension cost increases of $1.1 million per year by FY 2022/23 to fund employee benefit obligations. CalPERS continues to discuss further discount rate reductions which would have a significant and devastating impact on city services.

The **baseline five-year financial forecast for all funds other than the General Fund** indicate that those funds will maintain sufficient reserves to meet future operating and capital requirements. The General CIP fund that funds capital improvement projects for which there does not exist sufficient dedicated funding sources will require an infusion of capital from the General Fund totaling $1.6 million over the next five years to fund the projects included in the five-year CIP plan. The Wastewater fund is expected to have sufficient reserves through FY 2019/20 when the final year of a three-year rate increase that started in FY 2017/18 is completed. A rate study will need to be conducted at that time to determine the need for future rate increases to meet operational and capital expenditure requirements.

The baseline ten-year financial forecast for the General Fund indicates that the City will face a fiscal emergency if no action is taken by FY 2019/20 to correct the imbalance. The General Fund is projected to have an ongoing annual structural deficit that grows to nearly $2.2 million by 2022/23 in spite of planned development activity and prudent spending actions that the current Council and staff have instituted over the past several years. General Fund reserves will fall $486,800 below the targeted minimum reserve level of two months (17%) of annual operating expenditures by FY 2019/20, and will be fully depleted by the end of FY 2021/22, if corrective action is not taken. These are shown in the figures that follow.

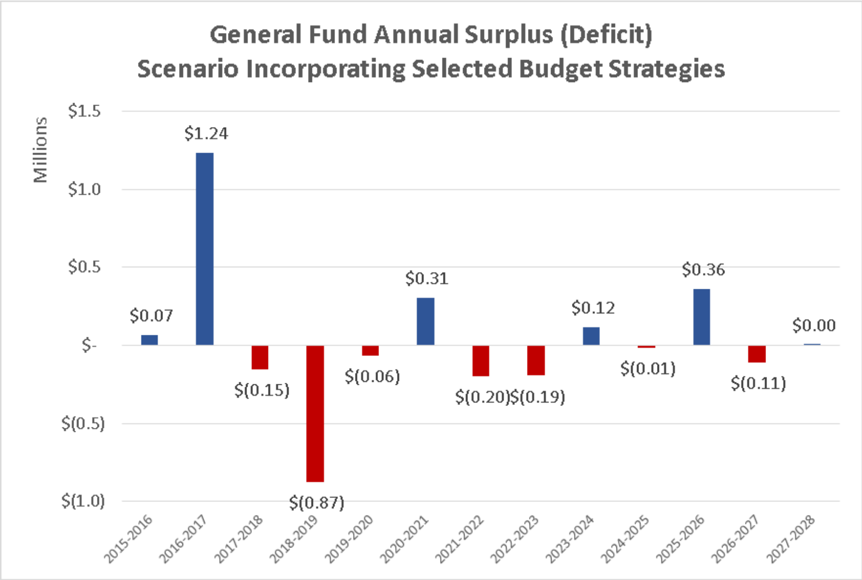


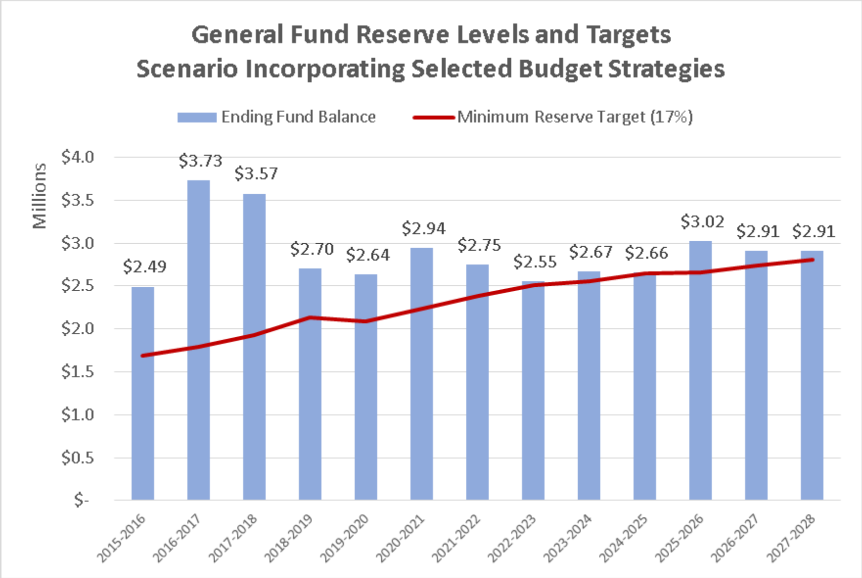


The City faces unfunded or underfunded obligations and capital improvement costs over the next ten years, including:

- **Other Post-Employment Benefit Costs** – The ten-year forecast includes partial funding of the City's other post-employment benefit (OPEB) obligations by funding 25% of the difference between the pay-as-you-go amount and the annual required contribution based on the latest actuarial evaluation into an irrevocable trust. While this will help to pay down its OPEB obligations, the City will continue to fall behind its commitments if it does not fund its annual required contributions to the plan.
- **Equipment Replacement** – the City is not setting aside any funding for replacement of equipment, vehicles, technology and facility repair costs. It will face difficulties in meeting those requirements as equipment ages and creates challenges in supporting the operations that serve the community.
- **Unfunded/Underfunded Capital Improvement Projects** - The Five-Year Capital Improvement Project Plan that is incorporated into the five-year financial plan indicates that most projects are fully funded. However, there exists approximately $9.3 million in unscheduled, unfunded projects related to sidewalks, bicycle transportation plans, storm drains, city facilities and park improvements. This does not include the challenges that the City faces in funding roadway improvements that will allow the city to increase its pavement condition index to the target index level of 70.

The City has completed a preliminary comprehensive Fiscal Sustainability Plan (FSP) to address the fiscal challenges that lie ahead. The budget strategies that have been analyzed and developed to meet the fiscal challenges are incorporated into a separate General Fund budget scenario. The strategies include expenditure controls/cost shifts and service delivery changes intended to maintain or improve existing service levels at lower costs. Ultimately, the City will face the need to implement revenue enhancements if it wishes to maintain services and infrastructure for the community's benefit. The combination of those strategies, including revenue enhancements that require voter approval, would allow the City to maintain fiscal sustainability for its General Fund as projected in the following figures.





The FSP will need to incorporate the necessary elements and engagement with the community to prioritize the strategies to be employed to maintain Scotts Valley's fiscal health for the coming years.

City of Scotts Valley
Summary of Key Assumptions Used in Preparation of the Five-Year Financial Plan for the Five Years Ended June 30, 2023 and Ten-Year Financial Forecast for the General Fund for the Ten Years Ended June 30, 2028

The City of Scotts Valley Five-Year Financial Plan covers the five-year period ending June 30, 2023. Because of the anticipated fiscal gap projected in the General Fund, a ten-year financial forecast has been prepared for that fund for the ten years ending June 30, 2028. The analyses make key assumptions that, based on historical trends and current information received from various sources, are considered most likely to be incurred. The key assumptions made in the preparation of the Plan are listed here. The sources used in preparing these assumptions were:

- Budget and economic information from the State Department of Finance and the Legislative Analyst's Office
- Consumer price index adjustments from the Bureau of Labor Statistics
- Residential property value trends from the National Association of Realtors, California Association of Realtors, and the Santa Cruz County Association of Realtors
- Consumer spending and interest rate trends as compiled by the Federal Reserve Bank
- Property assessment valuations from the County Assessor's office
- Anticipated commercial and residential developments in the City from the Community Development Department
- Unemployment rates from the Bureau of Labor Statistics and the California Employment Development Department
- Market rates realized on existing investment securities
- Availability of Federal and State Grants
- Pending and current legislation affecting local government revenues and costs
- Known one-time revenues and expenditures

Baseline and Fiscal Sustainability Plan Scenarios

A baseline scenario has been prepared for all funds based on currently known and anticipated trends both in terms of revenues and expenditures. The City is currently reviewing long-term budget strategies that will help resolve the General Fund's structure deficit, referred to as the City's Fiscal Sustainability Plan. Based upon the latest City Council direction received on May 2, 2018, a separate scenario has been prepared for the General Fund that forecasts the impacts of the various budget strategies of the Fiscal Sustainability Plan if they were to be successfully implemented ("FSP Scenario"). The FSP Scenario incorporates all the baseline scenario assumptions indicated herein. The budget strategies that comprise the current Fiscal Sustainability Plan are included in a separate section at the end of this document.

Section 1 – Baseline Scenario

Overall Economic Forecast

The City continues to experience a recovery in its recurring revenue streams. Property values and home sales have increased, although there are concerns that increasing interest rates may place a damper on the affordability of home purchases in the next three years. Sales tax and personal income tax revenues statewide continue to rise. Unemployment rates for the US and California are 4.7% and 4.2%, respectively. Santa Cruz County and Scotts Valley unemployment rates are down by 1.4% and 1.2%, respectively, from the prior year. The overriding assumption used in this forecast is that Scotts Valley's revenues will experience modest growth rates of approximately 1% to 5% over the next five years depending on revenue source, discussed more fully in the section that follows.

Recessions

Historically, California and the greater Bay Area have experienced recessions once every seven years. Recessions typically impact cities' General Fund revenues by about 5-10%, depending on the severity of the recession, and typically find that revenues will recover over a three-year period. The last recession – the Great Recession of 2007/08 – was considered to be an outlier by most economists in terms of its magnitude. The forecasts assume that modest recessions will occur that impact General Fund revenue source by approximately 5% and that recover over three years. The first recessionary impact is assumed to occur in FY 2019/20 as it has been over 10 years since the last recession occurred.

Reserve Policies

The City Council's established minimum reserve policies for its various funds has been indicated in the forecast as follows:

- *General Fund* – Minimum target reserve of two months (or 17%) of annual operating expenditures plus net transfers out (in)
- *General CIP Fund* – Minimum target reserve of $500,000
- *Recreation Fund* – Minimum reserve level of zero ($0) with annual transfers, as necessary, from the General Fund to fully subsidize costs not recovered through fees and charges
- *Wastewater Funds* – Minimum reserve level of eight months (67%) of annual operating expenses plus $1 million for capital outlay needs

Revenue Assumptions

Assumptions made in determining significant revenue amounts are listed below:

Development –Planning, Permit, Development Impact Fees, Transient Occupancy Taxes

Projects included in the forecast are reasonably expected to start construction in the next 12-18 months. Planning, permit and development impact fees, and transient occupancy taxes have been projected for these projects. Inasmuch as the final project assessed valuation is not reasonably determinable at this point, and that the property tax apportionment rate (6.5%) is relative low for Scotts Valley, property tax revenues have not been estimated for these projects in the five-year forecast. The projects included in the forecast are as follows:

- *Marriott Residence Inn (200 Polo Ranch Road)* – The developer is proposing a 120-room hotel. Permits were anticipated to be issued by June 2018, with construction scheduled to complete by Fall of 2019. One-time permit fees totaling over $250,000 and impact fees totaling $340,000 were anticipated to be received in FY 2017/18. Assuming current trends in hotel occupancy and nightly rates of similarly situated hotels, the project is conservatively estimated to generate ongoing TOT revenue of over $600,000 annually.

- *Four Point Sheraton Hotel (5030 Scotts Valley Drive)* – The developer purchased this property from the developer of the former Lexington Hotel and is expecting to open for business in September 2018. The 128 room hotel is subject to a transient occupancy tax deferment agreement. Long-term TOT revenues from the project will generate over $700,000 annually by FY 2024/25. TOT revenues to the City will begin to increase ratably from $150,000 in FY 2018/19 to nearly $700,000 by FY 2024/25, at which time full TOT revenues will be collected.

- *Development Projects* – There are several residential and commercial projects that are reasonably expected to pull permits and start construction within the next 12-36 months. These projects are expected to generate over $7 million in one-time impact fees based on the proposed number of units for each project for impacts to City and police facilities, library, parks and recreation, and traffic and wastewater treatment. Building permit and plan check revenues have not been estimated for these projects pending submittal of preliminary plans.

Property Taxes

- The local housing sales market is viewed as strong by the real estate community. Sales prices of single-family and condos/townhomes in Scotts Valley rose by nearly 12% in the past 12 months through March 2018.

- The County Assessor’s office provided updated assessed valuations for Scotts Valley for FY 2018/19, which indicated an expected property tax growth rate of approximately 4% from FY 2017/18. Based on the trends in the real estate market and information provided by the Assessor’s Office, property taxes are expected to increase by 4% in future years.

Sales & Use Tax

- The City’s sales tax consultant, HdL Companies, is estimating sales taxes in FY 2018/19 to remain virtually constant with the prior year and are expecting a growth of 2% per year in future years.
- The projections for Measure U sales tax revenues, the City’s 0.5% local transactions and use tax rate, is also expected to grow by 2% in future years. However, Measure U sunsets in March 2022. The baseline scenario does not include any assumptions relative to the continuation of these sales tax amounts beyond that date. Measure U would be expected to generate approximately $1.4 million per year in its final year prior to sunset.

Transient Occupancy Tax (TOT)

- Current tax rate of 10% is assessed to people staying in the City's hotels. Modest growth of 4% is expected in FY 2018/19, and 3% thereafter throughout the ten-year forecast based upon current occupancy levels and increases in room rates for the four existing TOT generators: Hilton Scotts Valley/Santa Cruz, Best Western Scotts Valley, Santa Cruz Ranch RV Park, and 1440 Multiversity.

- As indicated above, it is expected that the Four Points Sheraton will open in September 2018, and that the Marriott Residence Inn project will begin construction in the Fall of 2018 and commence operations in FY 2019/20.

Franchise Fees

- Franchise fee revenues from PG&E (gas and electric), GreenWaste (solid waste) and AT&T and Comcast (video services) have remained relatively stable. The forecast for gas, electric and video services assumes modest 3% growth in FY 2018/19 and in each subsequent year thereafter. Solid waste is expected to grow at only 1% in future years due to increased recycling efforts.

Utility Users Tax (UUT)

- The City levies a 4% UUT on PG&E for gas and electric service. UUT revenues are expected to remain flat in 2018/19 based on project electric/gas rates and reduced use, and then grow by 3% per year thereafter.

Business License Tax

- The Business License Tax Ordinance was last updated in 1992 and is primarily based on employment for each business. Revenues have been reset based on FY 2017/18 collections. Annual growth in the business license tax base of 3% per year is assumed throughout the forecast.

Planning, Building and Public Works Permit Revenues

- The forecast isolates significant one-time permit revenues from the projects mentioned above from the recurring permit revenues that come as a result of tenant improvements, residential permits, and other typical permit in the ordinary course of business. These recurring revenues are expected to grow at a 3% rate in future years pending the results of a user fee study that is currently underway and subject to City Council review and adoption of new rates for FY 2018/19 and beyond.

Investment Earnings

- The daily yield on the City's LAIF deposits as of April 29, 2018 was 1.72%. This rate is about 70 basis points (0.70%) higher than this time last year in light of the recent increase in the Fed Funds rate by the Federal Reserve. Economists predict interest rates to continue increasing over the next 12-18 months. No significant growth in investment returns is anticipated in the five-year period. Fluctuations in investment earnings will be based upon expected fund balance surpluses or deficits in each year.

Wastewater Revenues

- <u>Wastewater Rates</u> – Wastewater rates were set based on the results of a wastewater rate study performed in June 2017 and implemented for a three-year period from FY 2017/18 to FY 2019/20, which included a series of increases in rates by 15% per year.
- <u>Wastewater Development Impact Fees</u> – based upon the anticipated development projects discussed earlier, the City expects to collect nearly $2.2 million

in one-time wastewater development impact fees. Recurring wastewater impact fees of $50,000 are estimated in FY 2018/19, with a 3% growth in future years.

Gas Tax Revenues

- Historical gas tax revenues collected under the provisions of California Streets and Highways Code §2103-2107.5 are expected to total $297,300 in FY 2018/19 based on preliminary estimates from the State Department of Finance and analysis by the League of California Cities' financial consultant, Michael Coleman. Future gas tax revenues are expected to remain flat as conservative projections and due to decreased consumption of fuel by hybrid and electric vehicles (the gas tax is a per-gallon charge that is not dependent on the price of fuel).
- The State Legislature approved, and the Governor signed into law, the Road Repair and Accountability Act of 2017 (SB-1), which imposes higher gas tax and vehicle registration fees, and will increase vehicle registration vehicles on zero-emission vehicles. The funds are restricted to specific types of transportation projects, but by and large are consistent with the transportation funding needs of the City's street improvement programs. Revenue estimates for Scotts Valley indicate $215,700 in FY 2018/19, growing to $278,000 per year by 2020/21 and thereafter based on estimates by the Department of Transportation.

Recreation and Facility Programs

- The City conducted an internal review of recreation rates in May 2017 and the City Council set new fees and charges for FY 2017/18, increasing fees for certain recreation programs and facility rental charges. Revenues are conservatively projected to hold constant in 2018/19 and grow by 3% thereafter.

State Budget

- The Governor's proposed State Budget issued in January 2018 did not include any provisions that would negatively impact local government revenues. The City will continue to watch development of the State Budget for any issues that may potentially affect Scotts Valley when the Governor issues the May Revise at around the same time that the City Council reviews this preliminary budget.

Expenditure Assumptions

Assumptions made in determining significant expenditures are listed below:

Service Levels and Capital Improvement Projects

- The baseline five-year financial plan assumes that services provided to the community will remain at their current levels.
- Proposed Capital Improvement Projects in the five-year forecast are shown as funded and incorporated into the Plan. Several projects are not indicated in the long-term capital improvement plan as "unscheduled and unfunded" pending identification of a source of revenues.

Employee Services

- Salary and benefit amounts for FY 2018/19 have been included based on the pay plans and memoranda of understanding for bargaining units currently in effect in FY 2017/18, and employees' existing benefits elections. Vacant positions have been budgeted at the top step of the pay plan as a conservative budgetary placeholder for those positions. For FY 2019/20 through FY 2022/23, a conservative placeholder growth factor of 3% is included in light of employees that would be eligible for future merit increases relative to the existing pay plan and for other nominal increases.

- Much of the City's workforce falls under collective bargaining agreements. The City is currently in labor negotiations with its police officers and supervisors, mid-management employees, and employees represented by the Service Employees International Union (SEIU) Local 521. No assumptions have been made in the baseline scenario relative to compensation packages pending completion of negotiations with those bargaining units.
- CalPERS actuarial assumption changes relative to expected investment returns (reduction of the Discount Rate from 7.50% to 7.0% through FY 2021/22) have been incorporated in the ten- and five-year forecasts. The employer rates for public safety are expected to increase from 40% of compensation in FY 2018/19 to 60% in FY 2022/23. Employer rates for miscellaneous employees are expected to increase from 29% of compensation in FY 2018/19 to 46% in FY 2022/23. The net total (General Fund) increase in pension costs will be $220,000 ($187,000) per year in FY 2018/19, increasing to $839,500 ($713,000) per year in FY 2022/23. These increases have been incorporated into the ten- and five-year forecasts.

Supplies and Services, Capital Outlay, Internal Service Charges, and Reallocations

- An increase of 3% in annual expenditures for these categories was used based on long-term CPI trends, which is consistent with investment yield rates in 10-year Treasury Inflation Protected Securities, a leading indicator of long-term CPI expectations.

Realistic Expenditure Savings Forecast

- The General Fund is expected to realize budgetary expenditure savings of 1% due to a variety of factors, the most significant being salary savings generated from the retirement or separation from employment of employees and those positions are then vacant during the recruitment process. The five-year forecast for the General Fund includes a conservative 1% expenditure savings assumption for FY 2019/20 to FY 2027/28 to reflect a more realistic picture of the City's anticipated fiscal results in future years. This expenditure savings is <u>not</u> included in FY 2018/19 to continue the conservative budgeting philosophy relative to current operations.

<u>Section 2 – Fiscal Sustainability Plan (FSP) Scenario</u>

The results from the baseline General Fund forecast indicates an ongoing structural deficit of expenditures and transfers exceeding projected revenues by nearly $2.2 million per year. The City has been addressing the projected structural deficit by analyzing various budget strategies that would serve to eliminate the fiscal gap.

Based upon a series of City Council meetings held in December 2017 and March and May 2018, the City Council determined to include a collection of revenue enhancements, expenditure control/cost shifts, and service delivery change options in its FSP. These budget strategies build upon the baseline scenario indicated above and have been included in the FSP Scenario for the General Fund.

It should be noted that these strategies will require further deliberation and action by the City Council prior to implementation, and in the case of revenue enhancements will require voters to approve tax measures prior to their implementation.

The budget strategies included in the FSP Plan are listed below by category.

Revenue Enhancements

Transient Occupancy Tax Increase

The FSP includes an assumption of an increase in the TOT rate from 10% to 12% in an election to be held in November 2018. If approved, the rate increase would yield the following additional revenues to the City's General Fund starting in FY 2018/19 based upon the baseline scenario TOT projections:

Fiscal Year	Projected Additional Annual Revenue
2018/19	$181,400
2019/20	462,600
2020/21	524,900
2021/22	546,200
2022/23	603,900
2023/24	652,500
2024/25	671,400
2025/26	690,800
2026/27	689,800
2027/28	716,600

Local Transactions and Use (Sales) Tax Increase and Extension

The FSP also includes an assumption of an increase in the local sales tax rate previously adopted under Measure U, increasing the rate from 0.50% to 0.75%. The assumption is that an election would be held in November 2019, requiring the City to declare a fiscal emergency under the provisions of the California Constitution Article XIII-C. The assumption is that the tax rate would go into effect not later than April 1, 2020. There is no assumption made relative to the period of time that would be assigned to the measure, however the FSP assumes that the measure, if approved, would remain in effect through FY 2027/28 and would yield the following additional revenues above the baseline scenario:

Fiscal Year	Projected Additional Annual Revenue
2018/19	N/A
2019/20	162,300
2020/21	673,300
2021/22	$1,047,200
2022/23	2,172,100
2023/24	2,252,500
2024/25	2,335,900
2025/26	2,422,400
2026/27	2,347,300
2027/28	2,434,100

Expenditure Controls/Cost Shifts

Pension Cost Sharing by Employees

The FSP assumes that employees hired under as Classic Members in CalPERS would begin to contribute 3% of their annual compensation towards pension costs in FY 2018/19. This strategy requires the City to meet and confer with its labor groups on this provision prior to implementation. The General Fund impact of this budget strategy would reduce costs by approximately $105,000 per year starting in FY 2018/19, which would increase to the extent that employee annual salaries increase in future years.

Cost Allocation Plan to Shift Costs to Wastewater Operations

General Fund administrative departments such as City Manager, City Attorney, and Finance incur costs related to administering Wastewater Enterprise Fund operations. The results of a recent independent cost allocation plan study indicates that the General Fund would be eligible to increase its cost allocation to the Wastewater Operating Fund by $35,000 per year. The FSP assumes that this would go into effect starting in FY 2020/21 so that the wastewater fund may incorporate the additional cost into a rate study after the current rate increases end in FY 2019/20.

Service Delivery Changes

Vehicle/Fleet Maintenance

The FSP includes an assumption that the City will evaluate the delivery of vehicle/fleet maintenance services to determine the opportunity to outsource the service with local private repair shops at a reduced cost. The City would also implement a fleet utilization study to ensure that the inventory of vehicles in the City's fleet is appropriate to its needs. It is assumed that the current employees would be utilized as maintenance workers/supervisor in the Public Works department. There is no current fiscal impact incorporated into the FSP Scenario pending evaluation of contracting services net of the cost maintain by retaining staff to fill other Public Works positions.

Online Permitting

The FSP also includes an assumption that the Community Development department will evaluate and implement a permit tracking system that would include the ability for developers, contractors and property owners to apply for planning and building permits online. The cost of permit tracking systems range would be $150,000 and may require an update to the City's financial management system that could cost $400,000 for a city the size of Scotts Valley. There would also likely be additional consulting costs associated with implementation of the new systems of up to $100,000. There would be the opportunity to collect revenues through planning and building permits to recover costs associated with the investment in technology that, over time, may fully reimburse the City for its capital outlay and implementation costs. There is no current fiscal impact incorporated into the FSP Scenario pending an evaluation of permit tracking and financial management system software needs and the potential revenue generation that could help pay for those systems.

Restored Fiscal Capacity

Replenishment of Reserves

Implementation of the FSP would enable the City to replenish its reserves and maintain them at a target level of 17% or higher in each year of the ten-year forecast. It also allows the City to provide funding towards replacing equipment used in serving the community, pay down its retiree medical costs, and invest in capital improvement needs that are currently unfunded or underfunded, as indicated below.

Equipment Replacement Funding

The City conducted a study of its fleet, equipment and facilities inventory that supports operations in FY 2017/18. The result of that study indicated an annual replacement cost attributable to the General Fund totaling $347,500 per year. Set aside funding for equipment replacement costs are included in the FSP Scenario to begin funding equipment replacement starting only after which time the local sales tax measure would be approved. There would then be sufficient fiscal capacity to begin to fund equipment replacement costs, which would start at $69,500 in FY 2020/21 and would ratably grow to full funding over a five-year period of $347,500 per year by FY 2024/25.

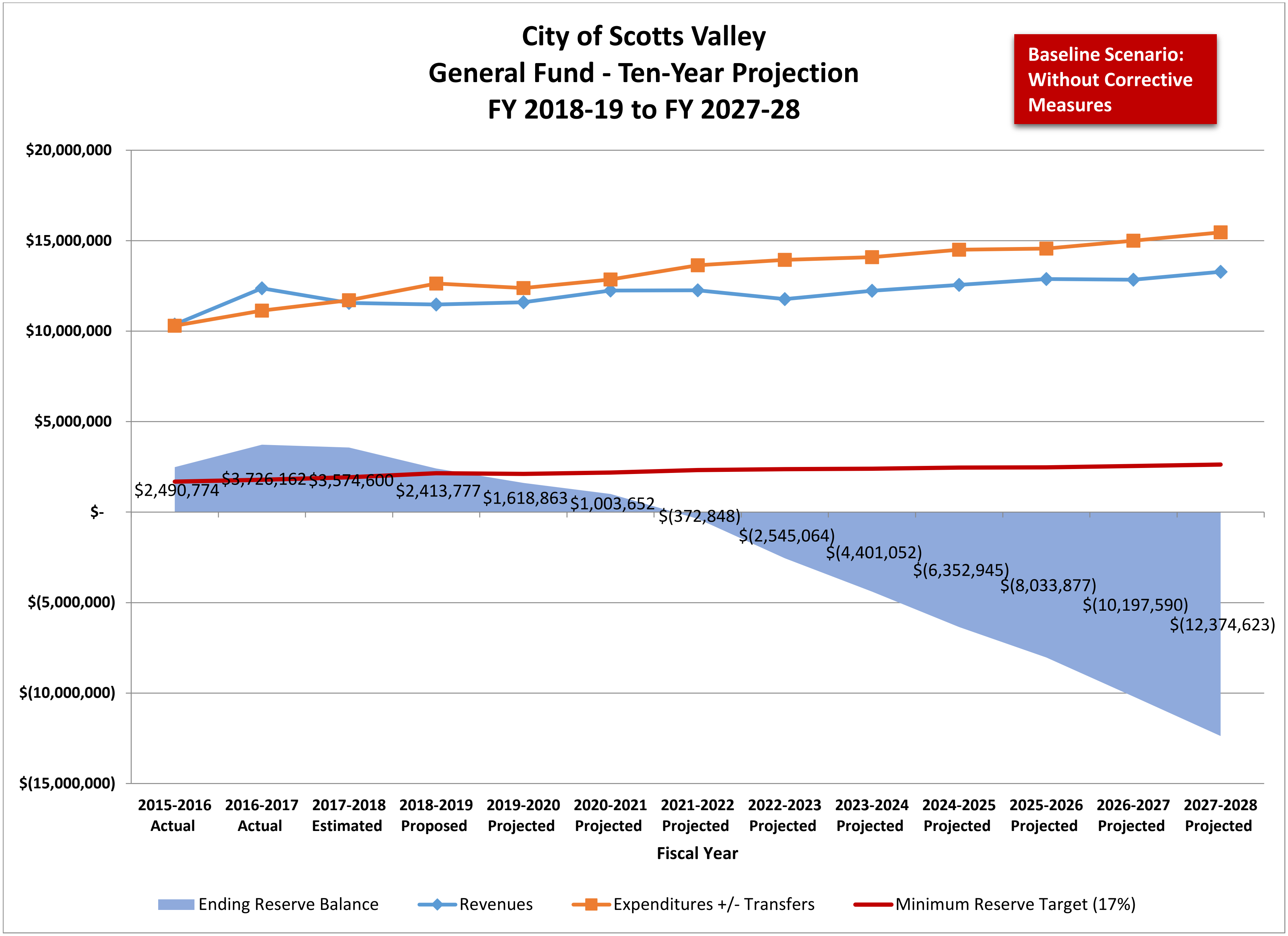
Retiree Medical Post-Employment Benefit Obligation

The FSP includes full funding of the City's annual required contribution towards its retiree medical benefit obligations. Based on the actuarial study conducted in 2016, the General Fund would need to contribute an additional $350,000 above what it is already contributing to fully fund its annual required contribution. Increasing contributions towards these obligations would only occur after which time the local sales tax measure would be approved. There would then be sufficient fiscal capacity to begin to fully fund these obligations, which would start at $70,000 in FY 2020/21 and would ratably grow to full funding over a five-year period of $350,000 per year by FY 2024/25.

Unfunded/Underfunded Capital Improvement Projects

If the TOT and local sales tax measures were approved, there would exist additional fiscal capacity to begin funding currently underfunded (e.g., pavement management, storm drain management) or unfunded (e.g., sidewalk and bicycle master plans, Shugart Park improvements) capital improvement projects. The additional capacity to set aside funds through a transfer from the General Fund to the General CIP fund is included in the FSP Scenario. The amount available would total $3.5 million as follows:

Fiscal Year	Projected Transfers for Capital Projects
2018/19	$ 0
2019/20	0
2020/21	250,000
2021/22	250,000
2022/23	500,000
2023/24	500,000
2024/25	500,000
2025/26	500,000
2026/27	500,000
2027/28	500,000
Total	**$ 3,500,000**


City of Scotts Valley
General Fund - Ten-Year Projection
FY 2018-19 to FY 2027-28
Baseline Scenario: Without Corrective Measures
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-
$(5,000,000)
$(10,000,000)
$(15,000,000)
$2,490,774
$3,726,162
$3,574,600
$2,413,777
$1,618,863
$1,003,652
$(372,848)
$(2,545,064)
$(4,401,052)
$(6,352,945)
$(8,033,877)
$(10,197,590)
$(12,374,623)
2015-2016 Actual
2016-2017 Actual
2017-2018 Estimated
2018-2019 Proposed
2019-2020 Projected
2020-2021 Projected
2021-2022 Projected
2022-2023 Projected
2023-2024 Projected
2024-2025 Projected
2025-2026 Projected
2026-2027 Projected
2027-2028 Projected
Fiscal Year
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (17%)

City of Scotts Valley, California
General Fund
Ten Year Financial Plan for the Years Ended June 30, 2028

Baseline Scenario: Without Corrective Measures

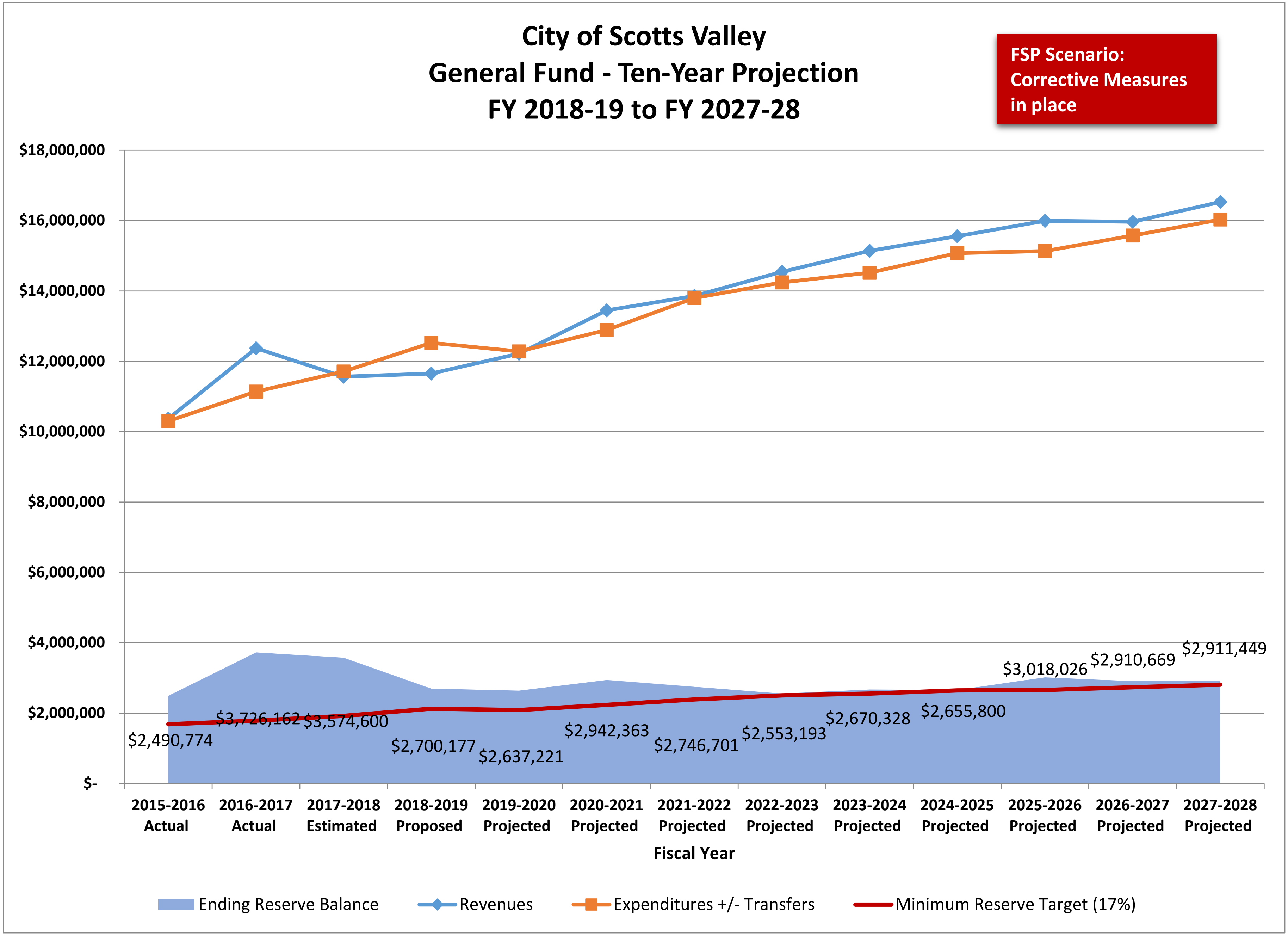
	Actual		Revised					Elimination of Measure U					
				Ten Year Financial Plan									
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Property taxes and assessments	$ 1,313,577	$ 1,579,897	$ 1,479,200	$ 1,469,700	$ 1,478,350	$ 1,553,750	$ 1,633,193	$ 1,716,690	$ 1,785,100	$ 1,856,400	$ 1,930,500	$ 1,942,110	$ 2,041,311
Sales taxes - General	$ 2,323,897	$ 2,078,070	$ 2,159,000	$ 2,115,000	$ 2,051,730	$ 2,126,867	$ 2,204,832	$ 2,285,745	$ 2,331,500	$ 2,378,100	$ 2,425,600	$ 2,353,030	$ 2,439,283
Sales taxes - Local (Measure U)	$ 1,274,604	$ 1,265,724	$ 1,333,000	$ 1,340,000	$ 1,298,460	$ 1,346,517	$ 1,047,303	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ 972,951	$ 994,613	$ 1,026,000	$ 1,036,900	$ 1,055,600	$ 1,074,600	$ 1,094,100	$ 1,113,900	$ 1,134,300	$ 1,155,200	$ 1,176,600	$ 1,198,400	$ 1,220,900
Transient occupancy taxes	$ 1,011,432	$ 1,218,063	$ 1,587,000	$ 1,814,400	$ 2,313,025	$ 2,624,333	$ 2,730,857	$ 3,019,643	$ 3,262,600	$ 3,357,000	$ 3,454,200	$ 3,359,770	$ 3,497,855
Utility users taxes	$ 694,552	$ 747,585	$ 740,000	$ 740,000	$ 762,200	$ 785,100	$ 808,700	$ 833,000	$ 858,000	$ 883,700	$ 910,200	$ 937,500	$ 965,600
Business license taxes	$ 436,878	$ 344,293	$ 361,700	$ 351,700	$ 362,300	$ 373,200	$ 384,400	$ 396,000	$ 407,900	$ 420,200	$ 432,800	$ 445,800	$ 459,200
Other taxes	$ 1,052,972	$ 1,114,206	$ 1,146,800	$ 1,172,500	$ 1,186,600	$ 1,200,900	$ 1,215,500	$ 1,230,300	$ 1,245,300	$ 1,260,600	$ 1,276,100	$ 1,292,000	$ 1,308,200
Total Taxes	$ 9,080,863	$ 9,342,452	$ 9,832,700	$10,040,200	$10,508,265	$11,085,266	$11,118,885	$10,595,278	$ 11,024,700	$11,311,200	$ 11,606,000	$ 11,528,610	$ 11,932,349
Intergovernmental	$ 11,635	$ 8,197	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	$ 35,411	$ 37,680	$ 37,650	$ 24,200	$ 24,300	$ 24,400	$ 24,500	$ 24,600	$ 24,700	$ 24,800	$ 24,900	$ 25,000	$ 25,100
Fees and services (recurring)	$ 504,656	$ 1,616,409	$ 561,950	$ 563,300	$ 579,700	$ 646,400	$ 615,300	$ 633,300	$ 651,600	$ 670,500	$ 689,900	$ 710,100	$ 731,000
Fees and services (one-time/significant)	$ 248,531	$ 40,926	$ 561,000	$ 233,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment earnings	$ 14,456	$ 20,816	$ 12,100	$ 12,100	$ 10,200	$ 8,700	$ 7,500	$ 6,600	$ 5,900	$ 5,300	$ 4,900	$ 4,600	$ 4,400
Other	$ 472,762	$ 1,306,435	$ 555,700	$ 597,000	$ 469,100	$ 482,600	$ 496,500	$ 510,800	$ 525,400	$ 540,500	$ 556,100	$ 572,000	$ 588,600
Total Revenues	$10,368,314	$12,372,915	$11,561,100	$11,469,800	$11,591,565	$12,247,366	$12,262,685	$11,770,578	$ 12,232,300	$12,552,300	$ 12,881,800	$ 12,840,310	$ 13,281,449
Projected Expenditures (see attached) (1)	$ 9,902,259	$10,522,693	$11,311,947	$11,875,854	$11,976,710	$12,513,809	$13,050,416	$13,576,024	$ 13,863,519	$14,279,424	$ 14,707,732	$ 15,149,023	$ 15,603,483
Net revenues over (under) expenditures before transfers	$ 466,055	$ 1,850,222	$ 249,153	$ (406,054)	$ (385,145)	$ (266,442)	$ (787,731)	$ (1,805,446)	$ (1,631,219)	$ (1,727,124)	$ (1,825,932)	$ (2,308,713)	$ (2,322,034)
Net Transfers In (Out)	$ (399,259)	$ (614,834)	$ (400,715)	$ (754,769)	$ (409,769)	$ (348,769)	$ (588,769)	$ (366,769)	$ (224,769)	$ (224,769)	$ 145,000	$ 145,000	$ 145,000
Net Increase (Decrease) in Fund Balance before adjustments	$ 66,796	$ 1,235,388	$ (151,562)	$ (1,160,823)	$ (794,914)	$ (615,211)	$ (1,376,500)	$ (2,172,215)	$ (1,855,988)	$ (1,951,893)	$ (1,680,932)	$ (2,163,713)	$ (2,177,034)
Expenditure reductions and/or revenue enhancements required to maintain reserves	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Fund Balance after adjustments	$ 66,796	$ 1,235,388	$ (151,562)	$ (1,160,823)	$ (794,914)	$ (615,211)	$ (1,376,500)	$ (2,172,215)	$ (1,855,988)	$ (1,951,893)	$ (1,680,932)	$ (2,163,713)	$ (2,177,034)
Opening Fund Balance	$ 2,423,979	$ 2,490,774	$ 3,726,162	$ 3,574,600	$ 2,413,777	$ 1,618,863	$ 1,003,652	$ (372,848)	$ (2,545,064)	$ (4,401,052)	$ (6,352,945)	$ (8,033,877)	$(10,197,590)
Ending Fund Balance	$ 2,490,774	$ 3,726,162	$ 3,574,600	$ 2,413,777	$ 1,618,863	$ 1,003,652	$ (372,848)	$ (2,545,064)	$ (4,401,052)	$ (6,352,945)	$ (8,033,877)	$(10,197,590)	$(12,374,623)

(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2027-2028 are projections.

City of Scotts Valley, California
General Fund Expenditures Detail - Natural Classification
Ten Year Financial Plan for the Years Ended June 30, 2028

Baseline Scenario: Without Corrective Measures

Proposed Budget	Actual		Revised	Ten Year Financial Projection									
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Operating Expenditures													
Employee Services	$ 7,500,552	$ 7,607,412	$ 8,492,650	$ 8,618,616	$ 9,072,754	$ 9,524,504	$ 9,973,039	$ 10,407,672	$ 10,719,903	$ 11,041,500	$ 11,372,745	$ 11,713,927	$ 12,065,345
Services and supplies	$ 1,857,644	$ 2,404,092	$ 2,060,700	$ 2,359,118	$ 2,099,892	$ 2,162,889	$ 2,227,776	$ 2,294,609	$ 2,363,447	$ 2,434,350	$ 2,507,380	$ 2,582,602	$ 2,660,080
Fixed Assets	$ 59,123	$ 12,095	$ 82,575	$ 82,650	$ 85,130	$ 87,684	$ 90,315	$ 93,024	$ 95,815	$ 98,689	$ 101,650	$ 104,700	$ 107,841
Other	$ 484,940	$ 499,094	$ 676,022	$ 815,470	$ 839,934	$ 865,132	$ 891,086	$ 917,819	$ 824,354	$ 849,085	$ 874,557	$ 900,794	$ 927,817
Total operating expenditures	$ 9,902,259	$ 10,522,693	$ 11,311,947	$ 11,875,854	$ 12,097,710	$ 12,640,209	$ 13,182,216	$ 13,713,124	$ 14,003,519	$ 14,423,624	$ 14,856,332	$ 15,302,023	$ 15,761,083
Less: Expected Expenditure Savings (1%)	$ -	$ -	$ -	$ -	$ (121,000)	$ (126,400)	$ (131,800)	$ (137,100)	$ (140,000)	$ (144,200)	$ (148,600)	$ (153,000)	$ (157,600)
Projected Expenditures	$ 9,902,259	$ 10,522,693	$ 11,311,947	$ 11,875,854	$ 11,976,710	$ 12,513,809	$ 13,050,416	$ 13,576,024	$ 13,863,519	$ 14,279,424	$ 14,707,732	$ 15,149,023	$ 15,603,483


City of Scotts Valley
General Fund - Ten-Year Projection
FY 2018-19 to FY 2027-28
FSP Scenario: Corrective Measures in place
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
$2,490,774
$3,726,162
$3,574,600
$2,700,177
$2,637,221
$2,942,363
$2,746,701
$2,553,193
$2,670,328
$2,655,800
$3,018,026
$2,910,669
$2,911,449
2015-2016 Actual
2016-2017 Actual
2017-2018 Estimated
2018-2019 Proposed
2019-2020 Projected
2020-2021 Projected
2021-2022 Projected
2022-2023 Projected
2023-2024 Projected
2024-2025 Projected
2025-2026 Projected
2026-2027 Projected
2027-2028 Projected
Fiscal Year
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (17%)

FSP Scenario: Corrective Measures in place

City of Scotts Valley, California
General Fund
Ten Year Financial Plan for the Years Ended June 30, 2028

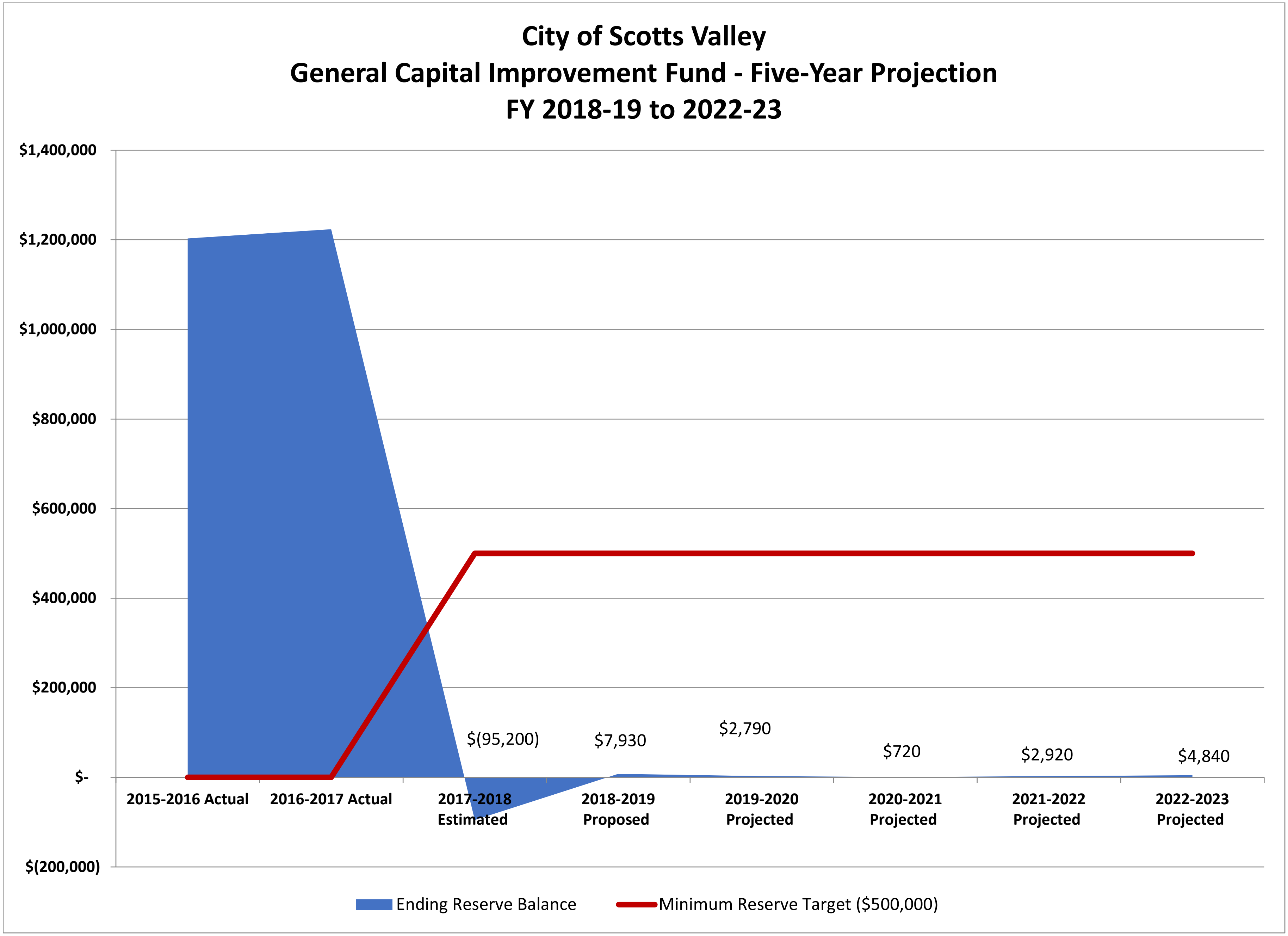
				TOT increased to 12% on 1/1/2019	Measure U restored and increased to 0.75% on 4/1/2020								
	Actual		Revised	Ten Year Financial Plan									
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Property taxes and assessments	$ 1,313,577	$ 1,579,897	$ 1,479,200	$ 1,469,700	$ 1,478,350	$ 1,553,750	$ 1,633,193	$ 1,716,690	$ 1,785,100	$ 1,856,400	$ 1,930,500	$ 1,942,110	$ 2,041,311
Sales taxes - General	$ 2,323,897	$ 2,078,070	$ 2,159,000	$ 2,115,000	$ 2,051,730	$ 2,126,867	$ 2,204,832	$ 2,285,745	$ 2,331,500	$ 2,378,100	$ 2,425,600	$ 2,353,030	$ 2,439,283
Sales taxes - Local (Measure U)	$ 1,274,604	$ 1,265,724	$ 1,333,000	$ 1,340,000	$ 1,460,768	$ 2,019,776	$ 2,094,504	$ 2,172,129	$ 2,252,499	$ 2,335,919	$ 2,422,389	$ 2,347,260	$ 2,434,132
Franchise taxes	$ 972,951	$ 994,613	$ 1,026,000	$ 1,036,900	$ 1,055,600	$ 1,074,600	$ 1,094,100	$ 1,113,900	$ 1,134,300	$ 1,155,200	$ 1,176,600	$ 1,198,400	$ 1,220,900
Transient occupancy taxes	$ 1,011,432	$ 1,218,063	$ 1,587,000	$ 1,995,800	$ 2,775,625	$ 3,149,233	$ 3,277,057	$ 3,623,543	$ 3,915,100	$ 4,028,400	$ 4,145,000	$ 4,138,775	$ 4,299,422
Utility users taxes	$ 694,552	$ 747,585	$ 740,000	$ 740,000	$ 762,200	$ 785,100	$ 808,700	$ 833,000	$ 858,000	$ 883,700	$ 910,200	$ 937,500	$ 965,600
Business license taxes	$ 436,878	$ 344,293	$ 361,700	$ 351,700	$ 362,300	$ 373,200	$ 384,400	$ 396,000	$ 407,900	$ 420,200	$ 432,800	$ 445,800	$ 459,200
Other taxes	$ 1,052,972	$ 1,114,206	$ 1,146,800	$ 1,172,500	$ 1,186,600	$ 1,200,900	$ 1,215,500	$ 1,230,300	$ 1,245,300	$ 1,260,600	$ 1,276,100	$ 1,292,000	$ 1,308,200
Total Taxes	$ 9,080,863	$ 9,342,452	$ 9,832,700	$ 10,221,600	$ 11,133,173	$ 12,283,425	$ 12,712,286	$ 13,371,307	$ 13,929,699	$ 14,318,519	$ 14,719,189	$ 14,654,875	$ 15,168,049
Intergovernmental	$ 11,635	$ 8,197	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	$ 35,411	$ 37,680	$ 37,650	$ 24,200	$ 24,300	$ 24,400	$ 24,500	$ 24,600	$ 24,700	$ 24,800	$ 24,900	$ 25,000	$ 25,100
Fees and services (recurring)	$ 504,656	$ 1,616,409	$ 561,950	$ 563,300	$ 579,700	$ 646,400	$ 615,300	$ 633,300	$ 651,600	$ 670,500	$ 689,900	$ 710,100	$ 731,000
Fees and services (one-time/significant)	$ 248,531	$ 40,926	$ 561,000	$ 233,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment earnings	$ 14,456	$ 20,816	$ 12,100	$ 12,100	$ 10,200	$ 8,700	$ 7,500	$ 6,600	$ 5,900	$ 5,300	$ 4,900	$ 4,600	$ 4,400
Other	$ 472,762	$ 1,306,435	$ 555,700	$ 597,000	$ 469,100	$ 482,600	$ 496,500	$ 510,800	$ 525,400	$ 540,500	$ 556,100	$ 572,000	$ 600,600
Total Revenues	$ 10,368,314	$ 12,372,915	$ 11,561,100	$ 11,651,200	$ 12,216,473	$ 13,445,525	$ 13,856,086	$ 14,546,607	$ 15,137,299	$ 15,559,619	$ 15,994,989	$ 15,966,575	$ 16,529,149
Projected Expenditures (see attached) (1)	$ 9,902,259	$ 10,522,693	$ 11,311,947	$ 11,770,854	$ 11,869,660	$ 12,541,614	$ 13,212,979	$ 13,873,345	$ 14,295,395	$ 14,849,378	$ 15,277,764	$ 15,718,932	$ 16,173,369
Net revenues over (under) expenditures before transfers	$ 466,055	$ 1,850,222	$ 249,153	$ (119,654)	$ 346,813	$ 903,911	$ 643,107	$ 673,261	$ 841,904	$ 710,241	$ 717,225	$ 247,643	$ 355,780
Net Transfers In (Out)	$ (399,259)	$ (614,834)	$ (400,715)	$ (754,769)	$ (409,769)	$ (348,769)	$ (588,769)	$ (366,769)	$ (224,769)	$ (224,769)	$ 145,000	$ 145,000	$ 145,000
Net Increase (Decrease) in Fund Balance before adjustments	$ 66,796	$ 1,235,388	$ (151,562)	$ (874,423)	$ (62,956)	$ 555,142	$ 54,338	$ 306,492	$ 617,135	$ 485,472	$ 862,225	$ 392,643	$ 500,780
Additional transfers for underfunded capital improvements (e.g., pavement management)	$ -	$ -	$ -	$ -	$ -	$ (250,000)	$ (250,000)	$ (500,000)	$ (500,000)	$ (500,000)	$ (500,000)	$ (500,000)	$ (500,000)
Net Increase (Decrease) in Fund Balance after adjustments	$ 66,796	$ 1,235,388	$ (151,562)	$ (874,423)	$ (62,956)	$ 305,142	$ (195,662)	$ (193,508)	$ 117,135	$ (14,528)	$ 362,225	$ (107,357)	$ 780
Opening Fund Balance	$ 2,423,979	$ 2,490,774	$ 3,726,162	$ 3,574,600	$ 2,700,177	$ 2,637,221	$ 2,942,363	$ 2,746,701	$ 2,553,193	$ 2,670,328	$ 2,655,800	$ 3,018,026	$ 2,910,669
Ending Fund Balance	$ 2,490,774	$ 3,726,162	$ 3,574,600	$ 2,700,177	$ 2,637,221	$ 2,942,363	$ 2,746,701	$ 2,553,193	$ 2,670,328	$ 2,655,800	$ 3,018,026	$ 2,910,669	$ 2,911,449

(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2027-2028 are projections.

City of Scotts Valley, California
General Fund Expenditures Detail - Natural Classification
Ten Year Financial Plan for the Years Ended June 30, 2028

FSP Scenario: Corrective Measures in place

Proposed Budget	Actual		Revised	Ten Year Financial Projection									
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
Operating Expenditures													
Employee Services	$ 7,500,552	$ 7,607,412	$ 8,492,650	$ 8,618,616	$ 9,072,754	$ 9,524,504	$ 9,973,039	$ 10,407,672	$ 10,719,903	$ 11,041,500	$ 11,372,745	$ 11,713,927	$ 12,065,345
Services and supplies	$ 1,857,644	$ 2,404,092	$ 2,060,700	$ 2,359,118	$ 2,099,892	$ 2,162,889	$ 2,227,776	$ 2,294,609	$ 2,363,447	$ 2,434,350	$ 2,507,380	$ 2,582,602	$ 2,660,080
Pension sharing	$ 59,123	$ 12,095	$ 82,575	$ (22,350)	$ (23,020)	$ (23,711)	$ (24,422)	$ (25,155)	$ (25,909)	$ (26,687)	$ (27,487)	$ (28,311)	$ (29,160)
Other	$ 484,940	$ 499,094	$ 676,022	$ 815,470	$ 839,934	$ 1,004,632	$ 1,170,086	$ 1,336,319	$ 1,382,354	$ 1,550,215	$ 1,579,426	$ 1,609,514	$ 1,640,504
Total operating expenditures	$ 9,902,259	$ 10,522,693	$ 11,311,947	$ 11,770,854	$ 11,989,560	$ 12,668,314	$ 13,346,479	$ 14,013,445	$ 14,439,795	$ 14,999,378	$ 15,432,064	$ 15,877,732	$ 16,336,769
Less: Expected Expenditure Savings (1%)	$ -	$ -	$ -	$ -	$ (119,900)	$ (126,700)	$ (133,500)	$ (140,100)	$ (144,400)	$ (150,000)	$ (154,300)	$ (158,800)	$ (163,400)
Projected Expenditures	$ 9,902,259	$ 10,522,693	$ 11,311,947	$ 11,770,854	$ 11,869,660	$ 12,541,614	$ 13,212,979	$ 13,873,345	$ 14,295,395	$ 14,849,378	$ 15,277,764	$ 15,718,932	$ 16,173,369


City of Scotts Valley
General Capital Improvement Fund - Five-Year Projection
FY 2018-19 to 2022-23
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
$(200,000)
$(95,200)
$7,930
$2,790
$720
$2,920
$4,840
2015-2016 Actual
2016-2017 Actual
2017-2018 Estimated
2018-2019 Proposed
2019-2020 Projected
2020-2021 Projected
2021-2022 Projected
2022-2023 Projected
Ending Reserve Balance
Minimum Reserve Target ($500,000)

City of Scotts Valley, California
General Capital Improvement Fund
Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	$ -	$ -	$ -	$ 12,000	$ -	$ -	$ -	$ -
Fines and forfeitures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (recurring)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (one-time/significant)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment earnings	$ 2,020	$ 314	$ 1,000	$ 500	$ 400	$ 300	$ 200	$ 200
Other	$ 10,376	$ 2,140	$ 161,000	$ 101,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Total Revenues	$ 12,396	$ 2,454	$ 162,000	$ 113,500	$ 1,400	$ 1,300	$ 1,200	$ 1,200
Projected Expenditures (see attached) (1)	$ 87,710	$ 960,698	$ 1,480,833	$ 630,370	$ 266,540	$ 153,370	$ 379,000	$ 149,280
Net revenues over (under) expenditures before transfers	$ (75,314)	$ (958,245)	$ (1,318,833)	$ (516,870)	$ (265,140)	$ (152,070)	$ (377,800)	$ (148,080)
Net Transfers In (Out)	$ 91,527	$ 978,680	$ -	$ 620,000	$ 260,000	$ 150,000	$ 380,000	$ 150,000
Net Increase (Decrease) in Fund Balance	$ 16,213	$ 20,435	$ (1,318,833)	$ 103,130	$ (5,140)	$ (2,070)	$ 2,200	$ 1,920
Opening Fund Balance	$ 1,186,984	$ 1,203,198	$ 1,223,633	$ (95,200)	$ 7,930	$ 2,790	$ 720	$ 2,920
Ending Fund Balance	$ 1,203,198	$ 1,223,633	$ (95,200)	$ 7,930	$ 2,790	$ 720	$ 2,920	$ 4,840

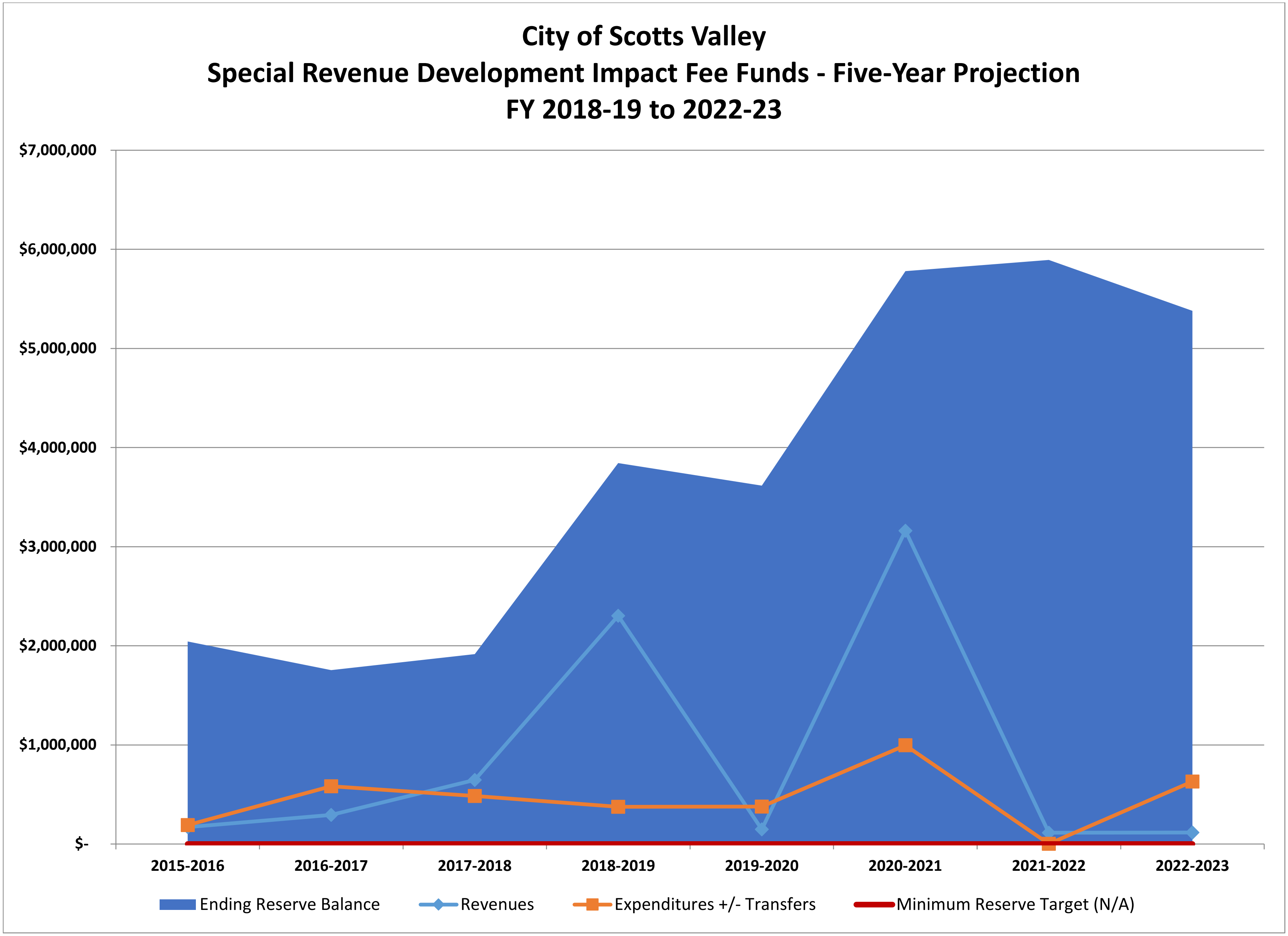
(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

General Capital Improvement Fund Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Revised	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Services and supplies	$ 12,855	$ 12,857	$ -	$ 170	$ -	$ -	$ -	$ -
Fixed Assets	$ 74,854	$947,842	$ 1,480,833	$ 630,200	$ 266,540	$ 153,370	$ 379,000	$ 149,280
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total operating expenditures	$ 87,710	$960,698	$ 1,480,833	$ 630,370	$ 266,540	$ 153,370	$ 379,000	$ 149,280
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 87,710	$ 960,698	$ 1,480,833	$ 630,370	$ 266,540	$ 153,370	$ 379,000	$ 149,280


City of Scotts Valley
Special Revenue Development Impact Fee Funds - Five-Year Projection
FY 2018-19 to 2022-23
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (N/A)

City of Scotts Valley, California

Special Revenue - Development Impact Fee Funds

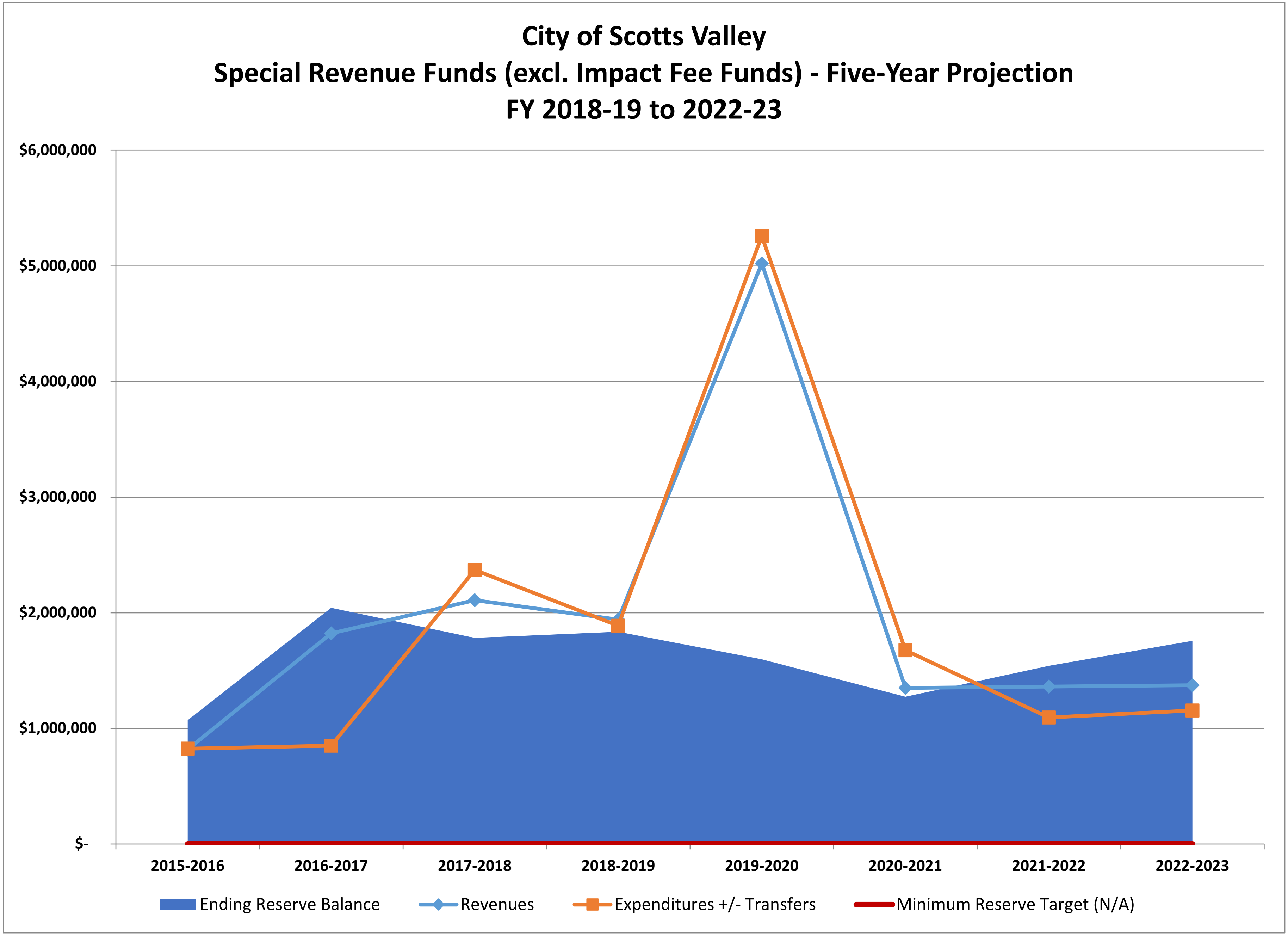
Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (recurring)	$ 88,697	$ 276,734	$ 90,500	$ 90,500	$ 93,300	$ 96,100	$ 99,100	$ 102,100
Fees and services (one-time/significant)	$ 52,652	$ -	$ 545,200	$ 2,201,100	$ 44,800	$ 3,055,400	$ 5,000	$ 5,000
Investment earnings	$ 8,717	$ 15,905	$ 10,005	$ 10,005	$ 9,500	$ 9,100	$ 8,900	$ 8,600
Other	$ 19,586	$ -	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Total Revenues	$ 169,652	$ 292,639	$ 646,705	$ 2,302,605	$ 148,600	$ 3,161,600	$ 114,000	$ 116,700
Projected Expenditures (see attached) (1)	$ 228,096	$ 98,615	$ 485,170	$ 375,695	$ 376,746	$ 995,648	$ 1,852	$ 631,158
Net revenues over (under) expenditures before transfers	$ (58,444)	$ 194,024	$ 161,535	$ 1,926,910	$ (228,146)	$ 2,165,952	$ 112,148	$ (514,458)
Net Transfers In (Out)	$ 37,500	$ (483,355)	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Fund Balance	$ (20,944)	$ (289,331)	$ 161,535	$ 1,926,910	$ (228,146)	$ 2,165,952	$ 112,148	$ (514,458)
Opening Fund Balance	$ 2,064,940	$ 2,043,996	$ 1,754,665	$ 1,916,200	$ 3,843,110	$ 3,614,964	$ 5,780,916	$ 5,893,064
Ending Fund Balance	$ 2,043,996	$ 1,754,665	$ 1,916,200	$ 3,843,110	$ 3,614,964	$ 5,780,916	$ 5,893,064	$ 5,378,606

(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California
Special Revenue - Development Impact Fee Funds Expenditures Detail - Natural Classification
Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	**Actual**		**Approved**	**Five Year Financial Plan**				
	2015-2016	**2016-2017**	**2017-2018**	**2018-2019**	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**
Operating Expenditures								
Employee Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Services and supplies	$ 31,098	$ 30,576	$ 141,170	$ 1,695	$ 1,746	$ 1,798	$ 1,852	$ 1,908
Fixed Assets	$196,997	$ 68,039	$ 344,000	$ 374,000	$ 375,000	$ 993,850	$ -	$ 629,250
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total operating expenditures	$228,096	$ 98,615	$ 485,170	$ 375,695	$ 376,746	$ 995,648	$ 1,852	$ 631,158
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 228,096	$ 98,615	$ 485,170	$ 375,695	$ 376,746	$ 995,648	$ 1,852	$ 631,158


City of Scotts Valley
Special Revenue Funds (excl. Impact Fee Funds) - Five-Year Projection
FY 2018-19 to 2022-23
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (N/A)

City of Scotts Valley, California

Special Revenue Funds

Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ 177,674	$ 165,000	$ -	$ 2,739,000	$ -	$ -	$ -
Sales taxes - General								
Sales taxes - Local (Measure D)	$ -	$ -	$ 240,000	$ 265,800	$ 270,200	$ 274,000	$ 277,900	$ 281,800
Franchise taxes								
Transient occupancy taxes								
Utility users taxes								
Business license taxes								
Other taxes	$ 228,494	$ 233,849	$ 330,600	$ 513,000	$ 527,300	$ 575,300	$ 575,300	$ 575,300
Total Taxes	$ 228,494	$ 411,523	$ 735,600	$ 778,800	$ 3,536,500	$ 849,300	$ 853,200	$ 857,100
Intergovernmental	$ 163,698	$ 168,926	$ 924,500	$ 757,000	$ 1,157,800	$ 169,700	$ 171,600	$ 173,600
Fines and forfeitures								
Fees and services (recurring)	$ 196,034	$ 331,704	$ 219,650	$ 217,350	$ 222,100	$ 227,700	$ 233,500	$ 239,400
Fees and services (one-time/significant)	$ 27,528	$ -	$ 74,500	$ 82,000	$ -	$ -	$ -	$ -
Investment earnings	$ 26,168	$ 12,041	$ 12,840	$ 13,110	$ 12,100	$ 11,100	$ 10,300	$ 9,400
Other	$ 175,766	$ 898,146	$ 142,250	$ 92,750	$ 92,800	$ 92,800	$ 92,800	$ 92,800
Total Revenues	$ 817,688	$ 1,822,340	$ 2,109,340	$ 1,941,010	$ 5,021,300	$ 1,350,600	$ 1,361,400	$ 1,372,300
Projected Expenditures (see attached) (1)	$ 648,197	$ 423,260	$ 2,146,392	$ 1,648,362	$ 5,018,656	$ 1,434,652	$ 854,621	$ 914,797
Net revenues over (under) expenditures before transfers	$ 169,491	$ 1,399,080	$ (37,052)	$ 292,648	$ 2,644	$ (84,052)	$ 506,779	$ 457,503
Net Transfers In (Out)	$ (176,250)	$ (426,495)	$ (223,438)	$ (239,997)	$ (239,997)	$ (239,997)	$ (239,997)	$ (239,997)
Net Increase (Decrease) in Fund Balance	$ (6,759)	$ 972,585	$ (260,490)	$ 52,651	$ (237,353)	$ (324,049)	$ 266,782	$ 217,506
Opening Fund Balance	$ 1,076,663	$ 1,069,905	$ 2,042,490	$ 1,782,000	$ 1,834,651	$ 1,597,298	$ 1,273,249	$ 1,540,031
Ending Fund Balance	$ 1,069,905	$ 2,042,490	$ 1,782,000	$ 1,834,651	$ 1,597,298	$ 1,273,249	$ 1,540,031	$ 1,757,537

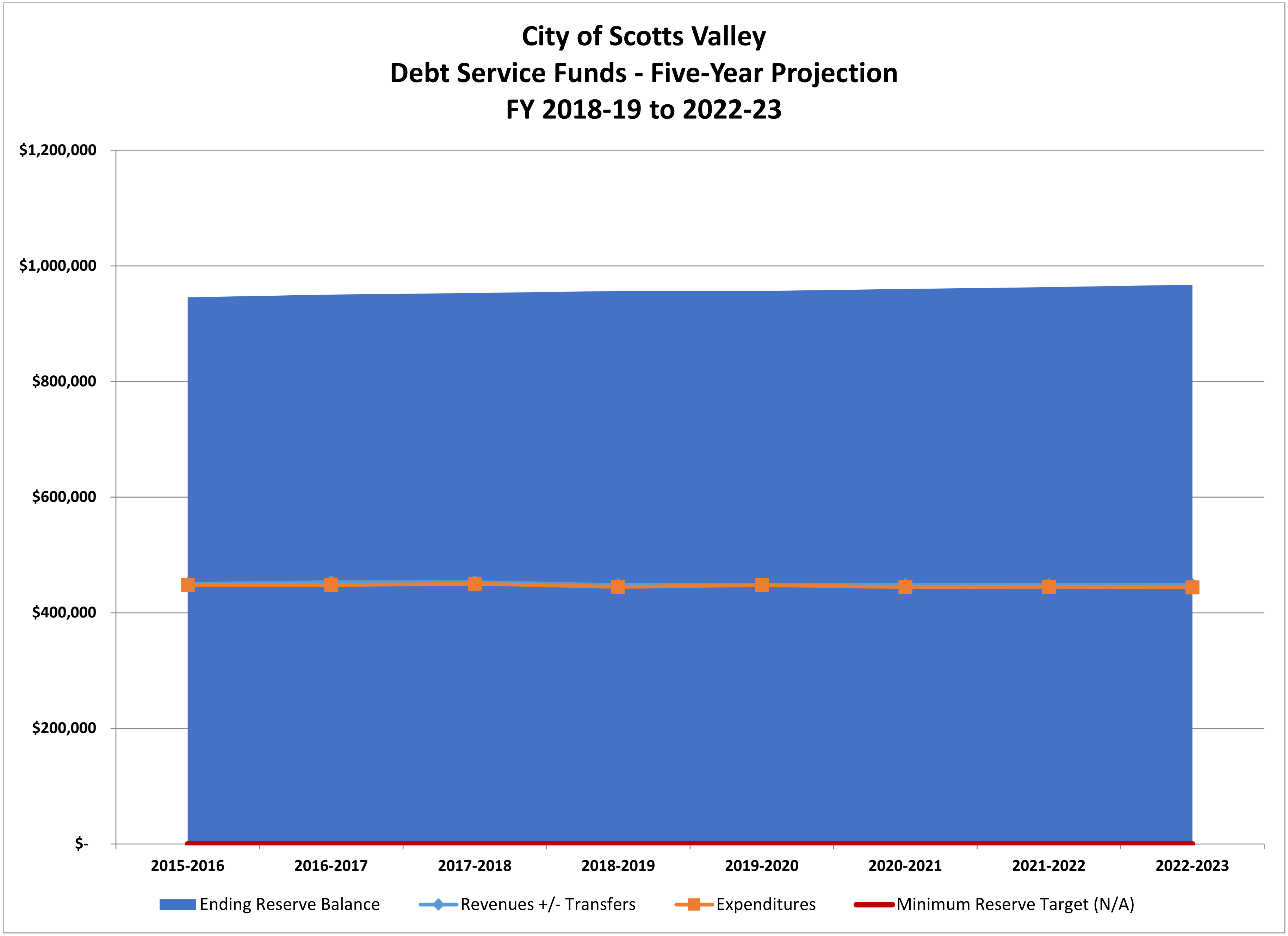
(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

Special Revenue Funds Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Revised	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ 70,222	$ 72,250	$ 100,569	$ 97,947	$ 102,398	$ 106,791	$ 111,190	$ 115,521
Services and supplies	$ 333,620	$ 209,009	$ 474,582	$ 288,115	$ 296,758	$ 305,661	$ 314,831	$ 324,276
Fixed Assets	$ 244,354	$ 142,001	$ 1,571,241	$ 1,262,300	$ 4,619,500	$ 1,022,200	$ 428,600	$ 475,000
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total operating expenditures	$ 648,197	$ 423,260	$ 2,146,392	$ 1,648,362	$ 5,018,656	$ 1,434,652	$ 854,621	$ 914,797
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 648,197	$ 423,260	$ 2,146,392	$ 1,648,362	$ 5,018,656	$ 1,434,652	$ 854,621	$ 914,797


City of Scotts Valley
Debt Service Funds - Five-Year Projection
FY 2018-19 to 2022-23
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
Ending Reserve Balance
Revenues +/- Transfers
Expenditures
Minimum Reserve Target (N/A)

City of Scotts Valley, California

Debt Service Funds

Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (recurring)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (one-time/significant)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment earnings	$ 3,476	$ 6,217	$ 4,100	$ 4,100	$ 4,100	$ 4,100	$ 4,100	$ 4,100
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenues	$ 3,476	$ 6,217	$ 4,100	$ 4,100	$ 4,100	$ 4,100	$ 4,100	$ 4,100
Projected Expenditures (see attached) (1)	$ 447,713	$ 447,934	$ 450,186	$ 444,525	$ 447,958	$ 444,445	$ 444,545	$ 443,848
Net revenues over (under) expenditures before transfers	$ (444,237)	$ (441,717)	$ (446,086)	$ (440,425)	$ (443,858)	$ (440,345)	$ (440,445)	$ (439,748)
Net Transfers In (Out)	$ 446,428	$ 446,605	$ 448,786	$ 443,825	$ 443,825	$ 443,825	$ 443,825	$ 443,825
Net Increase (Decrease) in Fund Balance	$ 2,191	$ 4,888	$ 2,700	$ 3,400	$ (33)	$ 3,480	$ 3,380	$ 4,077
Opening Fund Balance	$ 943,320	$ 945,512	$ 950,400	$ 953,100	$ 956,500	$ 956,467	$ 959,947	$ 963,327
Ending Fund Balance	$ 945,512	$ 950,400	$ 953,100	$ 956,500	$ 956,467	$ 959,947	$ 963,327	$ 967,404

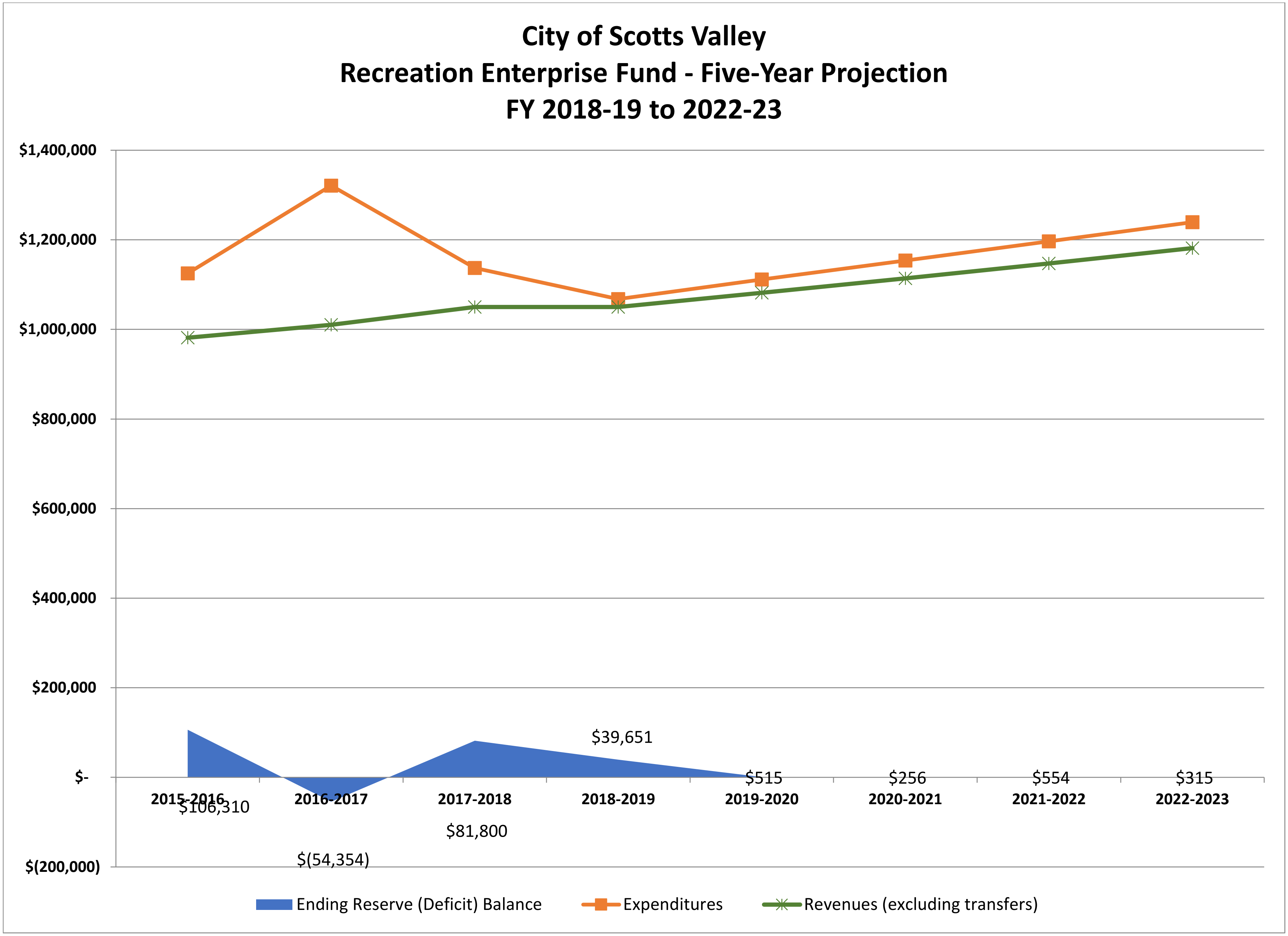
(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

Debt Service Funds Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Approved	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Services and supplies	$ 3,355	$ 4,629	$ 4,900	$ 4,200	$ 4,200	$ 4,200	$ 4,200	$ 4,200
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ 444,358	$ 443,305	$ 445,286	$ 440,325	$ 443,758	$ 440,245	$ 440,345	$ 439,648
Total operating expenditures	$ 447,713	$ 447,934	$ 450,186	$ 444,525	$ 447,958	$ 444,445	$ 444,545	$ 443,848
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 447,713	$ 447,934	$ 450,186	$ 444,525	$ 447,958	$ 444,445	$ 444,545	$ 443,848


City of Scotts Valley
Recreation Enterprise Fund - Five-Year Projection
FY 2018-19 to 2022-23
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$-
$(200,000)
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
$106,310
$(54,354)
$81,800
$39,651
$515
$256
$554
$315
Ending Reserve (Deficit) Balance
Expenditures
Revenues (excluding transfers)

City of Scotts Valley, California
Recreation Enterprise Fund
Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental								
Fines and forfeitures								
Fees and services (recurring)	$ 975,627	$ 1,008,491	$ 1,047,600	$ 1,047,600	$ 1,079,100	$ 1,111,400	$ 1,144,800	$ 1,179,000
Fees and services (one-time/significant)								
Investment earnings								
Other	$ 5,807	$ 1,785	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500
Total Revenues	$ 981,434	$ 1,010,276	$ 1,050,100	$ 1,050,100	$ 1,081,600	$ 1,113,900	$ 1,147,300	$ 1,181,500
Projected Expenditures (see attached) (1)	$ 1,125,041	$ 1,321,072	$ 1,136,892	$ 1,067,759	$ 1,111,246	$ 1,153,669	$ 1,196,512	$ 1,239,249
Net revenues over (under) expenditures before transfers	$ (143,607)	$ (310,796)	$ (86,792)	$ (17,659)	$ (29,646)	$ (39,769)	$ (49,212)	$ (57,749)
Net Transfers In (Out)	$ 63,269	$ 150,132	$ 222,946	$ (24,490)	$ (9,490)	$ 39,510	$ 49,510	$ 57,510
Net Increase (Decrease) in Fund Balance	$ (80,338)	$ (160,664)	$ 136,154	$ (42,149)	$ (39,136)	$ (259)	$ 298	$ (239)
Opening Fund Balance	$ 186,648	$ 106,310	$ (54,354)	$ 81,800	$ 39,651	$ 515	$ 256	$ 554
Ending Fund Balance	$ 106,310	$ (54,354)	$ 81,800	$ 39,651	$ 515	$ 256	$ 554	$ 315

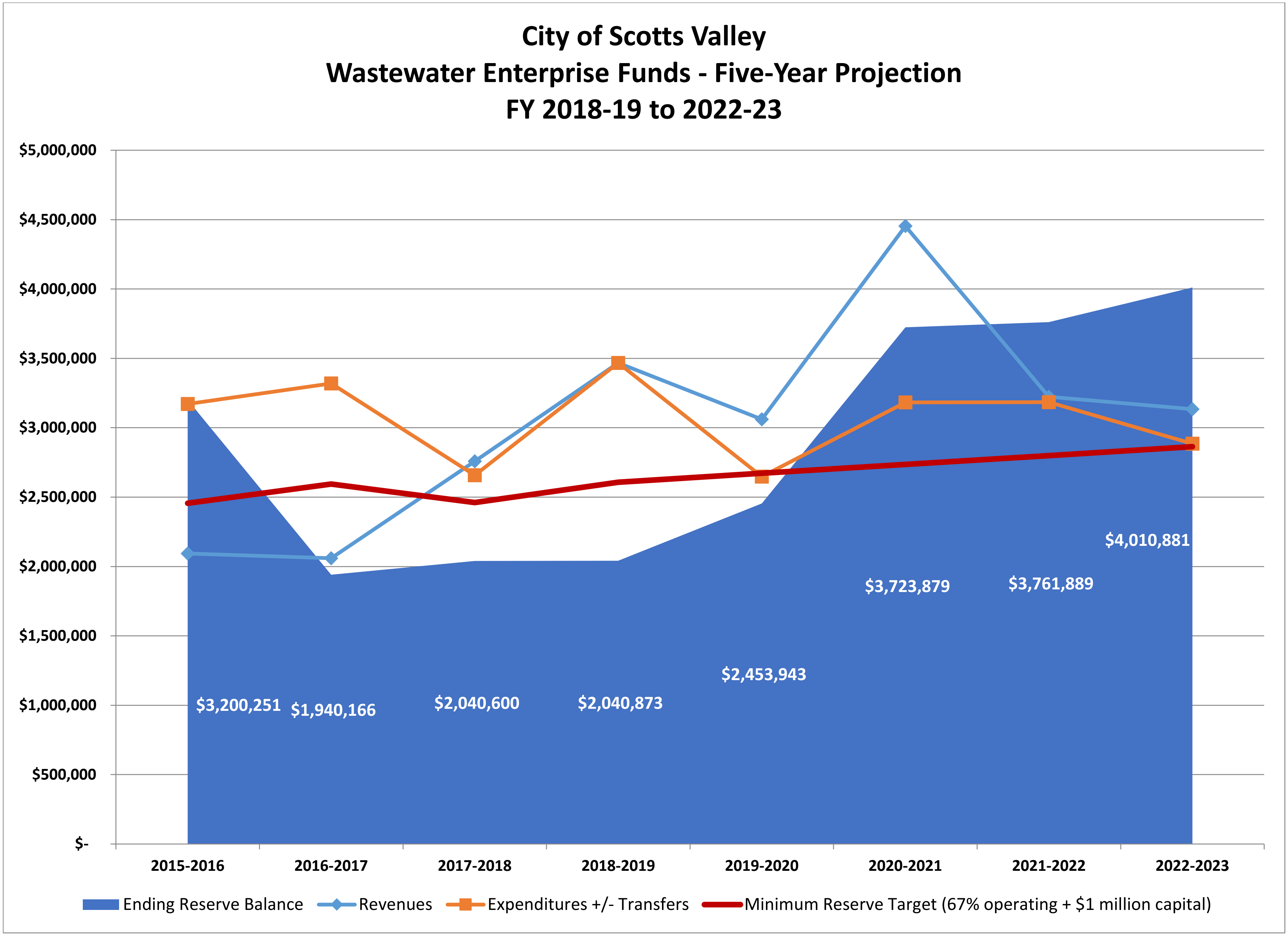
(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

Recreation Enterprise Fund Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Approved	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ 856,732	$ 1,092,724	$ 866,592	$ 810,204	$ 844,964	$ 879,429	$ 914,075	$ 948,369
Services and supplies	$ 267,309	$ 227,348	$ 270,300	$ 257,555	$ 265,282	$ 273,240	$ 281,437	$ 289,880
Fixed Assets	$ 1,000	$ 1,000	$ -	$ -	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total operating expenditures	$ 1,125,041	$ 1,321,072	$ 1,136,892	$ 1,067,759	$ 1,111,246	$ 1,153,669	$ 1,196,512	$ 1,239,249
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 1,125,041	$ 1,321,072	$ 1,136,892	$ 1,067,759	$ 1,111,246	$ 1,153,669	$ 1,196,512	$ 1,239,249


City of Scotts Valley
Wastewater Enterprise Funds - Five-Year Projection
FY 2018-19 to 2022-23
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
$3,200,251
$1,940,166
$2,040,600
$2,040,873
$2,453,943
$3,723,879
$3,761,889
$4,010,881
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (67% operating + $1 million capital)

City of Scotts Valley, California

Wastewater Operations, Capital and Tertiary Funds

Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ 120,000	$ -
Fines and forfeitures								
Fees and services (recurring)	$ 1,976,859	$ 2,018,436	$ 2,324,200	$ 2,649,083	$ 3,022,276	$ 3,053,600	$ 3,085,200	$ 3,117,200
Fees and services (one-time/significant)	$ 12,274	$ -	$ 412,000	$ 796,700	$ 18,400	$ 1,380,800	$ -	$ -
Investment earnings	$ 8,604	$ 13,146	$ 9,350	$ 8,700	$ 7,000	$ 5,600	$ 4,500	$ 3,600
Other	$ 95,476	$ 28,047	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000	$ 13,000
Total Revenues	$ 2,093,213	$ 2,059,628	$ 2,758,550	$ 3,467,483	$ 3,060,676	$ 4,453,000	$ 3,222,700	$ 3,133,800
Projected Expenditures (see attached) (1)	$ 3,107,235	$ 3,268,979	$ 2,610,537	$ 3,422,641	$ 2,603,037	$ 3,138,495	$ 3,140,121	$ 2,840,239
Net revenues over (under) expenditures before transfers	$ (1,014,022)	$ (1,209,351)	$ 148,013	$ 44,842	$ 457,639	$ 1,314,505	$ 82,579	$ 293,561
Net Transfers In (Out)	$ (63,214)	$ (50,734)	$ (47,579)	$ (44,569)	$ (44,569)	$ (44,569)	$ (44,569)	$ (44,569)
Net Increase (Decrease) in Fund Balance	$ (1,077,236)	$ (1,260,085)	$ 100,434	$ 273	$ 413,070	$ 1,269,936	$ 38,010	$ 248,992
Opening Fund Balance	$ 4,277,486	$ 3,200,251	$ 1,940,166	$ 2,040,600	$ 2,040,873	$ 2,453,943	$ 3,723,879	$ 3,761,889
Ending Fund Balance	$ 3,200,251	$ 1,940,166	$ 2,040,600	$ 2,040,873	$ 2,453,943	$ 3,723,879	$ 3,761,889	$ 4,010,881

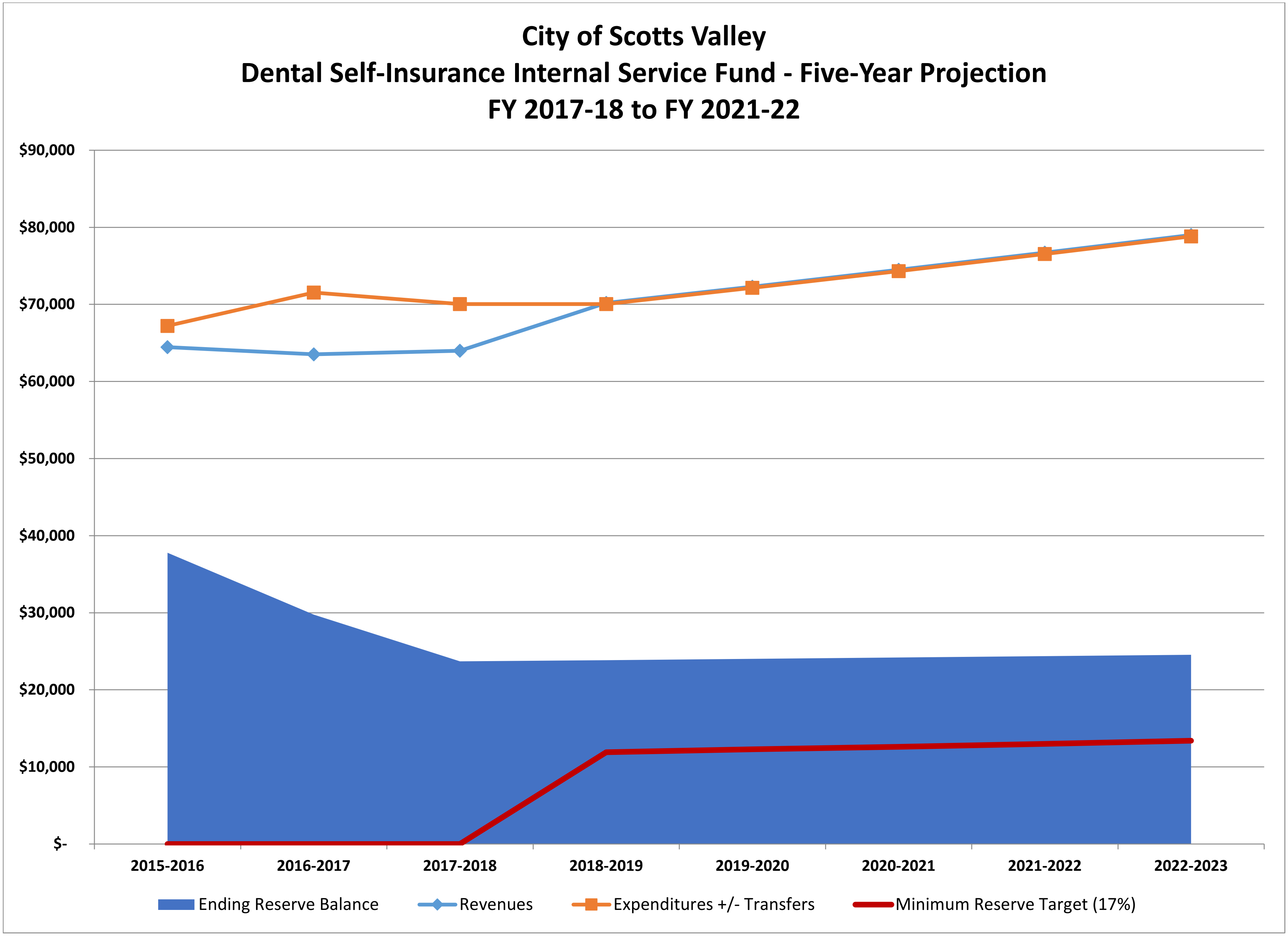
(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

Wastewater Operations, Capital and Tertiary Funds Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Approved	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ 1,025,685	$ 1,043,078	$ 1,072,220	$ 1,049,689	$ 1,104,220	$ 1,157,438	$ 1,210,373	$ 1,261,831
Services and supplies	$ 904,179	$ 1,050,043	$ 852,662	$ 1,080,152	$ 1,112,557	$ 1,145,934	$ 1,180,312	$ 1,215,721
Fixed Assets	$ 934,246	$ 889,169	$ 429,455	$ 1,022,800	$ 108,160	$ 548,680	$ 454,400	$ 58,800
Other	$ 243,125	$ 286,689	$ 256,200	$ 270,000	$ 278,100	$ 286,443	$ 295,036	$ 303,887
Total operating expenditures	$ 3,107,235	$ 3,268,979	$ 2,610,537	$ 3,422,641	$ 2,603,037	$ 3,138,495	$ 3,140,121	$ 2,840,239
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 3,107,235	$ 3,268,979	$ 2,610,537	$ 3,422,641	$ 2,603,037	$ 3,138,495	$ 3,140,121	$ 2,840,239


City of Scotts Valley
Dental Self-Insurance Internal Service Fund - Five-Year Projection
FY 2017-18 to FY 2021-22
$90,000
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$-
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
Ending Reserve Balance
Revenues
Expenditures +/- Transfers
Minimum Reserve Target (17%)

City of Scotts Valley, California
Dental Self-Insurance Internal Service Funds
Five Year Financial Plan for the Years Ended June 30, 2023

	Actual		Approved	Five Year Financial Plan				
Revenues by Source:	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Property taxes and assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - General	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes - Local (Measure U)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Franchise taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transient occupancy taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utility users taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business license taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (recurring)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees and services (one-time/significant)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment earnings	$ 169	$ 233	$ 190	$ 190	$ 200	$ 200	$ 200	$ 200
Other	$ 64,280	$ 63,294	$ 63,800	$ 70,000	$ 72,100	$ 74,300	$ 76,500	$ 78,800
Total Revenues	$ 64,449	$ 63,526	$ 63,990	$ 70,190	$ 72,300	$ 74,500	$ 76,700	$ 79,000
Projected Expenditures (see attached) (1)	$ 67,217	$ 71,548	$ 70,050	$ 70,040	$ 72,140	$ 74,303	$ 76,531	$ 78,826
Net revenues over (under) expenditures before transfers	$ (2,768)	$ (8,022)	$ (6,060)	$ 150	$ 160	$ 197	$ 169	$ 174
Net Transfers In (Out)		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Increase (Decrease) in Fund Balance	$ (2,768)	$ (8,022)	$ (6,060)	$ 150	$ 160	$ 197	$ 169	$ 174
Opening Fund Balance	$ 40,550	$ 37,782	$ 29,760	$ 23,700	$ 23,850	$ 24,010	$ 24,207	$ 24,376
Ending Fund Balance	$ 37,782	$ 29,760	$ 23,700	$ 23,850	$ 24,010	$ 24,207	$ 24,376	$ 24,550

(1) - Expenditures for FY 2018-2019 represent budgeted appropriations; expenditures for FY 2019-2020 to FY 2022-2023 are projections.

City of Scotts Valley, California

Dental Self-Insurance Internal Service Funds Expenditures Detail - Natural Classification

Five Year Financial Plan for the Years Ended June 30, 2023

Proposed Budget	Actual		Approved	Five Year Financial Plan				
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Operating Expenditures								
Employee Services	$ 67,154	$ 71,498	$ 70,000	$ 70,000	$ 72,100	$ 74,263	$ 76,491	$ 78,786
Services and supplies	$ 63	$ 51	$ 50	$ 40	$ 40	$ 40	$ 40	$ 40
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total operating expenditures	$ 67,217	$ 71,548	$ 70,050	$ 70,040	$ 72,140	$ 74,303	$ 76,531	$ 78,826
Less: Expected Expenditure Savings (0%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Projected Expenditures	$ 67,217	$ 71,548	$ 70,050	$ 70,040	$ 72,140	$ 74,303	$ 76,531	$ 78,826

City of Scotts Valley
Summary of Financial Resources and Requirements
FY 2018/19

	Fund	Beginning Fund Balance 7/1/2018	Estimated Revenue	Transfers In	Total Funds Available	Budgeted Expenditures	Transfers Out	Projected Ending Fund Balance 6/30/2019
General Funds								
1	General Fund	2,894,900	11,409,700	235,000	14,539,600	11,875,404	989,769	1,674,427
6	Equipment Replacement Reserve	679,700	60,100		739,800	450		739,350
	Subtotal General Funds	**3,574,600**	**11,469,800**	**235,000**	**15,279,400**	**11,875,854**	**989,769**	**2,413,777**
General Capital Improvement Fund								
150	General Capital Improvements	(95,200)	113,500	620,000	638,300	630,370	-	7,930
Special Revenue Funds - Development Impact Fees								
7	Drainage Construction Impact Fees	(82,900)	11,505	-	(71,395)	25	-	(71,420)
8	Traffic Impact Mitigation Fees	601,000	847,000	-	1,448,000	650	-	1,447,350
9	Park & Recreation Facilities Impact Fees	654,200	1,098,200	-	1,752,400	90,380	-	1,662,020
21	General Facility Impact Fees	85,600	68,950	-	154,550	40,055	-	114,495
27	Police Facility Building Impact Fees	286,900	157,800	-	444,700	244,170	-	200,530
51	Mt. Hermon Traffic Mitigation	51,800	300	-	52,100	55	-	52,045
86	Library Impact Fees	253,400	117,950	-	371,350	210	-	371,140
315	Police Development Fees	66,200	900	-	67,100	150	-	66,950
	Subtotal Special Revenue Funds - Development Impact Fees	**1,916,200**	**2,302,605**	**-**	**4,218,805**	**375,695**	**-**	**3,843,110**
Special Revenue Funds - Other								
2	Recycling/Environment	46,600	66,060	-	112,660	60,680	-	51,980
3	Gas Tax	(314,100)	515,500	-	201,400	200,160	235,000	(233,760)
5	SMIP Fees	25,800	5,060	-	30,860	8,070	-	22,790
18	Senior Center Designated Donations	-	-	-	-	-	-	-
19	Affordable Housing	233,400	38,860	-	272,260	54,100	-	218,160
24	Lennar Funds	492,200	-	-	492,200	58,800	-	433,400
28	Senior Center Operations	9,800	77,650	-	87,450	102,112	3,552	(18,214)
31	STP Exchange Projects	27,000	591,000	-	618,000	591,020	-	26,980
33	Tree Replacement	15,300	610	-	15,910	10,025	-	5,885
35	Green Building Funding	388,100	108,900	-	497,000	4,240	-	492,760
36	Disability Compliance	3,800	750	-	4,550	5,005	-	(455)
50	Pinewood Estates Maintenance District	11,000	6,290	-	17,290	5,515	-	11,775
77	Skypark Landscape Maintenance District	3,800	41,750	-	45,550	46,000	-	(450)
78	Skypark Landscape Maintenance District Insurance	501,500	11,230	-	512,730	400	-	512,330
88	Library Facilities Improvements (Measure S)	43,300	300	-	43,600	170	-	43,430
123	Commmunity Facility Center Operations	80,100	110,850	-	190,950	75,115	1,445	114,390
155	Measure D Sales Tax for Transportation	(20,500)	265,900	-	245,400	265,020	-	(19,620)
306	Supplemental Law Enforcement Services	185,600	100,300	-	285,900	146,900	-	139,000
312	Police Budget Act 2016	49,000	-	-	49,000	15,000	-	34,000
316	Homeland Security Grant	(300)	-	-	(300)	30	-	(330)
317	EDG Revolving Loan	600	-	-	600	-	-	600
	Subtotal Special Revenue Funds - Other	**1,782,000**	**1,941,010**	**-**	**3,723,010**	**1,648,362**	**239,997**	**1,834,651**

City of Scotts Valley
Summary of Financial Resources and Requirements
FY 2018/19

	Fund	Beginning Fund Balance 7/1/2018	Estimated Revenue	Transfers In	Total Funds Available	Budgeted Expenditures	Transfers Out	Projected Ending Fund Balance 6/30/2019
Debt Service Funds								
26	Pension Obligation Bond	-	-	443,825	443,825	443,825	-	-
66	COP Debt Service Reserve	953,100	4,100	-	957,200	700	-	956,500
	Subtotal Debt Service Funds	**953,100**	**4,100**	**443,825**	**1,401,025**	**444,525**	**-**	**956,500**
Recreation Enterprise Fund								
4	**Recreation**	**81,800**	**1,050,100**	**-**	**1,131,900**	**1,067,759**	**24,490**	**39,651**
Wastewater Enterprise Funds								
10	Wastewater Operations	(891,300)	2,478,383	2,321,786	3,908,869	2,256,400	44,569	1,607,900
11	Tertiary Operating	(204,500)	121,200	-	(83,300)	230,039	-	(313,339)
12	Wastewater Capital Reserve	2,385,100	853,800	627,910	3,866,810	935,700	2,321,786	609,324
14	Wastewater Equipment Replacement	725,400	3,000	-	728,400	490	627,910	100,000
15	TTP District Reserve	25,900	11,100	-	37,000	12	-	36,988
	Subtotal Wastewater Enterprise Funds	**2,040,600**	**3,467,483**	**2,949,696**	**8,457,779**	**3,422,641**	**2,994,265**	**2,040,873**
Internal Service Fund								
112	**Dental Insurance**	**23,700**	**70,190**	**-**	**93,890**	**70,040**	**-**	**23,850**
Total All Funds		**10,276,800**	**20,418,788**	**4,248,521**	**34,944,109**	**19,535,246**	**4,248,521**	**11,160,342**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
GENERAL FUNDS					
	1-GENERAL				
	TAXES:				
3010	PROPERTY TAXES/CURR/SEC	864,390	891,000	1,066,000	**958,700**
3011	PROPERTY TAXES/CURR/UNSEC	17,562	18,500	18,500	**20,000**
3012	SUPPLEMENTAL ROLL/CURR/SEC	17,600	10,000	10,000	**16,000**
3013	SUPPLEMENTAL ROLL/CURR/UNSEC	666	300	300	**500**
3014	PROPERTY TAXES - TEA	318,830	320,000	320,000	**351,100**
3015	PROPERTY TAXES - SUCCESSOR AGENCY	334,031	60,000	60,000	**120,000**
3021	PROPERTY TAXES/PRIOR/UNSECURED	1,723	1,000	1,000	**1,000**
3022	SUPPLEMENTAL ROLL/PRIOR/SEC	745	900	900	**900**
3023	SUPPLEMENTAL ROLL/PRIOR/UNSEC	547	500	500	**500**
3040	PENALTIES ON DELINQUENT TAX	23,803	2,000	2,000	**1,000**
3080	SALES AND USE TAXES	2,023,565	2,124,000	2,124,000	**2,070,000**
3081	SALES TAXES - PROP 172	54,505	35,000	35,000	**45,000**
3083	SALES TAX - MEASURE U	1,265,724	1,233,000	1,333,000	**1,340,000**
3120	BUSINESS LICENSE TAX	342,312	360,000	360,000	**350,000**
3121	DELINQUENT BUSINESS LIC TAX	1,980	1,700	1,700	**1,700**
3150	UTILITY USER'S TAX	747,585	740,000	740,000	**740,000**
3160	TRANSIENT OCCUPANCY TAX	1,218,063	-	-	**-**
	Hilton Scotts Valley		1,000,000	1,043,000	**1,084,700**
	Best Western SV		250,000	250,000	**260,000**
	Santa Cruz Ranch RV		44,000	44,000	**45,800**
	1440 Project		-	250,000	**275,000**
	Four Points Sheraton (former Lexington)				**148,900**
3582	HOMEOWNER'S PROPERTY TAX RELIEF	6,110	5,800	5,800	**5,800**
3140	REAL PROPERTY TRANSFER TAX	88,162	85,000	85,000	**80,000**
3521	STATE IN LIEU TAXES/MOTOR VEHICLE	1,019,933	1,056,000	1,056,000	**1,086,700**
	TOTAL TAXES	8,347,839	8,238,700	8,806,700	**9,003,300**
	FRANCHISE FEES:				
3101	FRANCHISE - GAS	34,320	35,300	35,300	**41,000**
3102	FRANCHISE - ELECTRIC	158,800	164,800	164,800	**169,000**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
3104	FRANCHISE - SOLID WASTE	606,551	615,900	615,900	**625,000**
3105	FRANCHISE - VIDEO SERVICES	194,943	210,000	210,000	**201,900**
	TOTAL FRANCHISE FEES	994,613	1,026,000	1,026,000	**1,036,900**
	FINES & FORFEITURES:				
3310	VEHICLE CODE FINES	2,545	2,000	2,000	**2,000**
3311	LOCAL CRIME PREVENTION	50	100	100	**100**
3312	GENERAL FINES	32,521	30,000	30,000	**20,000**
3313	NARCO FINES	73	50	50	**100**
3320	PARKING FINES	2,491	5,500	5,500	**2,000**
	TOTAL FINES & FORFEITURES	37,680	37,650	37,650	**24,200**
	CHARGES FOR SERVICES:				
3250	CONSTRUCTION PERMITS - Recurring	798,824	240,000	240,000	**240,000**
3250	CONSTRUCTION PERMITS - Significant		345,000	345,000	**150,000**
3280	ENCROACHMENT PERMITS - Recurring	40,926	30,000	30,000	**30,000**
3280	ENCROACHMENT PERMITS - Significant		5,000	5,000	**3,000**
3290	OTHER LICENSES & PERMITS	538	500	500	**500**
3430	RENTS & CONCESSIONS	60,008	62,000	62,000	**62,000**
3608	GENERAL PLAN MAINTENANCE FEE - Recurring	279,733	90,000	90,000	**90,000**
3608	GENERAL PLAN MAINTENANCE FEE - Significant		180,000	180,000	**70,000**
3609	TREE REMOVAL	1,900	1,500	1,500	**1,500**
3611	FEES & PERMITS - ZONING	10,710	8,000	8,000	**15,000**
3612	FEES & PERMITS - USE PERMITS	7,029	7,000	7,000	**7,000**
3615	FEES & PERMITS - GEN PLAN AMEND	3,844	4,000	4,000	**8,000**
3616	FEES & PERMITS - OTHER PLANNING	282	500	500	**500**
3617	FEES & PERMITS - DESIGN REVIEW	55,314	20,000	20,000	**15,000**
3618	FEES & PERMITS - SITE PLAN	6,463	7,000	7,000	**20,000**
3620	SUBDIVISION FEES	26,808	20,000	20,000	**20,000**
3623	CONCEPTUAL REVIEW FEES	-	1,000	1,000	**1,000**
3624	LOT LINE ADJUSTMENT	800	1,000	1,000	**1,000**
3630	SALE OF MAPS, PUBLICATIONS & COPIES	91	200	200	**200**
3640	OTHER FILING & CERTIFICATION FEES	16,445	-	-	**-**
3650	SPECIAL POLICE DEPT SERVICES	117	-	-	**-**
3651	ALARM SERV FEE & FALSE ALARM	11,749	10,000	10,000	**10,000**
3652	ABANDONED VEHICLE ABATEMENT	7,316	7,000	7,000	**5,000**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
3654	VEHICLE RELEASE/IMPOUND FEE	8,682	8,000	8,000	**8,000**
3660	ENGINEERING PLAN CHECK FEES - Recurring	38,359	13,000	13,000	**13,000**
3660	ENGINEERING PLAN CHECK FEES - Significant		31,000	31,000	**10,000**
3662	ON-SITE CIVIL IMPROVEMENT PERMIT	261,758	12,500	12,500	**2,500**
3711	ENVIRONMENTAL ASSESSMENT	3,399	3,000	3,000	**2,000**
3712	NEGATIVE DECLARATION	8,662	8,000	8,000	**3,000**
3713	PUBLIC HEARING NOTICE	1,386	1,500	1,500	**2,000**
3718	PLANNING SERVICES	1,526	1,500	1,500	**2,000**
3750	OTHER BLDG DEPT SERVICES	3	-	-	**-**
3760	COLLECTION FEE - FIRE DISTRICT	2,637	2,000	2,000	**2,000**
3762	COLLECTION FEE - TOURISM MKTG DIST	1,995	2,700	2,700	**2,000**
3891	RETURNED CHECK FEES	33	50	50	**100**
	TOTAL CHARGES FOR SERVICES	1,657,335	1,122,950	1,122,950	**796,300**
3410	**INVESTMENT EARNINGS**	17,037	10,000	10,000	**10,000**
	OTHER REVENUE:				
3550	OTHER STATE GRANTS	8,197	-	-	**-**
3551	POST	1,320	25,000	25,000	**10,000**
3555	STATE MANDATED COSTS REIMB		2,500	2,500	**1,000**
3815	IMPACT FEES/ADMINISTRATION - Recurring	37,669	12,000	12,000	**12,000**
3815	IMPACT FEES/ADMINISTRATION - Significant		53,000	53,000	**5,000**
3818	LEGAL FEE REIMBURSEMENTS	477,007	-	-	**-**
3819	COST REIMBURSEMENT	239,439	50,000	50,000	**10,000**
3890	OTHER REVENUE	195,858	100,000	100,000	**240,000**
3996	COST ALLOCATION	286,689	255,200	255,200	**261,000**
	TOTAL OTHER REVENUE	1,246,179	497,700	497,700	**539,000**
	TOTAL GENERAL FUND (1)	**12,300,682**	**10,933,000**	**11,501,000**	**11,409,700**
	6-GENERAL EQUIPMENT RESERVE				
3410	**INVESTMENT EARNINGS**	3,779	2,100	2,100	**2,100**
	OTHER REVENUE:				
3110	PEG VIDEO FEE	37,864	28,000	28,000	**28,000**
3716	MODERNIZATION FEE	30,589	30,000	30,000	**30,000**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	TOTAL GENERAL EQUIPMENT RESERVE FUND (6)	**72,233**	**60,100**	**60,100**	**60,100**
	TOTAL GENERAL FUNDS	**12,372,915**	**10,993,100**	**11,561,100**	**11,469,800**
	GENERAL CAPITAL IMPROVEMENT FUND				
	150-GENERAL CAPITAL PROJECTS				
3410	**INVESTMENT EARNINGS**	314	1,000	1,000	**500**
	OTHER REVENUE:				
3550	OTHER STATE GRANTS		-	-	**12,000**
3890	OTHER REVENUE	2,140	161,000	161,000	**101,000**
	TOTAL OTHER REVENUE	2,140	161,000	161,000	**113,000**
	TOTAL GENERAL CAPITAL PROJECTS FUND (150)	**2,454**	**162,000**	**162,000**	**113,500**
	SPECIAL REVENUE FUNDS - DEVELOPMENT IMPACT FEES				
	7-DRAINAGE CONSTRUCTION				
3410	**INVESTMENT EARNINGS**	173	105	105	**105**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	12,733	7,500	7,500	**7,500**
3815	IMPACT FEES - Significant		47,000	47,000	**3,900**
	TOTAL DRAINAGE CONSTRUCTION FUND (7)	**12,906**	**54,605**	**54,605**	**11,505**
	8-TRAFFIC IMPACT MITIGATION				
3410	**INVESTMENT EARNINGS**	8,023	4,600	4,600	**4,600**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	117,085	30,000	30,000	**30,000**
3815	IMPACT FEES - Significant		140,000	140,000	**812,400**
	TOTAL TRAFFIC IMPACT MITIGATION FUND (8)	**125,108**	**174,600**	**174,600**	**847,000**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	9-PARK & RECREATION FACILITIES				
3410	**INVESTMENT EARNINGS**	3,036	1,900	1,900	**1,900**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	104,743	40,000	40,000	**40,000**
3815	IMPACT FEES - Significant		209,000	209,000	**1,055,300**
3890	OTHER REVENUE		1,000	1,000	**1,000**
	TOTAL OTHER REVENUE	104,743	250,000	250,000	**1,096,300**
	TOTAL PARK & RECREATION FACILITIES FUND (9)	**107,779**	**251,900**	**251,900**	**1,098,200**
	21-GENERAL FACILITY				
3410	**INVESTMENT EARNINGS**	379	250	250	**250**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	6,803	3,000	3,000	**3,000**
3815	IMPACT FEES - Significant		22,200	22,200	**65,700**
	TOTAL GENERAL FACILITY FUND (21)	**7,182**	**25,450**	**25,450**	**68,950**
	27-POLICE FACILITY BUILDING				
3410	**INVESTMENT EARNINGS**	1,309	800	800	**800**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	23,486	5,000	5,000	**5,000**
3815	IMPACT FEES - Significant		97,000	97,000	**152,000**
	TOTAL OTHER REVENUE	23,486	102,000	102,000	**157,000**
	TOTAL POLICE FACILITY BUILDING FUND (27)	**24,795**	**102,800**	**102,800**	**157,800**
	51-MT HERMON TRAFFIC MITIGATION				
3410	INVESTMENT EARNINGS	338	300	300	**300**
	TOTAL MT HERMON TRAFFIC MITIGATION FUND (51)	**338**	**300**	**300**	**300**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	86-LIBRARY				
3410	**INVESTMENT EARNINGS**	1,565	1,150	1,150	**1,150**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	11,885	5,000	5,000	**5,000**
3815	IMPACT FEES - Significant		30,000	30,000	**111,800**
	TOTAL OTHER REVENUE	11,885	35,000	35,000	**116,800**
	TOTAL FUND 86	**13,450**	**36,150**	**36,150**	**117,950**
	315 - POLICE DEVELOPMENT FEES				
3410	**INVESTMENT EARNINGS**	1,083	900	900	**900**
	TOTAL POLICE DEVELOPMENT FEES FUND (315)	**1,083**	**900**	**900**	**900**
	TOTAL SPECIAL REVENUE FUNDS - DEVELOPMENT IMPACT FEES	**292,639**	**646,705**	**646,705**	**2,302,605**
SPECIAL REVENUE FUNDS - OTHER					
	2-RECYCLING				
3410	**INVESTMENT EARNINGS**	169	60	60	**60**
	OTHER REVENUE:				
3090	CSA 9CA RECYCLING	61,695	61,000	61,000	**61,000**
3550	OTHER STATE GRANTS	5,000	5,000	5,000	**5,000**
	TOTAL OTHER REVENUE	66,695	66,000	66,000	**66,000**
	TOTAL RECYCLING FUND (2)	**66,864**	**66,060**	**66,060**	**66,060**
	3-GAS TAX				
3410	**INVESTMENT EARNINGS**	3,118	2,500	2,500	**2,500**
	TAXES:				
3536	STATE GAS TAX/2103	32,410	48,600	48,600	**93,200**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
3530	STATE GAS TAX/2105	68,231	70,500	70,500	**70,000**
3531	STATE GAS TAX/2106 SELECT	43,703	47,400	47,400	**44,300**
3532	STATE GAS TAX/2107 NON-SELECT	86,505	91,100	91,100	**86,800**
3533	STATE GAS TAX/2107.5 ENGINEERING	3,000	3,000	3,000	**3,000**
3534	STATE GAS TAX/2030 RMRA ACT 2017		70,000	70,000	**215,700**
	TOTAL TAXES	233,849	330,600	330,600	**513,000**
	TOTAL GAS TAX FUND (3)	**236,966**	**333,100**	**333,100**	**515,500**
	5-SMIP				
3410	**INVESTMENT EARNINGS**	129	60	60	**60**
	OTHER REVENUE:				
3240	SMIP FEES	15,200	5,000	5,000	**5,000**
	TOTAL FUND 5	**15,330**	**5,060**	**5,060**	**5,060**
	18-SENIOR CENTER DESIGNATED DONATIONS				
3410	**INVESTMENT EARNINGS**	-	-	-	**-**
	TOTAL SENIOR CENTER DESIGNATED DONATIONS FUND (18)	**-**	**-**	**-**	**-**
	19-AFFORDABLE HOUSING				
3410	**INVESTMENT EARNINGS**	1,802	6,100	6,100	**6,100**
	OTHER REVENUE:				
3430	RENTAL INCOME	32,760	32,760	32,760	**32,760**
3440	LOAN REPAYMENT	48,284			**-**
3442	LOAN/NOTE INTEREST	8,140			**-**
3810	SALE OF REAL OR PERSONAL PRO	746,925			**-**
3890	OTHER REVENUE	1,056	-	-	**-**
	TOTAL OTHER REVENUE	837,164	32,760	32,760	**32,760**
	TOTAL AFFORDABLE HOUSING FUND (19)	**838,966**	**38,860**	**38,860**	**38,860**
	25-LENNAR FUNDS				

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
3410	**INVESTMENT EARNINGS**	-	-	-	**-**
	28-SENIOR CENTER OPERATIONS				
	CHARGES FOR SERVICES:				
3632	BOUTIQUE SALES	8,461	10,000	10,000	**10,000**
3770	MEMBERSHIP FEES	14,434	10,000	10,000	**10,000**
3897	SR CENTER VAN INCOME	3	300	300	**300**
3898	SR CENTER ACTIVITIES	33,852	41,800	41,800	**40,300**
3940	FACILITY/BUILDING RENTAL	15,273	13,000	13,000	**14,500**
	TOTAL CHARGES FOR SERVICES:	72,023	75,100	75,100	**75,100**
3410	**INVESTMENT EARNINGS**	41	50	50	**50**
	OTHER REVENUE:				
3840	CONTRIBUTIONS FROM NON-GVMT	2,865	2,000	2,000	**2,000**
3890	OTHER REVENUE	1,247	500	500	**500**
	TOTAL OTHER REVENUE	4,111	2,500	2,500	**2,500**
	TOTAL SENIOR CENTER OPERATIONS FUND (28)	**76,175**	**77,650**	**77,650**	**77,650**
	31-SURFACE TRANSPORTATION GRANTS				
3410	**INVESTMENT EARNINGS**	177	-	-	**-**
	OTHER REVENUE:				
3563	OTHER STATE GRANTS	-	711,000	711,000	**591,000**
	TOTAL STP EXCHANGE FOR STORM DAMAGE FUND (31)	**177**	**711,000**	**711,000**	**591,000**
	33-TREE REPLACEMENT FUND				
3410	**INVESTMENT EARNINGS**	158	110	110	**110**
	OTHER REVENUE:				
3622	TREE REPLANTING FEES	2,010	500	500	**500**
	TOTAL OTHER REVENUE	2,010	500	500	**500**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	TOTAL TREE REPLACEMENT FUND (33)	**2,168**	**610**	**610**	**610**
	35-GREEN BUILDING FUNDING				
3410	**INVESTMENT EARNINGS**	1,613	900	900	**900**
	CHARGES FOR SERVICES:				
3242	GREEN BLDG STANDARD FEES - Recurring	3,212	1,000	1,000	**1,000**
3242	GREEN BLDG STANDARD FEES - Significant		5,000	5,000	**5,000**
3707	GREEN BUILDING FEES - Recurring	122,327	25,000	25,000	**25,000**
3707	GREEN BUILDING FEES - Significant		69,500	69,500	**77,000**
	TOTAL OTHER REVENUE	125,539	100,500	100,500	**108,000**
	TOTAL GREEN BUILDING FUND (35)	**127,152**	**101,400**	**101,400**	**108,900**
	36-DISABILITY COMPLIANCE FUND				
3410	**INVESTMENT EARNINGS**	21	-	-	**-**
	OTHER REVENUE:				
3244	DISABILITY COMPLIANCE FEE	1,277	750	750	**750**
	TOTAL DISABILITY COMPLIANCE FUND (36)	**1,298**	**750**	**750**	**750**
	50-PINEWOOD EST LNDSCP MAINT DIST				
3410	**INVESTMENT EARNINGS**	59	50	50	50
	OTHER REVENUE:				
3890	OTHER REVENUE	6,120	6,240	6,240	6,240
	TOTAL PINEWOOD EST LNDSCP MAINT DIST FUND (50)	**6,179**	**6,290**	**6,290**	**6,290**
	77-SKYPARK MAINTENANCE ASSESSMENT DISTRICT				
3410	**INVESTMENT EARNINGS**	**31**			**-**
	OTHER REVENUE:				
3890	OTHER REVENUE	41,751	41,750	41,750	**41,750**

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	TOTAL SKYPARK MAINT ASSESSMENT DIST FUND (77)	**41,751**	**41,750**	**41,750**	**41,750**
	78-SKYPARK MAINTENANCE ASSESSMENT DISTRICT INSURANCE				
3410	**INVESTMENT EARNINGS**	3,153	2,230	2,230	**2,230**
	OTHER REVENUE:				
3895	PREMIUMS	9,000	9,000	9,000	**9,000**
	TOTAL SKYPARK MAINT ASSESSMENT DIST INSURANCE FUND (78)	**12,153**	**11,230**	**11,230**	**11,230**
	88-LIBRARY FACILITIES AUTHORITY				
3410	**INVESTMENT EARNINGS**	413	50	50	**300**
	OTHER REVENUE:				
3030	TAXES-SPECIAL ASSESSMENTS	177,674	165,000	165,000	**-**
	TOTAL LIBRARY FACILITIES AUTHORITY (88)	**178,087**	**165,050**	**165,050**	**300**
	123-COMMUNITY FACILITY CENTER				
	CHARGES FOR SERVICES:				
3940	FACILITY/BUILDING RENTAL	115,655	112,300	112,300	**110,000**
	TOTAL CHARGES FOR SERVICES	115,655	112,300	112,300	**110,000**
3410	**INVESTMENT EARNINGS:**	558	350	350	**350**
	OTHER REVENUE:				
3890	OTHER REVENUE		1,000	1,000	**500**
	TOTAL OTHER REVENUE	-	1,000	1,000	**500**
	TOTAL COMMUNITY CENTER FUND (123)	**116,213**	**113,650**	**113,650**	**110,850**
	155-MEASURE D SALES TAX FOR TRANSPORTATION				
3410	**INVESTMENT EARNINGS**	-	100	100	**100**

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
	OTHER REVENUE:				
3084	SALES TAX-MEASURE D FUNDS		240,000	240,000	**265,800**
	TOTAL MEASURE D SALES TAX FOR TRANSPORTATION (155)	**-**	**240,100**	**240,100**	**265,900**
	306-SUPPLEMENTAL LAW ENFORCEMENT SERVICES (SLESF)				
3410	**INVESTMENT EARNINGS**	592	280	280	**300**
	OTHER REVENUE:				
3550	OTHER STATE GRANTS	100,000	100,000	100,000	**100,000**
	TOTAL OTHER REVENUES	**100,000**	**100,000**	**100,000**	**100,000**
	TOTAL SLESF FUND (306)	**100,592**	**100,280**	**100,280**	**100,300**
	312 - POLICE BUDGET ACT OF 2016 FUND				
	OTHER REVENUE:				
3890	OTHER REVENUE	**-**	**-**	**49,000**	**-**
	TOTAL POLICE BUDGET ACT OF 2016 FUND (312)	**-**	**-**	**49,000**	**-**
	316 -HOMELAND SECURITY GRANT				
3410	**INVESTMENT EARNINGS**	3	-	-	**-**
	OTHER REVENUE:				
3550	OTHER STATE GRANTS	2,231	47,500	47,500	**-**
	TOTAL HOMELAND SECURITY GRANT FUND (316)	**2,234**	**47,500**	**47,500**	**-**
	317 - EDG REVOLVING LOAN FUND				
3410	**INVESTMENT EARNINGS**	4	-	-	
	TOTAL EDG REVOLVING LOAN FUND (317)	**4**	**-**	**-**	**-**
	TOTAL SPECIAL REVENUE FUNDS - OTHER	**1,822,309**	**2,060,340**	**2,109,340**	**1,941,010**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
DEBT SERVICE FUNDS					
	26-PENSION OBLIGATION BONDS				
3410	**INVESTMENT EARNINGS**	-	-	-	**-**
	66-COP DEBT SERVICE RESERVE				
3410	**INVESTMENT EARNINGS**	6,217	4,100	4,100	**4,100**
	TOTAL COP DEBT SERVICE RESERVE FUND (66)	**6,217**	**4,100**	**4,100**	**4,100**
	TOTAL DEBT SERVICE FUNDS	**6,217**	**4,100**	**4,100**	**4,100**
RECREATION ENTERPRISE FUND					
	4-RECREATION				
	CHARGES FOR SERVICES:				
3871	AQUATICS	41,139	65,400	65,400	**65,400**
3872	CLASSES	118,267	74,600	74,600	**74,600**
3873	FACILITIES RENTALS	89,463	132,500	132,500	**132,500**
3874	SCHOOL AGE RECREATION	728,420	700,000	700,000	**700,000**
3875	SPECIAL EVENTS	240			
3876	SPORTS	30,961	75,100	75,100	**75,100**
	TOTAL CHARGES FOR SERVICES	1,008,491	1,047,600	1,047,600	**1,047,600**
3410	**INVESTMENT EARNINGS**	-	-	-	**-**
	OTHER REVENUE:				
3874	SPECIAL EVENTS		500	500	**500**
3890	OTHER REVENUE	1,785	2,000	2,000	**2,000**
	TOTAL OTHER REVENUE	1,785	2,500	2,500	**2,500**
	TOTAL RECREATION ENTERPRISE FUND	**1,010,276**	**1,050,100**	**1,050,100**	**1,050,100**

City of Scotts Valley
Summary of Revenues
FY 2018 / 19

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
WASTEWATER ENTERPRISE FUNDS					
	10-WASTEWATER OPERATIONS				
	CHARGES FOR SERVICES:				
3670	SEWER SERVICE FEES	1,853,122	1,900,000	1,900,000	**2,469,283**
3775	PENALTIES FOR DELINQUENCIES	5,496	7,000	7,000	**7,100**
	TOTAL CHARGES FOR SERVICES	1,858,618	1,907,000	1,907,000	**2,476,383**
	OTHER REVENUE				
3890	OTHER REVENUE	19,375	2,000	2,000	**2,000**
	TOTAL OTHER REVENUE	19,375	2,000	2,000	**2,000**
3410	**INVESTMENT EARNINGS**	-	-	-	**-**
	TOTAL WASTEWATER OPERATIONS FUND (10)	**1,877,993**	**1,909,000**	**1,909,000**	**2,478,383**
	11-TERTIARY TREATMENT PLANT				
	CHARGES FOR SERVICES:				
3571	SCOTTS VALLEY WATER DEPT REIMB.	101,538	120,000	120,000	**121,200**
	TOTAL TERTIARY TREATMENT PLANT FUND (11)	**101,538**	**120,000**	**120,000**	**121,200**
	12-WASTEWATER CAPITAL RESERVE				
3410	**INVESTMENT EARNINGS**	8,236	5,600	5,600	**5,600**
	OTHER REVENUE:				
3815	IMPACT FEES - Recurring	58,280	50,000	50,000	**51,500**
3815	IMPACT FEES - Significant		412,000	412,000	**796,700**
	TOTAL OTHER REVENUE	58,280	462,000	462,000	**848,200**
	TOTAL WASTEWATER CAPITAL RESERVE FUND (12)	**66,516**	**467,600**	**467,600**	**853,800**
	14-WASTEWATER EQMT REPLACEMENT RESERVE				

ACCT#	ACCOUNT TITLE	2016 / 2017 Actual	2017 / 2018 Budget	2017 / 2018 Projected Revenue	2018 / 2019 Estimated Revenue
3410	**INVESTMENT EARNINGS**	4,837	3,700	3,700	**3,000**
	TOTAL WASTEWATER EQUIPMENT REPLACEMENT RESERVE FUND (14)	**4,837**	**3,700**	**3,700**	**3,000**
	15-TTP - DISTRICT RESERVE FUND				
3410	**INVESTMENT EARNINGS**	72	50	50	**100**
	OTHER REVENUE:				
3890	OTHER REVENUE	8,672	11,000	11,000	**11,000**
	TOTAL TTP DISTRICT RESERVE FUND (15)	**8,744**	**11,050**	**11,050**	**11,100**
	TOTAL WASTEWATER ENTERPRISE FUNDS	**2,059,628**	**2,511,350**	**2,511,350**	**3,467,483**
INTERNAL SERVICE FUND					
	112 - DENTAL INSURANCE				
3410	**INVESTMENT EARNINGS:**	233	190	190	**190**
	OTHER REVENUE:				
3895	PREMIUMS	63,294	63,800	63,800	**70,000**
	TOTAL DENTAL INSURANCE FUND (112)	**63,526**	**63,990**	**63,990**	**70,190**
	TOTAL ALL FUNDS	**17,629,964**	**17,491,685**	**18,108,685**	**20,418,788**

City of Scotts Valley
Summary of Expenditures by Fund/Department
FY 2018 / 19

Fund/ Dept	Fund/Department Title	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed
General Funds				
General Fund (#001)				
41	Legislative	246,847	251,686	263,317
42	City Attorney	177,780	184,000	184,000
43	General Government	1,243,624	977,171	1,199,190
44	City Manager/Administration	379,885	404,874	476,037
45	Admin Services - Finance	531,269	716,170	684,504
46	Admin Services - Human Resources	-	91,800	16,800
47	Admin Services - Information Technology	-	119,190	156,500
48	Admin Services - Risk Management	-	118,100	234,773
51	Police	4,766,241	5,087,823	5,102,083
52	Animal Control	118,136	120,000	120,000
53	Emergency Services	84,936	102,241	105,660
61	Community Development - Planning	499,696	528,490	560,094
62	Community Development - Building	803,722	756,475	913,761
71	Public Works - Engineering	605,695	672,113	692,199
72	Public Works - Streets	416,679	410,923	432,463
73	Public Works - Vehicle/Equipment Maintenance	124,183	154,477	149,593
75	Public Works - Parks	242,838	358,288	335,832
76	Public Works - Building Maintenance	280,363	257,526	248,598
	Total General Fund (#001)	10,521,894	11,311,347	11,875,404
6	**Equipment Replacement Fund**	799	600	450
	Total General Funds	**10,522,693**	**11,311,947**	**11,875,854**
General Capital Improvement Fund				
150	**General Capital Improvement**	**960,698**	**1,480,833**	**630,370**
Special Revenue Funds - Development Impact Fees				
7	Drainage Construction Fund	36	240,030	25

City of Scotts Valley
Summary of Expenditures by Fund/Department
FY 2018 / 19

Fund/ Dept	Fund/Department Title	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed
8	Traffic Impact Mitigation	32,845	9,500	650
9	P&R Facilities	62,455	85,700	90,380
21	General Facility Fees	80	80	40,055
27	Police Facility Impact Fees	277	26,250	244,170
51	Mt. Hermon Traffic Mitigation	72	70	55
86	Library Impact Fees	2,618	23,300	210
315	Police Development Fees	231	100,240	150
	Total Special Revenue Funds - Development Impact Fees	**98,615**	**485,170**	**375,695**
	Special Revenue Funds - Other			
2	Recycling/Env	44,406	60,650	60,680
3	Gas Tax	88,472	131,093	200,160
5	SMIP	26	5,020	8,070
18	Sr Ctr Designated Donations	-	-	-
19	Affordable Housing	29,866	284,520	54,100
24	Lennar Funds	-	134,800	58,800
28	Senior Center	80,929	105,729	102,112
31	STP Exchange Projects	38	855,888	591,020
33	Tree Replacement Fund	930	10,000	10,025
35	Green Building Fund	2,420	2,250	4,240
36	Disability Compliance	5	760	5,005
50	Pinewood Estates Maintenance District	5,733	5,512	5,515
77	Skypark Landscape Maintenance District	42,576	41,000	46,000
78	Skypark Landscape Maintenance District Insurance	673	700	400
88	Library Facilities Improvements Measure S	7,802	292,000	170
123	Community Facility Center	62,710	68,970	75,115
155	Measure D Transportation	-	100,000	265,020
306	SLESF	54,376	-	146,900
312	Police Budget Act 2016	-	-	15,000
316	Homeland Security Grants	2,299	47,500	30
317	EDG Revolving Loan Fund	1	-	-

City of Scotts Valley
Summary of Expenditures by Fund/Department
FY 2018 / 19

Fund/ Dept	Fund/Department Title	FY 2016/17 Actual	FY 2017/18 Revised	FY 2018/19 Proposed
	Total Special Revenue Funds - Other	**423,260**	**2,146,392**	**1,648,362**
Debt Service Funds				
26	Pension Obligation Bonds	446,605	448,786	443,825
66	COP Debt Service Reserve	1,329	1,400	700
	Total Debt Service Funds	**447,934**	**450,186**	**444,525**
Recreation Enterprise Fund				
4	**Recreation**	**1,321,072**	**1,136,892**	**1,067,759**
Wastewater Enterprise Funds				
10	Wastewater Operations	4,004,330	2,148,657	2,256,400
11	Tertiary Treatment Plant	184,615	203,368	230,039
12	Wastewater Capital Reserve	46,615	251,500	935,700
14	Wastewater ERF	41,896	7,000	490
15	TTP District Reserve	15	12	12
	Total Wastewater Enterprise Funds	**4,277,471**	**2,610,537**	**3,422,641**
Internal Service Fund				
112	**Dental Insurance**	**71,548**	**70,050**	**70,040**
	Total All Funds	**18,123,292**	**19,692,007**	**19,535,246**

City of Scotts Valley
Summary of Expenditures by Fund/Type
FY 2018/19

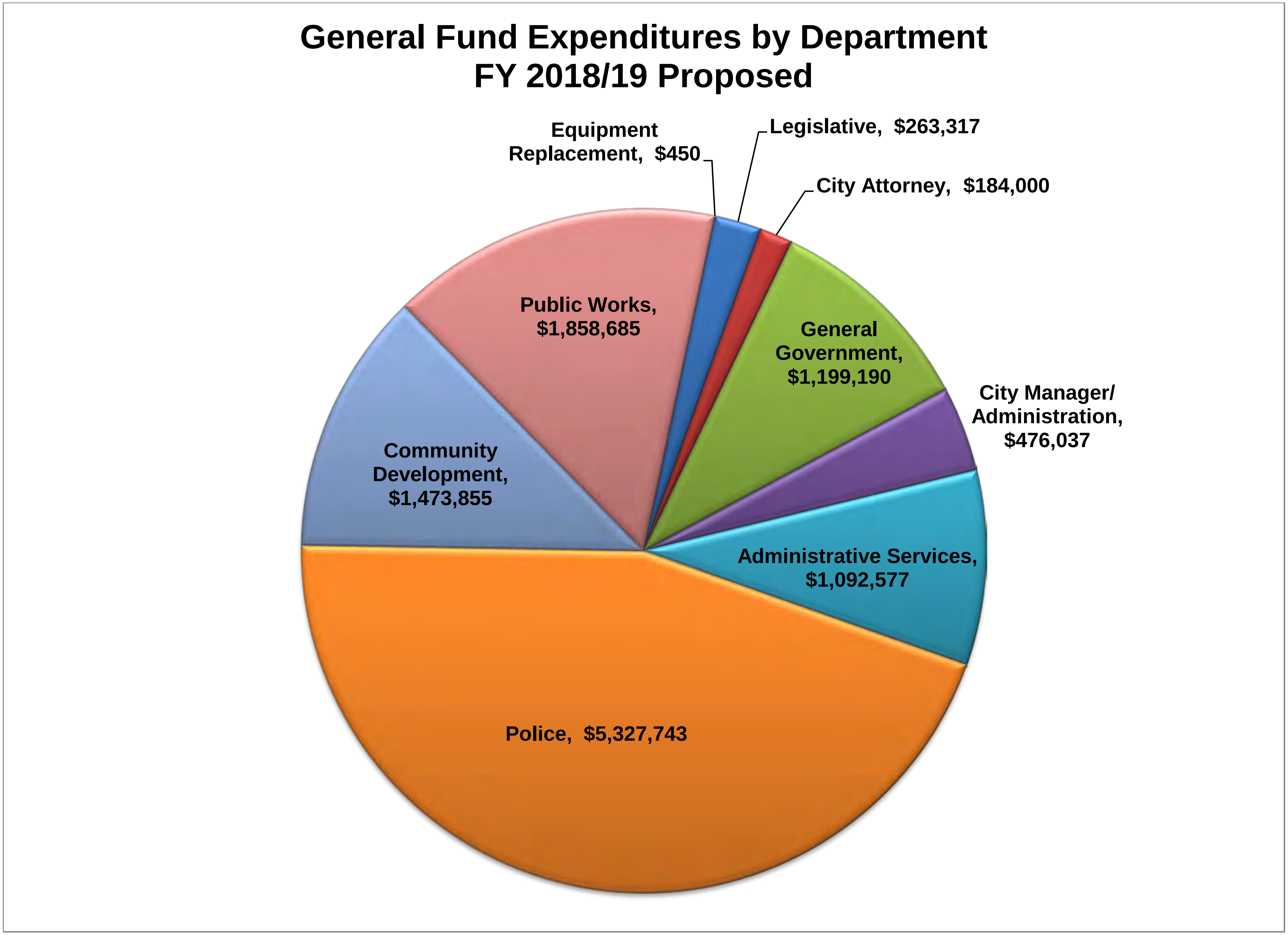
Fund/ Dept	Fund/Department Title	FY 2018/19 Proposed Salaries and Benefits	Services and Supplies	Fixed Assets/ Capital Outlay	Other	Total
General Funds						
General Fund (#001)						
41	Legislative	219,057	44,260	-		263,317
42	City Attorney	180,000	4,000			184,000
43	General Government	320,600	203,120	-	675,470	1,199,190
44	City Manager/Administration	417,737	58,300	-		476,037
45	Admin Services - Finance	631,784	52,720			684,504
46	Admin Services - Human Resources	5,600	11,200			16,800
47	Admin Services - Information Technology		156,500			156,500
48	Admin Services - Risk Management		234,773			234,773
51	Police	4,757,768	302,165	5,150	37,000	5,102,083
52	Animal Control		120,000			120,000
53	Emergency Services		2,660		103,000	105,660
61	Community Development - Planning	530,519	29,575			560,094
62	Community Development - Building	266,811	646,950			913,761
71	Public Works - Engineering	514,659	175,040	2,500		692,199
72	Public Works - Streets	300,863	131,600	-		432,463
73	Public Works - Vehicle/Equipment Maintenance	143,793	5,800	-		149,593
75	Public Works - Parks	161,432	99,400	75,000		335,832
76	Public Works - Building Maintenance	167,993	80,605	-		248,598
	Total General Fund (#001)	**8,618,616**	**2,358,668**	**82,650**	**815,470**	**11,875,404**
6	**Equipment Replacement Fund**	**-**	**450**	**-**	**-**	**450**
	Total General Funds	**8,618,616**	**2,359,118**	**82,650**	**815,470**	**11,875,854**
General Capital Improvement Fund						
150	**General Capital Improvement**	**-**	**170**	**630,200**	**-**	**630,370**
Special Revenue Funds - Development Impact Fees						
7	Drainage Construction Fund	-	25	-	-	25
8	Traffic Impact Mitigation	-	650	-	-	650
9	P&R Facilities	-	380	90,000	-	90,380
21	General Facility Fees	-	55	40,000	-	40,055

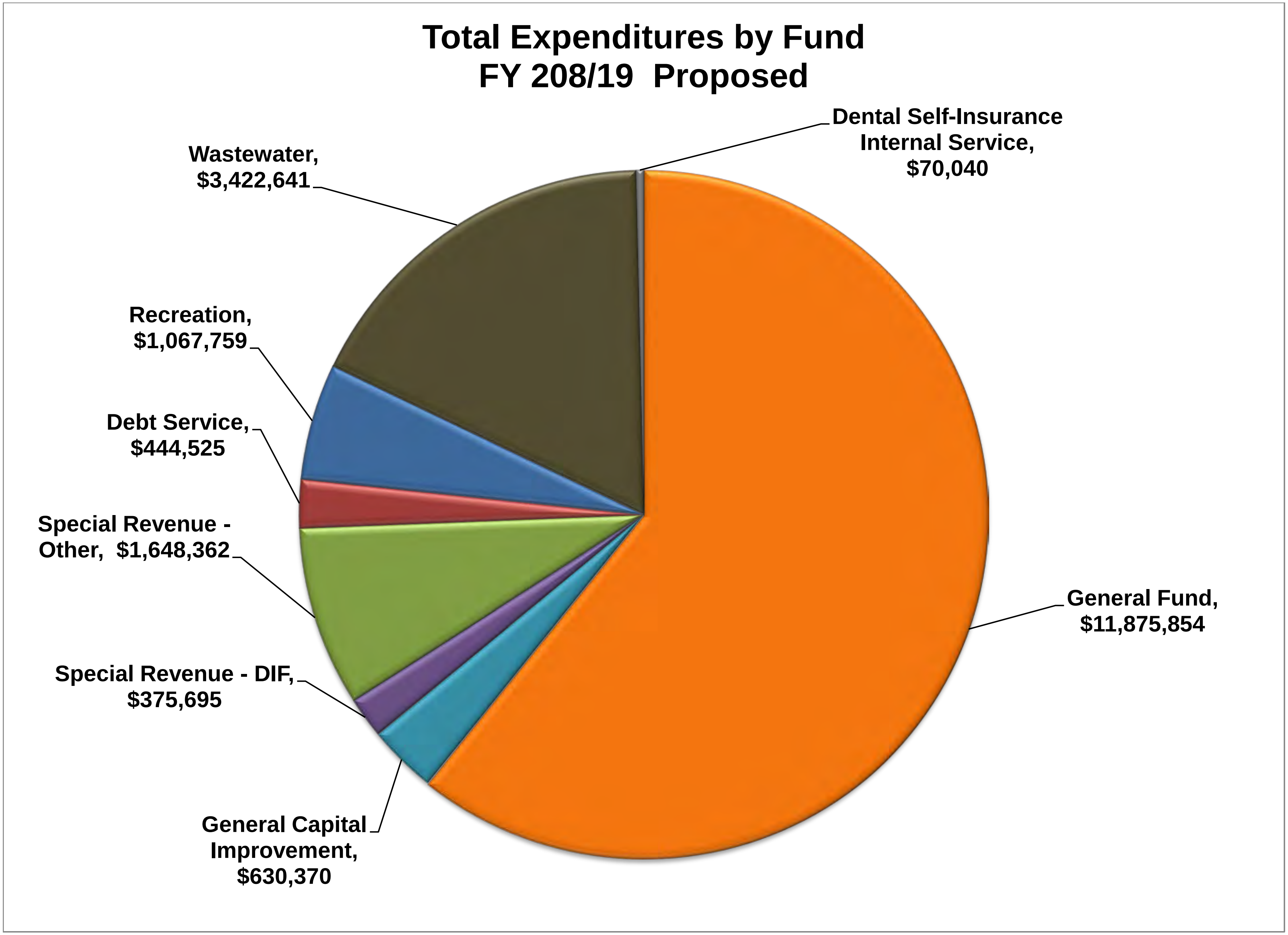
City of Scotts Valley
Summary of Expenditures by Fund/Type
FY 2018/19

Fund/ Dept	Fund/Department Title	FY 2018/19 Proposed Salaries and Benefits	Services and Supplies	Fixed Assets/ Capital Outlay	Other	Total
27	Police Facility Impact Fees	-	170	244,000	-	244,170
51	Mt. Hermon Traffic Mitigation	-	55		-	55
86	Library Impact Fees	-	210	-	-	210
315	Police Development Fees	-	150	-	-	150
	Total Special Revenue Funds - Development Impact Fees	**-**	**1,695**	**374,000**	**-**	**375,695**
Special Revenue Funds - Other						
2	Recycling/Env		60,680		-	60,680
3	Gas Tax		160	200,000	-	200,160
5	SMIP		8,070		-	8,070
18	Sr Ctr Designated Donations			-	-	-
19	Affordable Housing		54,100		-	54,100
24	Lennar Funds			58,800	-	58,800
28	Senior Center	67,202	34,910	-	-	102,112
31	STP Exchange Projects		20	591,000	-	591,020
33	Tree Replacement Fund		25	10,000	-	10,025
35	Green Building Fund		4,240		-	4,240
36	Disability Compliance		5,005		-	5,005
50	Pinewood Estates Maintenance District		5,515		-	5,515
77	Skypark Landscape Maintenance District		46,000		-	46,000
78	Skypark Landscape Maintenance District Insurance		400		-	400
88	Library Facilities Improvements Measure S		170	-	-	170
123	Community Facility Center	30,745	44,370	-	-	75,115
155	Measure D Transportation		20	265,000	-	265,020
306	SLESF		9,400	37,500	-	46,900
312	Police Budget Act 2016		15,000			15,000
316	Homeland Security Grants		30	100,000	-	100,030
317	EDG Revolving Loan Fund		-		-	-
	Total Special Revenue Funds - Other	**97,947**	**288,115**	**1,262,300**	**-**	**1,648,362**
Debt Service Funds						
26	Pension Obligation Bonds	-	3,500	-	440,325	443,825
66	COP Debt Service Reserve	-	700	-	-	700

City of Scotts Valley
Summary of Expenditures by Fund/Type
FY 2018/19

Fund/ Dept	Fund/Department Title	FY 2018/19 Proposed Salaries and Benefits	Services and Supplies	Fixed Assets/ Capital Outlay	Other	Total
	Total Debt Service Funds	**-**	**4,200**	**-**	**440,325**	**444,525**
Recreation Enterprise Fund						
4	**Recreation**	**810,204**	**257,555**	**-**	**-**	**1,067,759**
Wastewater Enterprise Funds						
10	Wastewater Operations	996,400	914,000	76,000	270,000	2,256,400
11	Tertiary Treatment Plant	53,289	164,750	12,000		230,039
12	Wastewater Capital Reserve	-	900	934,800		935,700
14	Wastewater ERF		490	-		490
15	TTP District Reserve		12			12
	Total Wastewater Enterprise Funds	**1,049,689**	**1,080,152**	**1,022,800**	**270,000**	**3,422,641**
Internal Service Fund						
112	**Dental Insurance**	**70,000**	**40**	**-**	**-**	**70,040**
	Total All Funds	**10,646,456**	**3,991,045**	**3,371,950**	**1,525,795**	**19,535,246**


General Fund Expenditures by Department
FY 2018/19 Proposed
Equipment Replacement, $450
Legislative, $263,317
City Attorney, $184,000
Public Works, $1,858,685
General Government, $1,199,190
City Manager/ Administration, $476,037
Community Development, $1,473,855
Administrative Services, $1,092,577
Police, $5,327,743



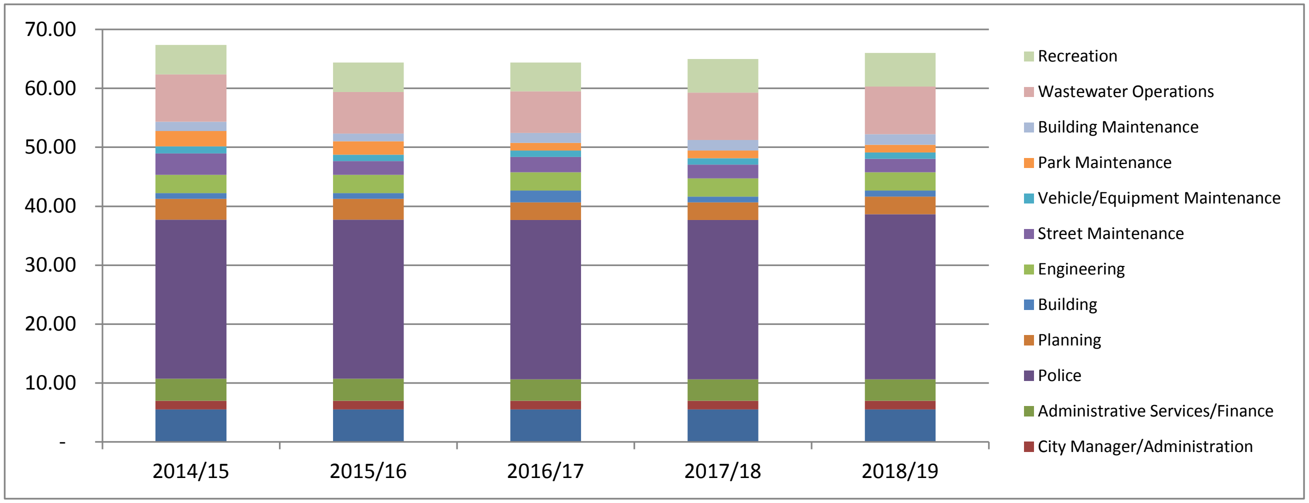
Total Expenditures by Fund
FY 208/19 Proposed
Dental Self-Insurance Internal Service, $70,040
Wastewater, $3,422,641
Recreation, $1,067,759
Debt Service, $444,525
Special Revenue - Other, $1,648,362
Special Revenue - DIF, $375,695
General Capital Improvement, $630,370
General Fund, $11,875,854

City of Scotts Valley
Personnel Summary by Department
FY 2018/19

	Fiscal Year				
	Actual			Approved	Proposed
Department	**2014/15**	**2015/16**	**2016/17**	**2017/18**	**2018/19**
Legislative	5.50	5.50	5.50	5.50	5.50
City Manager/Administration	1.50	1.50	1.50	1.50	1.50
Administrative Services/Finance	3.75	3.75	3.65	3.65	3.65
Police	27.00	27.00	27.00	27.00	28.00
Commmunity Development					
Planning	3.50	3.50	3.00	3.00	3.00
Building	1.00	1.00	2.00	1.00	1.00
Public Works					
Engineering	3.10	3.10	3.10	3.10	3.10
Street Maintenance	3.60	2.30	2.60	2.30	2.30
Vehicle/Equipment Maintenance	1.20	1.10	1.10	1.10	1.10
Park Maintenance	2.60	2.30	1.30	1.30	1.30
Building Maintenance	1.60	1.30	1.70	1.80	1.80
Wastewater Operations	8.05	7.05	7.05	8.05	8.05
Recreation	5.00	5.00	4.90	5.70	5.70
Total	**67.40**	**64.40**	**64.40**	**65.00**	**66.00**

Proposed Change in Personnel in FY 2018/19

Police - add one (1) Police Officer position (conversion of temporary School Resource Officer to full-time)



City of Scotts Valley
Schedule of Fund Balance Transfers
FY 2018/19

				Transfers In									
		Fund #		1		26		150		10		12	
	Fund #	Fund Title		General Fund		Pension Obligation Bond		General CIP Fund		Wastewater Operations		Wastewater Capital	Total
Transfers out	1	General Fund			B	369,769	C	620,000					**989,769**
	3	Gas Tax Fund	A	235,000									**235,000**
	4	Recreation Fund			B	24,490							**24,490**
	28	Senior Center Operations			B	3,552							**3,552**
	123	Community Facility Center Operations			B	1,445							**1,445**
	10	Wastewater Operations			B	44,569							**44,569**
	12	Wastewater Capital							D	2,321,786			**2,321,786**
	14	Wastewater Equipment Replacement									E	627,910	**627,910**
		Totals		**235,000**		**443,825**		**620,000**		**2,321,786**		**627,910**	**4,248,521**

Notes:

A - Transfer Gas Tax revenues to General Fund for streets maintenance expenditures.

B - Transfer from operating department budgets to fund allocation of costs associated with Pension Obligation Bond debt service and administrative costs.

C - Transfer to Recreation Fund from General Fund to subsidize recreation programs and liquidate deficit fund balance from FY 2016/17

D - Transfer to Wastewater Operations from Wastewater Capital to retain eight months (67%) of annual operating expenditures as a reserves per Council reserve policy.

E - Transfer excess reserves from Wastewater Equipment Replacement to Wastewater Capital maintaining $100,000 reserves in the Wastewater Equipment Replacement fund.

City Council

Overview

The role of the City Council is to provide policy-level decisions and direction provided to city staff through the City Manager, as well as input from and direction provided to the Planning Commission and other city commissions and boards. The City Council strives for the continued orderly growth and development of the City by insuring that all matters related to health, safety and general welfare are addressed consistent with the laws of the State and the will of the citizens of Scotts Valley.

Staffing Summary

	Actual			Approved	Proposed
Position	2014/15	2015/16	2016/17	2017/18	2018/19
City Councilmembers	5.00	5.00	5.00	5.00	5.00
City Clerk (1)	0.50	0.50	0.50	0.50	0.50
Total FTE	5.50	5.50	5.50	5.50	5.50

(1) – The City Clerk position is allocated 50% to the City Council/Legislative (#41) Division and 50% to the Administration (#44) Division.

Departmental Workplan

The City Council has identified the following priorities for FY 2018/19.

1. **Encourage Business Development and Expand the City's Economic Base**
   - Complete the General Plan Update
   - Facilitate the Development of the Town Center and other Complimentary Land Uses
   - Explore Business-Friendly Processes to Expedite Permitting Activities

2. **Ensure Long-Term Financial Stability**
   - Develop Fiscal Sustainability Action Plan and Implement Strategies as Directed By Council
   - Complete Citywide Fee Study
   - Engage and Educate the Community and Organization about the City's Fiscal Outlook and Long-term Sustainability Strategies

3. **Implement Operational Initiatives to Enhance City Services**
   - Complete the City's New Website
   - Develop a Citywide Strategic Technology Plan, including Online Permitting Options
   - Explore Policy Guidelines for Council Standing and Project Specific Committee for Increased Effectiveness Transparency

4. **Maintain Quality of Life for Residents**
   - Maintain Investment in Public Safety

- Conduct a Review of Building Design Standards
- Research Options to Address Housing Affordability and Identify Best Practices
- Facilitate the Development of the Glenwood Open Space Preserve Trail System
- Explore Creative Solutions to Address Code Enforcement Issues

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
LEGISLATIVE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.41.0000.101	SALARIES/WAGES - REGULAR	78,547.64	85,791.00	85,791.00	85,143.00	85,793.00	
001.41.0000.102	SALARIES/WAGES - HOLIDAY	2,429.40	0.00	0.00	0.00	0.00	
001.41.0000.103	SALARIES/WAGES - SICK LEAVE	1,447.41	0.00	0.00	0.00	0.00	
001.41.0000.104	SALARIES/WAGES - VACATION	1,234.72	0.00	0.00	0.00	0.00	
001.41.0000.108	SALARIES/WAGES - C/T TAKEN	1,133.73	0.00	0.00	0.00	0.00	
001.41.0000.109	SALARIES/WAGES - OVERTIME	0.00	0.00	0.00	0.00	0.00	
001.41.0000.202	PARS-ARS	440.46	404.00	404.00	403.00	404.00	
001.41.0000.203	FICA	4,405.54	4,635.00	4,635.00	4,614.00	4,635.00	
001.41.0000.204	RETIREMENT	12,666.68	13,656.00	13,656.00	13,350.00	15,266.00	
001.41.0000.205	GROUP INSURANCE	117,463.97	117,955.00	117,955.00	109,375.00	112,264.00	
001.41.0000.206	WORKERS' COMPENSATION	175.00	1,345.00	1,345.00	1,345.00	695.00	
001.41.0000.301	OFFICE EXPENSE	1,676.57	1,200.00	1,200.00	1,000.00	1,200.00	
001.41.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	180.00	0.00	
001.41.0000.303	SMALL TOOLS & SUPPLIES	70.79	200.00	200.00	200.00	200.00	
001.41.0000.306	COMMUNICATIONS	90.00	0.00	0.00	330.00	360.00	
001.41.0000.313	OTHER CONTRACTUAL SERVICES	3,753.40	15,000.00	15,000.00	4,060.00	15,000.00	
	Muni Code						5,900
	Council Workshop/Training						5,000
	Video and Other Services						4,100
001.41.0000.315	MEMBERSHIPS & DUES	435.00	500.00	500.00	500.00	500.00	
001.41.0000.316	TRAVEL/CONFERENCES/MEETINGS	6,417.37	5,000.00	5,000.00	6,000.00	6,000.00	
	League of California Cities						2,500
	Other						3,500
001.41.0000.319	ELECTIONS	8,181.68	0.00	0.00	0.00	15,000.00	
001.41.0000.322	TRAINING & EDUCATION	0.00	500.00	500.00	0.00	500.00	
001.41.0000.402	MAINT & OPERATION OF EQMT	88.00	500.00	500.00	0.00	500.00	
001.41.0000.910	OFFICE EQMT & FURNITURE	0.00	0.00	0.00	281.00	0.00	
	SUB-TOTAL	240,657.36	246,686.00	246,686.00	226,781.00	258,317.00	
ARTS COMMISSION LOGO							
001.41.4554.301	OFFICE EXPENSE	6,189.32	5,000.00	5,000.00	7,500.00	5,000.00	

GENERAL FUND
LEGISLATIVE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
	SUB-TOTAL	6,189.32	5,000.00	5,000.00	7,500.00	5,000.00
	EXPENDITURE TOTAL	246,846.68	251,686.00	251,686.00	234,281.00	263,317.00

City Attorney

Overview

The City Attorney is responsible for the administration of all legal affairs of the City. In addition, the City Attorney serves as Agency Counsel for the Successor Agency of the Redevelopment Agency. The City Attorney advises the City Council and staff on all matters of general and municipal law. The City Attorney is responsible for:

- Representing the City in litigation, administrative hearings, and other legal matters.
- Preparing or reviewing all ordinances, contracts and other legal documents
- Rendering legal advice and opinions to the City Council, Successor Agency, City and Agency Boards and Commissions, and City staff
- Overseeing all work done by outside counsel on behalf of the City.

The City Attorney is a contract position with the firm of Logan & Powell, LLP.

Departmental Workplan

The City Attorney supports other departments in the implementation of their work plans. The City Attorney also responds to claims and litigation and projects adopted by the Council that require participation by the City Attorney.

The Department's workplan for FY 2018/19 includes the following:

- **General Plan Update Process** – The City Attorney will provide legal guidance, where necessary, throughout the General Plan Update process.
- **Development Projects** – The City Attorney will provide legal guidance, where necessary, on development projects under consideration by the City Council.
- **Update Ordinances** – Update the City's ordinances as necessary to comply with changing State laws.
- **Redevelopment Dissolution**- Continue to provide advice to the Successor Agency and staff to comply with the requirements of State law.

GENERAL FUND
LEGAL

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.42.0000.210	SUPPLEMENTAL SERVICES	174,426.63	180,000.00	180,000.00	115,000.00	180,000.00	
	Retainer						120,000
	Special Litigation						60,000
001.42.0000.301	OFFICE EXPENSES	18.00	0.00	0.00	0.00	0.00	
001.42.0000.313	OTHER CONTRACTUAL SERVICES	3,335.52	3,500.00	3,500.00	2,000.00	3,500.00	
001.42.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	500.00	500.00	0.00	500.00	
	EXPENDITURE TOTAL	177,780.15	184,000.00	184,000.00	117,000.00	184,000.00	

City Manager's Office

Overview

The City Manager provides administrative and legislative/policy support to the City Council, general oversight all City operations provided through the City's operating departments. The City Manager is directly responsible for the City's economic development initiatives and activities of the Successor Agency of the City's former redevelopment agency. Specific oversight is provided to other administrative department, including the City Clerk and Administrative Services, which include such functions as legislative records management, financial services, budget, human resources and risk management.

Staffing Summary

	Actual			Approved	Proposed
Position	2014/15	2015/16	2016/17	2017/18	2018/19
City Manager	1.00	1.00	1.00	1.00	1.00
City Clerk (1)	1.00	1.00	1.00	1.00	1.00
Total FTE	2.00	2.00	2.00	2.00	2.00

(1) – The City Clerk position is allocated 50% to the Administration (#44) Division and 50% to the City Council/Legislative (#41) Division.

Departmental Workplan

The workplan for the City Manager is driven primarily by City Council goals and policy direction, while the workplan for the rest of the administration department is based upon emerging issues that relate to City Council action, workforce changes, and the needs of the operating departments.

The Department's workplan for FY 2018/19 includes the following:

- **Encourage Business Development and Expand the City's Economic Base** – The City is focused on expanding its economic base to provide the financial and community resources necessary to maintain the community's quality of life. Activities associated with this item include updating the General Plan, facilitating the sale of city-owned property to develop the Town Center and implementing related community engagement processes. *Goal/Priority: Economic Development; Fiscal Sustainability*

- **Ensure Long-Term Financial Stability** – The City will face several fiscal pressures in the coming years that will require plans to be put in place to ensure the fiscal health of the City. FY 2018/19 related projects will include:
  - Completion of a comprehensive fee study will also need to be performed to assess current cost recovery levels and identify policy options to ensure that the City's costs of providing services are recovered at acceptable levels through fees and charges.
  - Continued implementation of the City's Fiscal Sustainability Plan, including a community engagement process to inform residents/businesses of the City's future fiscal outlook.
  - Continued exploration of budget strategies to sustain core services and reduce long-term unfunded obligations such as infrastructure

maintenance, equipment replacement needs, and funding post-retirement benefits obligations. *Goal/Priority: Fiscal Sustainability*

- **Implement Operational Initiatives to Enhance City Services** – There are several initiatives planned to enhance city services including:
    - Development of a citywide strategic plan to identify opportunities to work for more efficiently. These efforts will include a comprehensive review of the City's financial systems and permitting processes.
    - Policy guidelines will be developed regarding the Council's Standing and Project Specific Committees for increased transparency efforts. *Goal/Priority: Economic Development; Fiscal Sustainability; Operational Initiatives*

- **Maintain the City's Quality of Life** – Several activities will take place to help maintain the quality of life enjoyed by those that live, work and play in Scotts Valley.
    - Maintain investment in public safety.
    - Research options to address housing affordability and best practices.
    - Conduct a review of City building design standards.
    - Facilitate the completion of the Glenwood Open Space Preserve Trail Access Plan.
    - Explore creative ways to address code enforcement in light of budget constraints. *Goal/Priority: Maintain Quality of Life*

New or Additional Resources Proposed for FY 2018/19

Additional resources are requested in FY 2018/19 to accomplish the Department's Workplan:

Description	FY 2018/19 Cost
Strategic Technology Plan – develop a long-term strategic technology plan to conduct a comprehensive review of citywide technology needs and future plan for implementation and funding. This plan will evaluate the City's need for a new Enterprise Resource Planning System (ERP) that can address financial and online permitting efficiencies among others.	$25,000 (included in General Fund Non-Departmental Budget)
Fiscal Sustainability Plan (FSP) Implementation – additional resources to implement elements of the FSP and provide transitional support upon hire of the new Administrative Services Director.	$35,000 (included in General Fund Non-Departmental Budget)

Office of the City Clerk

Overview

The City Clerk performs various professional and managerial duties according to Scotts Valley Municipal Code and state law. The City Clerk facilitates the execution of official City legislative processes.

The City Clerk is the custodian of City records and records the official actions of City government, documents the proceedings of meetings, and retains legal and historical records, such as City Council, Successor Agency, and Oversight Board agendas and minutes, ordinances, resolutions, contracts, deeds, and subdivision maps. The City Clerk also accepts and processes requests in accordance with the California Public Records Act, coordinates City board, commission and committee member recruitment activities, and accepts and processes claims against the City and other legal documents.

Last, the City Clerk serves as the City's elections official and administers the election process and oaths of office. The City Clerk also acts as the filing officer for conflict of interest statements filed by City elected and appointed officials and candidate and officeholder campaign filings.

Departmental Workplan

In addition to providing a variety of highly specialized professional responsibilities in the area of agenda and records management, elections, and public records coordination, the City Clerk provides managerial and administrative support in the area of human resources, public information, and risk management. The Department's workplan for FY 2018/19 includes the following:

- **Continued Implementation of Web Services** – The first phase of enhanced web services is complete, which included the upgrade of the City's website and e-subscription services. The second phase involves the webstreaming of Council meetings, making meetings will be available for viewing in real time or at a later date via the web. *Goal/Priority: Implement Operational Initiatives to Enhance City Services*

- **2018 Regular and 2019 Special Elections** - Funding has been set aside for the upcoming November 2018 Election, including a ballot measure for Transient Occupancy Tax (TOT) and a June 2019 Special Election (pending Council direction) as it relates to a local transaction and use tax (sales tax) measure. *Goal/Priority: Maintain Quality of Life for Residents*

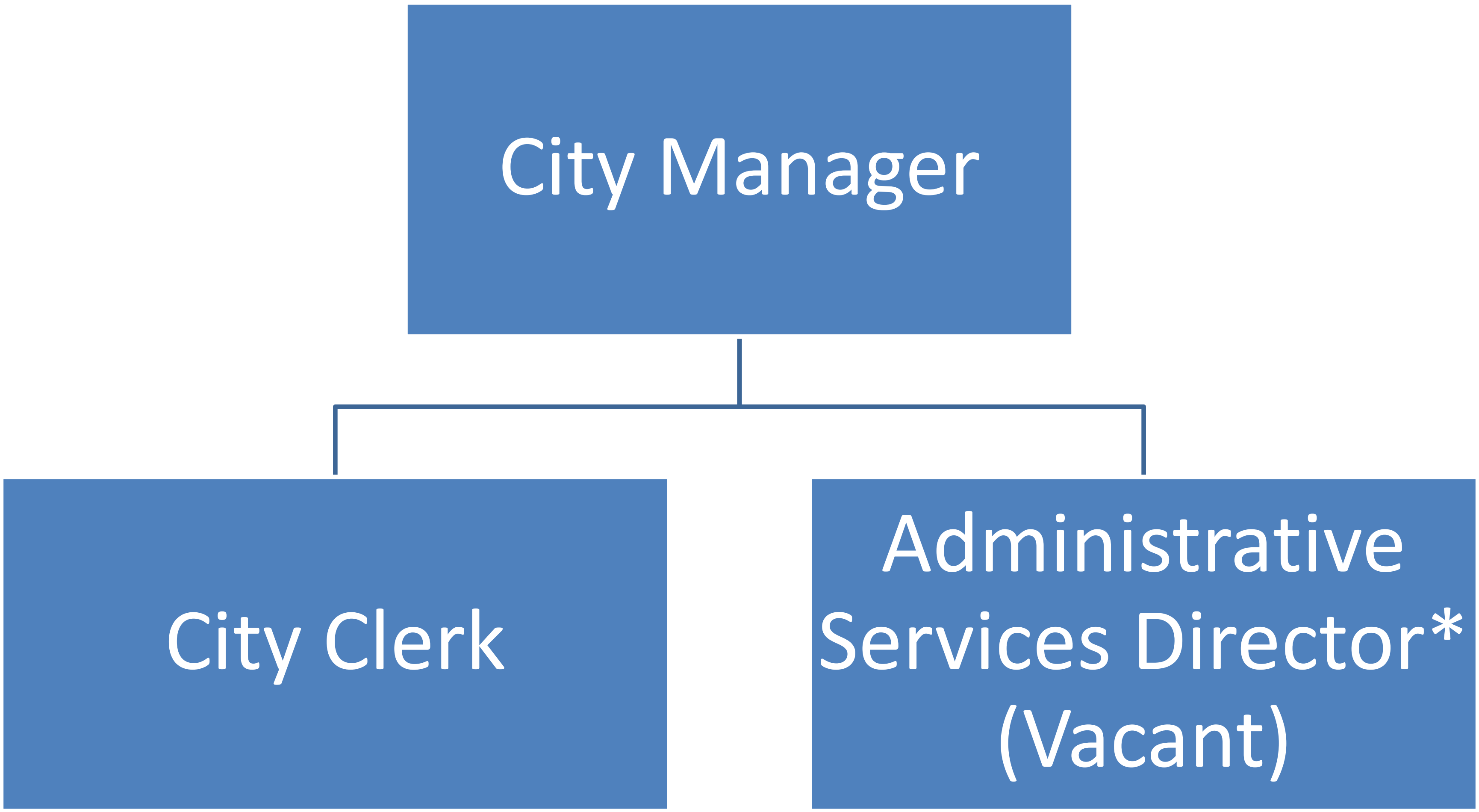
New or Additional Resources Proposed for FY 2018/19

Additional resources are requested in FY 2018/19 to accomplish the Department's workplan:

Description	FY 2018/19 Cost
2019 Special Election –additional funding has been set aside in the event the Council directs a June 2019 Special Election to place a local transaction and use tax (sales tax) measure on the ballot.	$45,000

Description	FY 2018/19 Cost
Webstreaming Services – additional resources have been included in the budget to implement the live streaming of Council meetings. This funding is available due to reduce costs associated with the implementation of the website upgrade.	$12,000 (included in IT Division budget – see Administrative Services Section)

City Manager’s Office



* Administrative Services Director oversees functions of the Administrative Services Department, which includes Finance, Human Resource, Information Technology , and Risk Management

GENERAL FUND
CITY MANAGER AND ADMINISTRATION

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.44.0000.101	SALARIES/WAGES - REGULAR	216,372.13	251,822.00	251,822.00	249,731.00	262,269.00	
001.44.0000.102	SALARIES/WAGES - HOLIDAY	11,610.46	0.00	0.00	0.00	0.00	
001.44.0000.103	SALARIES/WAGES - SICK LEAVE	1,447.38	0.00	0.00	0.00	0.00	
001.44.0000.104	SALARIES/WAGES - VACATION	1,234.71	0.00	0.00	0.00	0.00	
001.44.0000.107	SALARIES/WAGES - TEMPORARY	5,997.60	0.00	0.00	0.00	0.00	
001.44.0000.108	SALARIES/WAGES - C/T TAKEN	3,142.07	0.00	0.00	0.00	0.00	
001.44.0000.203	FICA	18,338.68	14,201.00	14,201.00	12,658.00	14,352.00	
001.44.0000.204	RETIREMENT	68,210.66	80,249.00	80,249.00	76,840.00	93,411.00	
001.44.0000.205	GROUP INSURANCE	39,716.58	43,320.00	43,320.00	42,495.00	43,215.00	
001.44.0000.206	WORKERS' COMPENSATION	375.00	2,882.00	2,882.00	2,502.00	1,490.00	
001.44.0000.209	AUTO ALLOWANCE	2,750.00	0.00	0.00	3,000.00	3,000.00	
001.44.0000.301	OFFICE EXPENSE	889.66	800.00	800.00	1,700.00	1,200.00	
001.44.0000.303	SMALL TOOLS & SUPPLIES	113.00	0.00	0.00	0.00	0.00	
001.44.0000.310	RECRUITMENT	3,296.77	0.00	0.00	0.00	0.00	
001.44.0000.313	OTHER CONTRACTUAL SERVICES	0.00	5,000.00	5,000.00	9,500.00	50,000.00	
	Special Election in 2019						45,000
	Other						5,000
001.44.0000.314	INSURANCE & SURETY BONDS	0.00	100.00	100.00	100.00	100.00	
001.44.0000.315	MEMBERSHIPS & DUES	1,865.00	1,000.00	1,000.00	1,500.00	1,500.00	
001.44.0000.316	TRAVEL/CONFERENCES/MEETINGS	4,379.86	5,000.00	5,000.00	3,000.00	5,000.00	
001.44.0000.322	TRAINING & EDUCATION	0.00	500.00	500.00	0.00	500.00	
001.44.0000.402	MAINT & OPERATION OF EQMT	88.45	0.00	0.00	0.00	0.00	
001.44.0000.403	MAINT & OPERATION OF VEHICLE	57.00	0.00	0.00	0.00	0.00	
	EXPENDITURE TOTAL	379,885.01	404,874.00	404,874.00	403,026.00	476,037.00	

Administrative Services Department

Overview

The Administrative Services Department provides the following functions under the direction of an Administrative Services Director:

1. **Finance (Division 45**) - receives all income, prepares checks for payment of all expenses, and is responsible for investing City surplus funds; processes grant records and claims, sewer service fees, business license fees and other miscellaneous billings; handles payroll and accounts payable functions for the City; maintains records of all income and expenditures for all funds; and, prepares the City's Comprehensive Annual Financial Report and other financial reports as necessary for operating departments, the City Council, and local, state and federal agencies; accounts for all activities associated with the City of Scotts Valley Successor Agency, and prepares the necessary reports for the review and approval of the Successor Agency's oversight board and the California Department of Finance; and, participates in preparing the budget for recommendation to the City Council under the direction of the City Manager.
2. **Human Resources and Administration (Division 46)** – handles all aspects of human resources management, including: labor relations; classification, compensation and benefits programs; updating personnel rules and policies to ensure compliance with State and Federal employment laws and regulations; oversight and support for recruiting functions administered by operating departments; consultation and advice regarding employee disciplinary and employment liability issues; and, overseeing the employee assistance program.
3. **Information Technology (Division 47)** – provides overall strategic direction and implementation of the City's use of information technology tools; manages the contract with a technology support vendor for help desk support and network, telecommunications, server and systems administration. The Department relies on the assistance of the Police Department in managing the day-to-day support and information security needs.
4. **Risk Management (Division 48)** – administers the City's risk management programs, including workers compensation, liability and property insurance through the Monterey Bay Area Self-Insurance Authority risk management JPA.

Staffing Summary

Position	Actual 2014/15	Actual 2015/16	Actual 2016/17	Approved 2017/18	Proposed 2018/19
Deputy City Manager / Administrative Services Director	0.90	0.90	-	-	-
Administrative Services Director	-	-	0.80	0.80	1.00
Accountant II	1.00	1.00	1.00	1.00	1.00
Accountant I	-	-	1.00	1.00	1.00
Senior Accounting Technician	1.00	1.00	-	-	-
Accounting Assistant	0.85	0.85	0.85	0.85	0.85
Total FTE	3.75	3.75	3.65	3.65	3.85

Departmental Workplan

The Department's workload includes a variety of tasks and projects, some that are recurring activities consistent from year to year, and others that are project-based work that vary. Recurring activities such as payroll processing, accounts payable, financial reporting, benefits administration, server maintenance and updating the assets covered through risk management activities are assumed in the baseline activities of the department. Forces that may impact the department's workplan include changes in policy direction and needs of the City Council and the City's operating departments, changes in regulations that impact how financial activities are tracked and reported, and impacts from state legislation.

The Department's workplan for FY 2018/19 includes the following:

Finance (Division 45)

- **Wastewater Rate Implementation** – based on the results of a rate study for wastewater operations, the department will continue to implement the wastewater rates approved by the City Council in FY 2017/18, submitting annual wastewater amounts for property owners through Santa Cruz County's Tax Collector, and will work with Community Development and Public Works to administer and collect the updated wastewater capacity fees associated with new developments. *Goal/Priority: Public infrastructure; fiscal sustainability*
- **CAFR Preparation and Audit** – upon closing and reconciling the City's general ledger, the department will prepare the City's CAFR and will coordinate the audit of the CAFR through an independent certified public accountant. There are several new Governmental Accounting Standards Board (GASB) pronouncements that will require implementation in the FY 2017/18 CAFR, including new methods of reporting pension obligations. The department will work with the City's CPA firm to ensure the proper accounting and disclosure of financial information is presented in the CAFR. The department does not anticipate changing CPA firms in this fiscal year. *Goal/Priority: Fiscal sustainability*
- **Fiscal Sustainability Plan Implementation** –working under the direction of the City Manager, the department will provide assistance to the City Manager, guidance to operating departments, and fiscal analysis in implementing the budget strategies selected to provide fiscal sustainability to the City and its General Fund. *Goal/Priority: Fiscal sustainability*
- **Annual Budget Preparation and Implementation** – working under the direction of the City Manager, the department will further the implementation of the budget process by coordinating budget preparation in a

collaborative fashion with operating departments, culminating in public hearings and the ultimate approval of the FY 2019/20 annual budget. *Goal/Priority: Fiscal sustainability*

- **Actuarial Analysis of Post-Retirement Benefit Obligations** – the City is required to conduct an actuarial analysis of its post-employment benefit obligations at least biannually. The last actuarial analysis was performed in January 2016 for FY 2016/17 and 2017/18. Finance will hire an actuary to prepare an actuarial analysis on the City's post-retirement healthcare benefit plan for FY 2018/19 and FY 2019/20. *Goal/Priority: Fiscal sustainability*
- **Citywide Fee Study/Cost Allocation Plan** – the City is conducting a comprehensive fee study and cost allocation plan. The department will need to implement the recommendations and actions taken by the City Council for any new or increased fees as a result of the study. *Goal/Priority: Fiscal sustainability*

Human Resources and Administration (Division 46)

- **Labor Relations/Negotiations** – labor agreements with the Police Officers Association (POA), Police Supervisors' Association (PSA), SEIU Local 521, and Mid-Management Association are underway and should be completed by the end of the fiscal year. *Goal/Priority: Fiscal sustainability; operational efficiency*

Information Technology (Division 47)

- **Citywide Telephone System** – replacement of the City's aging phone and voicemail system, which will include rewiring certain buildings to support the needs of today's IP-based telephone systems. *Goal/Priority: Operational initiatives to enhance public safety and community engagement efforts*
- **Strategic Technology Master Plan** – Department will provide support to the City Manager's Office in coordinating the development of a strategic technology master plan to identify citywide systems and technology to enhance services and potentially reduce costs. *Goal/Priority: Operational initiatives to enhance community engagement efforts*

Risk Management

- No specific workplan items outside of recurring activities

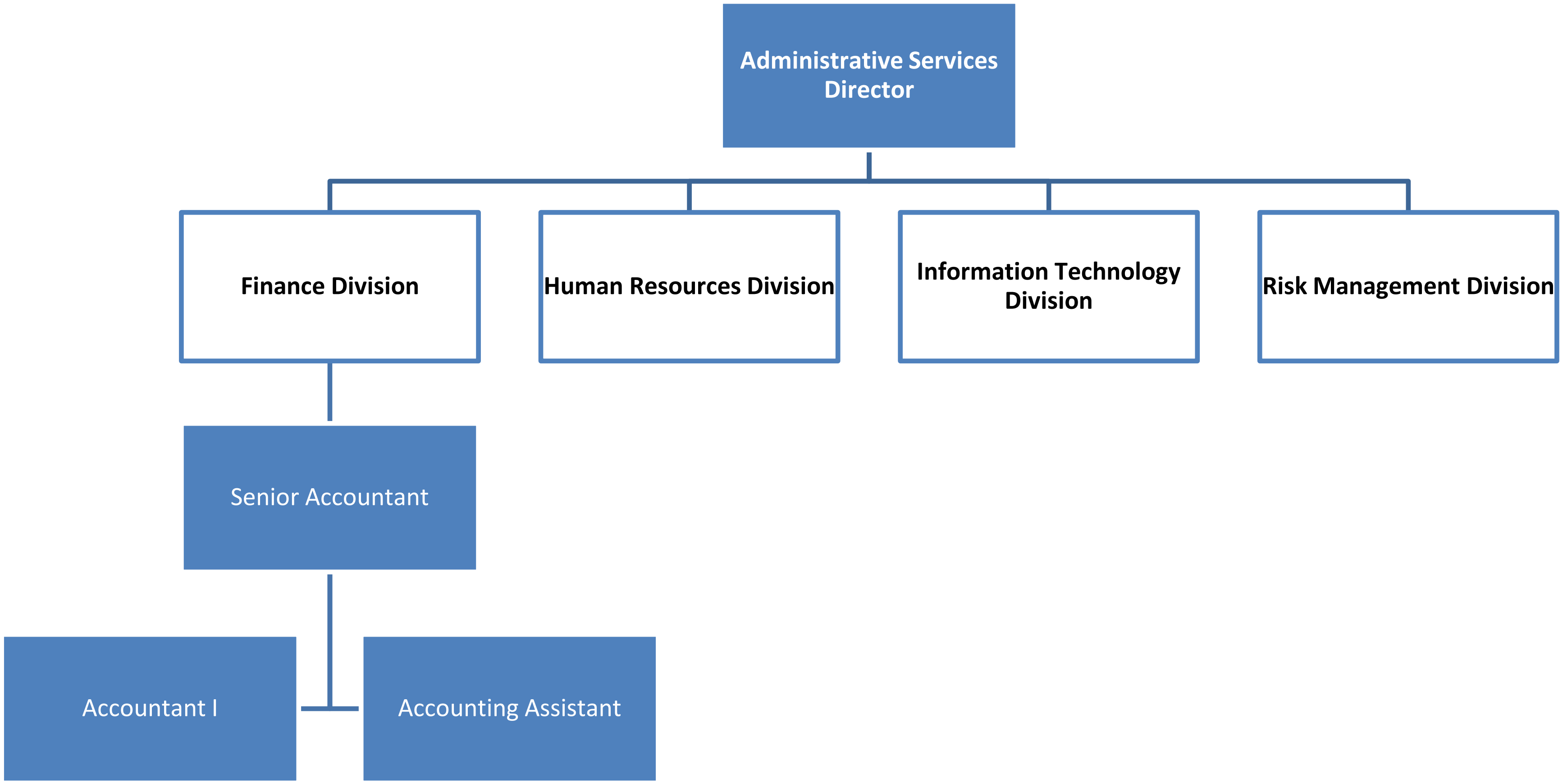
New or Additional Resources Proposed for FY 2018/19

The following new or additional resources are requested in FY 2018/19 in order for the department to accomplish its workplan.

Description	FY 2018/19 Cost
Actuarial Consulting Services – hiring an actuarial firm to prepare an actuarial analysis of the City's post-retirement healthcare benefit plan for FY 2018/19 and 2019/20, including related GASB 68 reports required for the CAFR.	$25,000
Storage Area Network Integration – upgrade and enhance the City's network storage	$95,000 (in General CIP and WWTP funds)
Citywide Technology Updates – upgraded desktop computers and operating systems, servers and server operating systems	$35,000 (in General CIP and WWTP funds)

Description	FY 2018/19 Cost
Citywide Telephone System – capital purchase project to upgrade the City's outdated and unsupported telephone and voicemail system	$193,800 (in General CIP and WWTP funds)

ADMINISTRATIVE SERVICES DEPARTMENT



GENERAL FUND
ADMINISTRATIVE SERVICES - FINANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.45.0000.101	SALARIES/WAGES - REGULAR	149,042.03	306,811.00	281,811.00	195,554.00	362,316.00	
001.45.0000.102	SALARIES/WAGES - HOLIDAY	10,990.98	0.00	0.00	0.00	0.00	
001.45.0000.103	SALARIES/WAGES - SICK LEAVE	8,169.91	0.00	0.00	0.00	0.00	
001.45.0000.104	SALARIES/WAGES - VACATION	16,351.79	0.00	0.00	0.00	0.00	
001.45.0000.107	SALARIES/WAGES - TEMPORARY	7,645.23	16,290.00	16,290.00	4,400.00	7,200.00	
001.45.0000.108	SALARIES/WAGES - C/T TAKEN	3,264.06	0.00	0.00	0.00	0.00	
001.45.0000.203	FICA	14,547.45	24,717.00	24,717.00	15,040.00	26,306.00	
001.45.0000.204	RETIREMENT	58,223.78	97,541.00	97,541.00	62,750.00	128,328.00	
001.45.0000.205	GROUP INSURANCE	82,364.83	113,928.00	113,928.00	75,465.00	103,014.00	
001.45.0000.206	WORKERS' COMPENSATION	838.00	8,933.00	8,933.00	7,766.00	4,620.00	
001.45.0000.301	OFFICE EXPENSE	10,293.17	10,500.00	10,500.00	8,680.00	10,500.00	
001.45.0000.302	SPECIAL DEPARTMENT EXPENSE	435.00	440.00	440.00	865.00	870.00	
001.45.0000.303	SMALL TOOLS & SUPPLIES	0.00	0.00	0.00	10.00	0.00	
001.45.0000.310	RECRUITMENT	271.16	1,500.00	1,500.00	700.00	1,500.00	
001.45.0000.312	PROFESSIONAL/SPECIALIZED SVC	163,325.66	42,000.00	92,000.00	81,900.00	21,000.00	
	Independent Audit						17,000
	Actuarials						4,000
001.45.0000.313	OTHER CONTRACTUAL SERVICES	2,600.00	65,720.00	65,720.00	67,150.00	10,500.00	
	HDL Reports						8,000
	Misc Financial Reports						2,500
001.45.0000.315	MEMBERSHIPS & DUES	190.00	190.00	190.00	355.00	600.00	
001.45.0000.316	TRAVEL/CONFERENCES/MEETINGS	194.64	100.00	100.00	10.00	5,100.00	
001.45.0000.322	TRAINING & EDUCATION	256.00	500.00	500.00	680.00	650.00	
001.45.0000.349	MISCELLANEOUS	112.00	0.00	0.00	0.00	0.00	
001.45.0000.402	MAINT & OPERATION OF EQMT	2,153.00	2,000.00	2,000.00	1,875.00	2,000.00	
	EXPENDITURE TOTAL	531,268.69	691,170.00	716,170.00	523,200.00	684,504.00	

GENERAL FUND
ADMINISTRATIVE SERVICES - HUMAN RESOURCES/OTHER ADMIN

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.46.0000.101	SALARIES/WAGES - REGULAR	0.00	0.00	0.00	0.00	0.00
001.46.0000.102	SALARIES/WAGES - HOLIDAY	0.00	0.00	0.00	0.00	0.00
001.46.0000.103	SALARIES/WAGES - SICK LEAVE	0.00	0.00	0.00	0.00	0.00
001.46.0000.104	SALARIES/WAGES - VACATION	0.00	0.00	0.00	0.00	0.00
001.46.0000.108	SALARIES/WAGES - C/T TAKEN	0.00	0.00	0.00	0.00	0.00
001.46.0000.203	FICA	0.00	0.00	0.00	0.00	0.00
001.46.0000.204	RETIREMENT	0.00	0.00	0.00	0.00	0.00
001.46.0000.205	GROUP INSURANCE	0.00	0.00	0.00	0.00	0.00
001.46.0000.206	WORKERS' COMPENSATION	0.00	0.00	0.00	0.00	0.00
001.46.0000.207	UNEMPLOYMENT INSURANCE	0.00	5,000.00	5,000.00	4,720.00	5,000.00
001.46.0000.210	SUPPLEMENTAL SERVICES	0.00	600.00	600.00	0.00	600.00
001.46.0000.301	OFFICE EXPENSE	0.00	0.00	0.00	0.00	0.00
001.46.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	0.00	0.00
001.46.0000.303	SMALL TOOLS & SUPPLIES	0.00	1,500.00	1,500.00	0.00	1,500.00
001.46.0000.310	RECRUITMENT	0.00	3,000.00	3,000.00	0.00	3,000.00
001.46.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	75,000.00	75,000.00	75,000.00	0.00
001.46.0000.313	OTHER CONTRACTUAL SERVICES	0.00	1,200.00	1,200.00	0.00	1,200.00
001.46.0000.315	MEMBERSHIPS & DUES	0.00	0.00	0.00	0.00	0.00
001.46.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	0.00	0.00	0.00	0.00
001.46.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	0.00	0.00
001.46.0000.349	MISCELLANEOUS	0.00	5,500.00	5,500.00	0.00	5,500.00
001.46.0000.402	MAINT & OPERATION OF EQMT	0.00	0.00	0.00	0.00	0.00
	EXPENDITURE TOTAL	0.00	91,800.00	91,800.00	79,720.00	16,800.00

GENERAL FUND
ADMINISTRATIVE SERVICES - INFORMATION TECHNOLOGY

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.47.0000.306	COMMUNICATIONS	0.00	29,000.00	29,000.00	29,000.00	32,000.00	
	AT&T Fiber						18,000
	Comcast Fiber						14,000
001.47.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	0.00	0.00	0.00	25,000.00	
	Website Hosting, Maintenance and Streaming						25,000
001.47.0000.313	OTHER CONTRACTUAL SERVICES	0.00	71,500.00	71,500.00	71,500.00	72,000.00	
	Information Technology Services						56,500
	GFS Software Service						15,500
001.47.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	0.00	0.00	
001.47.0000.349	MISCELLANEOUS	0.00	6,900.00	6,900.00	6,500.00	15,000.00	
001.47.0000.402	MAINT & OPERATION OF EQMT	0.00	11,790.00	11,790.00	11,790.00	12,500.00	
	EXPENDITURE TOTAL	0.00	119,190.00	119,190.00	118,790.00	156,500.00	

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
ADMINISTRATIVE SERVICES - RISK MANAGEMENT

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.48.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	0.00	0.00	0.00	0.00	
001.48.0000.313	OTHER CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00	
001.48.0000.314	INSURANCE & SURETY BONDS	0.00	118,100.00	118,100.00	111,725.00	234,773.00	
	Liability Insurance						216,260
	Property Insurance						16,513
	Deductibles/Self-Insurance						2,000
001.48.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	0.00	0.00	0.00	0.00	
001.48.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	0.00	0.00	
	EXPENDITURE TOTAL	0.00	118,100.00	118,100.00	111,725.00	234,773.00	

Police Department

Overview

The Police Department provides public safety for the Scotts Valley community through community partnerships, proactive law enforcement and professionalism. Under the Office of the Police Chief, the department is organized into two divisions: Operations and Services. Operations encompass uniformed patrol services, whereas the Services division is comprised of the Investigation Unit and Communications/Records.

The department employs crime prevention strategies that include community awareness and education, proactive targeted enforcement of problem areas, and community oriented policing. Connecting to the community and building public trust is paramount. The department facilitates this connection through daily interactions, teaching DARE in schools, police department tours, neighborhood watch programs, foot patrols, social media, and many other community outreach programs.

The department maintains a high level of training for its sworn and non-sworn employees. This is accomplished with departmental instructors, web-based training, and external training classes. The department also supports other city departments in their overall goals and objectives of making this a safe community to live and work.

Staffing Summary

	Actual			Approved	Proposed
Position	2014/15	2015/16	2016/17	2017/18	2018/19
Chief of Police	1.00	1.00	1.00	1.00	1.00
Lieutenant	2.00	2.00	2.00	2.00	2.00
Sergeant	5.00	5.00	5.00	5.00	5.00
Detective	1.00	1.00	1.00	2.00	2.00
Juvenile Officer	1.00	1.00	1.00	-	-
School Resource Officer	1.00	1.00	1.00	1.00	1.00
Patrol Officer	6.00	6.00	6.00	6.00	7.00
Traffic Officer	2.00	2.00	2.00	2.00	2.00
Administrative Secretary III/Analyst	1.00	1.00	1.00	1.00	1.00
Services Super/Proj. Mgr.	1.00	1.00	1.00	1.00	1.00
Emergency Dispatch Clerk II	2.00	2.00	2.00	2.00	2.00
Emergency Dispatch Clerk I	4.00	4.00	4.00	4.00	4.00
Total FTE	27.00	27.00	27.00	27.00	28.00

Departmental Workplan

The Police Department's workload remains consistent from year to year. These typical recurring activities are assumed in the baseline activities of the department. Forces that may impact the department's workplan include changes in laws and policies, new technology, work force levels, and personnel development.

The Police Department's workplan for FY 2018/19 includes the following:

- **Patrol Operations** – this is the department's largest commitment of resources and personnel. Through uniformed patrols, officers respond to calls for service and conduct self-initiated activities to bring safety and a high quality of life to citizens of Scotts Valley, including Scotts Valley schools. *Goal/Priority: Public safety; emergency operations; community engagement*
- **Communications** – the department maintains an independent PSAP (Public Safety Answering Point), or dispatch center. Often the first point of contact for individuals in crisis, our dispatchers triage priority and non-priority calls and dispatch officers accordingly. In the FY 2018/2019, the department will be implementing radio upgrades by identifying and building a new radio tower. *Goal/Priority: Public safety communications; employee safety; emergency operations*
- **Community Outreach Programs** – the department will continue its outreach into the community by partnering with other Scotts Valley organizations, offering crime prevention education, and through social media. The department will continue to use social media, such as Facebook, Nixle and NextDoor to keep our community informed. The department's Facebook page is the most followed governmental site in Scotts Valley. The department's personnel also organize and work annual charity events: Holiday Toy Drive and DARE Golf Tournament. *Goal/Priority: Community engagement*

- **Body Worn Camera Program** – the department will be researching and implementing body worn cameras for uniformed personnel. The cameras will foster continuing public trust and transparency while assisting officers in gathering evidence and reducing liability.

Goal/Priority: Public safety; employee safety; customer-focused technology; operational efficiencies.

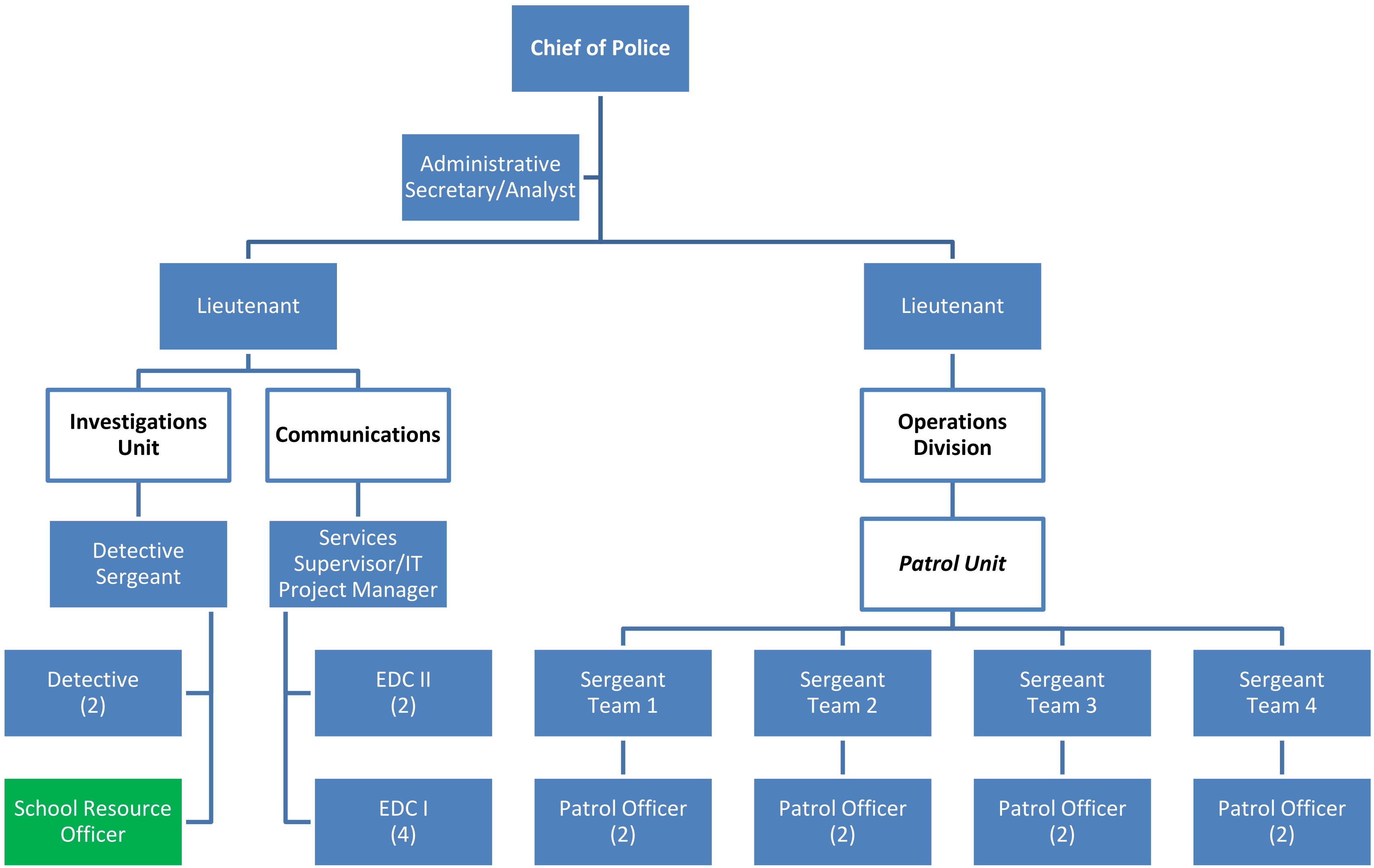
- **Recruitment** – the department will continue to seek out and hire highly qualified officers and dispatchers. The department will continue its aggressive recruitment program to attract and hire the best possible employees for this department. *Goal/Priority: Public safety; employee safety; operational efficiencies.*
- **Personnel Development** – the department will develop existing personnel for more responsibilities and advancement. The department will focus on outside training opportunities for existing personnel so they can develop their skills and prepare to take on more responsibilities. Additionally, the department will update its in-service training program and technology. *Goal/Priority: Public safety; employee safety; operational efficiencies.*
- **Policy** – the department will update its department policy manual reflecting current case law and best practices. *Goal/Priority: Public safety; operational efficiencies.*
- **Emergency Operations Planning** – the department will update the Emergency Operations Plan addressing any changes to personnel and contact information. The department will conduct a city-wide Emergency Operations Center training and exercise to better prepare for potential major disasters, such as earthquakes. *Goal/Priority: Public safety; emergency operations.*

New or Additional Resources Proposed for FY 2018/19

The following new or additional resources are requested in FY 2018/19 in order for the department to accomplish its workplan.

Description	FY 2018/19 Cost
Patrol Operations – hiring a full time School Resource Officer (SRO) to replace ½ time SRO who will retire at end of school year 2017/18	$101,738

Scotts Valley Police Department



GENERAL FUND
POLICE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.51.0000.101	SALARIES/WAGES - REGULAR	1,920,594.27	2,393,715.00	2,393,715.00	2,432,255.00	2,502,168.00	
001.51.0000.102	SALARIES/WAGES - HOLIDAY	141,577.23	0.00	0.00	0.00	0.00	
001.51.0000.103	SALARIES/WAGES - SICK LEAVE	102,873.51	0.00	0.00	0.00	0.00	
001.51.0000.104	SALARIES/WAGES - VACATION	171,600.23	0.00	0.00	0.00	0.00	
001.51.0000.107	SALARIES/WAGES - TEMPORARY	46,994.34	12,390.00	115,990.00	100,000.00	16,230.00	
	Reserves						8,400
	Youth Work Program						7,830
001.51.0000.108	SALARIES/WAGES - C/T TAKEN	40,805.73	0.00	0.00	0.00	0.00	
001.51.0000.109	SALARIES/WAGES - OVERTIME	121,269.02	131,500.00	131,500.00	131,500.00	133,500.00	
	Sworn Personnel						109,000
	Non-Sworn Personnel						24,500
001.51.0000.202	PARS-ARS	42.90	0.00	0.00	75.00	0.00	
001.51.0000.203	FICA	189,933.23	192,817.00	192,817.00	200,546.00	200,539.00	
001.51.0000.204	RETIREMENT	913,309.74	939,689.00	939,689.00	932,276.00	1,034,288.00	
001.51.0000.205	GROUP INSURANCE	702,491.22	798,103.00	798,103.00	734,924.00	763,288.00	
001.51.0000.206	WORKERS' COMPENSATION	22,000.00	161,364.00	161,364.00	147,010.00	87,455.00	
001.51.0000.208	UNIFORM ALLOWANCE	20,670.08	20,000.00	20,000.00	24,440.00	20,300.00	
001.51.0000.301	OFFICE EXPENSE	12,115.81	14,300.00	14,300.00	14,300.00	14,515.00	
001.51.0000.302	SPECIAL DEPARTMENT EXPENSE	26,258.47	30,450.00	30,450.00	30,450.00	30,900.00	
001.51.0000.303	SMALL TOOLS & SUPPLIES	5,901.33	5,650.00	5,650.00	5,650.00	5,740.00	
001.51.0000.306	COMMUNICATIONS	34,176.50	30,200.00	30,200.00	30,200.00	30,650.00	
001.51.0000.308	RENT & LEASE EXPENSE	4,430.87	4,050.00	4,050.00	4,050.00	4,110.00	
001.51.0000.310	RECRUITMENT	40,652.44	15,300.00	15,300.00	15,300.00	15,530.00	
001.51.0000.313	OTHER CONTRACTUAL SERVICES	4,008.94	3,450.00	3,450.00	3,450.00	3,500.00	
001.51.0000.315	MEMBERSHIPS & DUES	3,985.28	2,050.00	2,050.00	2,050.00	2,080.00	
001.51.0000.316	TRAVEL/CONFERENCES/MEETINGS	1,181.52	1,170.00	1,170.00	1,170.00	1,190.00	
001.51.0000.322	TRAINING & EDUCATION	53,404.68	45,700.00	70,700.00	70,700.00	70,000.00	
001.51.0000.402	MAINT & OPERATION OF EQMT	69,035.56	40,600.00	40,600.00	40,600.00	41,200.00	
001.51.0000.403	MAINT & OPERATION OF VEHICLE	63,046.71	76,100.00	76,100.00	76,100.00	77,250.00	
001.51.0000.701	CONTRIBUTIONS	36,577.68	28,450.00	35,550.00	37,000.00	37,000.00	
001.51.0000.910	OFFICE EQMT & FURNITURE	9,256.90	5,075.00	5,075.00	5,075.00	5,150.00	

GENERAL FUND
POLICE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
	SUB-TOTAL	4,758,194.19	4,952,123.00	5,087,823.00	5,039,121.00	5,096,583.00
SVPD CANINE UNIT						
001.51.3580.302	SPECIAL DEPARTMENT EXPENSE	7,006.93	0.00	0.00	2,920.00	3,000.00
001.51.3580.322	TRAINING & EDUCATION	1,040.00	0.00	0.00	2,450.00	2,500.00
	SUB-TOTAL	8,046.93	0.00	0.00	5,370.00	5,500.00
	EXPENDITURE TOTAL	4,766,241.12	4,952,123.00	5,087,823.00	5,044,491.00	5,102,083.00

GENERAL FUND
ANIMAL CONTROL

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.52.0000.313	OTHER CONTRACTUAL SERVICES	118,136.00	120,000.00	120,000.00	116,800.00	120,000.00
	EXPENDITURE TOTAL	118,136.00	120,000.00	120,000.00	116,800.00	120,000.00

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
EMERGENCY SERVICES

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.53.0000.301	OFFICE EXPENSE	0.00	0.00	0.00	150.00	0.00	
001.53.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	40.00	300.00	
001.53.0000.303	SMALL TOOLS & SUPPLIES	0.00	0.00	0.00	90.00	0.00	
001.53.0000.306	COMMUNICATIONS	999.24	1,240.00	1,240.00	1,240.00	1,260.00	
001.53.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	0.00	0.00	25.00	100.00	
001.53.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	900.00	1,000.00	
001.53.0000.701	CONTRIBUTIONS	34,960.23	35,150.00	44,350.00	44,350.00	45,000.00	
	Winter Shelter Program						
	HAP Consultant						
	United Way						
	Community Technology						
	Ten-Year Strategic Plan						
001.53.0000.705	CONTRIBUTIONS/SOCIAL SERVICE	48,976.50	56,651.00	56,651.00	56,650.00	58,000.00	
	Community Service Organizations						57,000
	Arts Council						1,000
	EXPENDITURE TOTAL	84,935.97	93,041.00	102,241.00	103,445.00	105,660.00	

Planning and Building Department

Overview

The Planning and Building Department plays a key role in shaping the future of urban development in the City of Scotts Valley. The Planning Department provides policy recommendations to the City Manager, Planning Commission and City Council. The Department develops guiding policies in the City's General Plan and reviews new construction through zoning, subdivision regulations, community design guidelines and review of building permits and code enforcement issues. Planning involves the complex interaction of individuals, neighborhood groups, business organizations, environmental groups, land developers and contractors.

The Building Division is responsible for overseeing all construction activities including compliance with the Building, Electrical and Plumbing Codes. The Building Division reviews proposed construction plans for conformance to code requirements and monitors construction activities on a continuing basis to ensure structural integrity and safety. The Division identifies violations and necessitates corrections. The Division also provides information, processing, issuance and administration of all building permits. Generating reports and providing data to various agencies is also an important function of the Building Division.

Staffing Summary

	Actual			Approved	Proposed
Position	2014/15	2015/16	2016/17	2017/18	2018/19
Planning					
Community Development Director	1.00	1.00	1.00	1.00	1.00
Principal Planner	-	1.00	-	-	-
Senior Planner	2.00	1.00	1.00	1.00	1.00
Assistant Planner	-	-	1.00	1.00	1.00
Administrative Secretary II	0.50	0.50	-	-	-
Total Planning	3.50	3.50	3.00	3.00	3.00
Building					
Building Inspector	-	-	-	-	-
Sr Building Inspector/ Code Enforcement Officer	1.00	1.00	1.00	1.00	1.00
Sr. Building Permit Technician			1.00	1.00	1.00
Subtotal Building	1.00	1.00	2.00	2.00	2.00
Total FTE	4.50	4.50	5.00	5.00	5.00

Departmental Work Plan

Planning will continue to provide recurring land use and planning services to the general public, the department will also provide application processing for high priority economic development based projects, as guided by the community leaders. These services include: Administrative, Current Planning, Comprehensive Planning and Planning Management Support.

Building will continue to interface with the public and assist citizens with questions regarding the use of their property and administer all of the Building Permit workflow including application submittal, routing plans, tracking comments, plan checking, calculate fees, issue permits, maintain historical records, conduct construction inspections, prepare inspection reports, write notices of violations and issue certificates of occupancy.

The Department's work plan for FY 2018/19 includes the following:

- **General Plan Update** – The City's General Plan is the citizens' "blueprint" for development; the guide to achieving Scotts Valley's vision. California law requires each local government to adopt a General Plan, which must contain at least seven elements: Land Use, Transportation, Housing, Conservation, Noise, Open Space and Safety. This project will require hours of staff research, meetings and public workshops. The comprehensive modernization of the General plan is estimated to be completed by the end 2019.
- **1440 Multiversity** – Phase I construction is nearing completion.
- **Marriott Hotel** – Grading and building permits are expected to be issued within the fiscal year for the 120 room hotel. This project will require inspections throughout the Building Permit phase.
- **Former Lexington Hotel** – the 128 room hotel is under construction. Staff continues to conduct building inspections.
- **Housing Developments in-progress** – monitoring, building permits and inspections from Planning and Building include: Pinnacle View/20 townhomes, Polo Ranch/40 homes, The Grove/50 condominiums, The Cove/25 town homes, The Terrace 19/ town homes
- **Commercial buildings** – anticipated construction for spring 2019 includes: The Cove with 5,000 square feet, The Hangar with 15,000 square feet.
- **Minor Land Subdivisions** – several are in review for properties on Blake Lane and Nashua Drive with anticipated construction beginning in early 2019.
- **Review and update City Zoning Ordinance** – for Accessory Dwelling Units and Cell Towers.
- **City Website upgrades –** Planning and Building Department web pages will be revised as part of the overall design of the City's new website.
- **Shared Building Services** – coordinate as needed to implement a contract (pending approval of the City Council) with the City of Capitola for shared building official services.

Council Goals / Priorities

- **Code Enforcement –** explore solutions to address code enforcement issues. (Quality of Life)
- **Affordable Housing –** research options to address and identify best practices. (Quality of Life)
- **Building Design Standards –** conduct a review of design standards. (Quality of Life)
- **Permitting Activities –** explore business-friendly processes to expedite permitting activities. (Business Development)

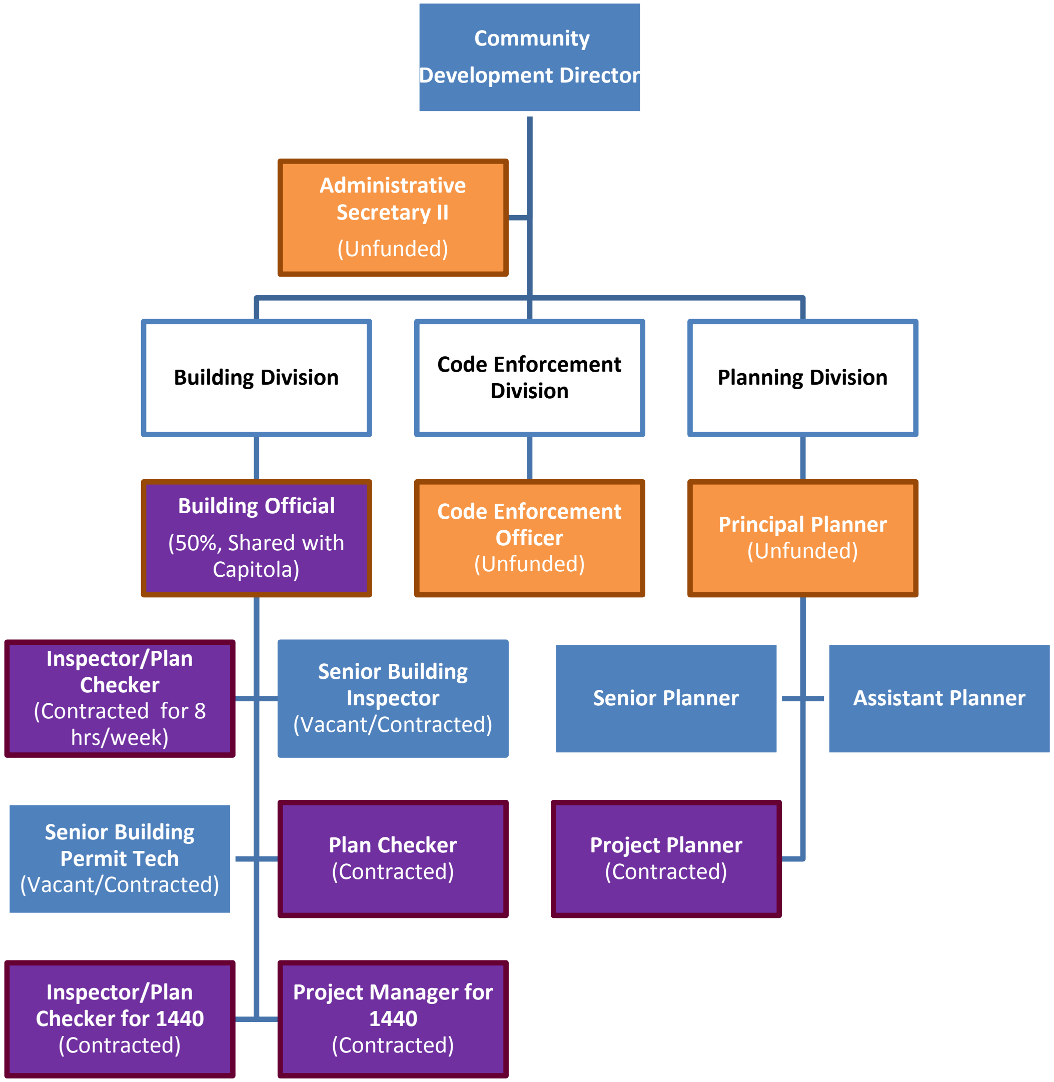
- **On-line Permitting Options –** Managers office will lead and develop a citywide strategic Technology Plan. (Operational Initiatives)

New or Additional Resources Proposed for FY 2018/19

The following new or additional resources are requested in FY 2018/19 in order for the department to accomplish its work plan.

Description	FY 2018/19 Cost
Building Inspection Consulting Services – additional consulting services are required in order for the Building Division to perform plan check and inspection services for anticipated development projects. The additional funds will provide the capacity to provide improved turnaround times on plan check services that are within the City's control, as well as maintain the current targeted turnaround time on inspections of no greater than 24 hours. These costs are partially offset by anticipated permit fees and charges.	$495,000
Chief Building Official - additional resources needed for the provision of shared building official services (part-time) with the City of Capitola; contract building official services will be provided by CSG on an interim basis until the shared service contract has been implemented.	$125,000
Affordable Housing Best Practices Review – obtain consultant services as needed to assist it the development of affordable housing solutions, including but not limited to the development or amendments assessment of city ordinances or programs.	$25,000
Building Design Review – assessment of City building design standards and evaluate need to update or modify to reflect best practices.	$25,000

Community Development Department



CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
COMMUNITY DEVELOPMENT - PLANNING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.61.0000.101	SALARIES/WAGES - REGULAR	222,747.47	287,238.00	287,238.00	293,985.00	300,106.00	
001.61.0000.102	SALARIES/WAGES - HOLIDAY	15,417.01	0.00	0.00	0.00	0.00	
001.61.0000.103	SALARIES/WAGES - SICK LEAVE	9,569.83	0.00	0.00	0.00	0.00	
001.61.0000.104	SALARIES/WAGES - VACATION	16,987.11	0.00	0.00	0.00	0.00	
001.61.0000.107	SALARIES/WAGES - TEMPORARY	6,465.09	0.00	0.00	4,000.00	10,000.00	
001.61.0000.108	SALARIES/WAGES - C/T TAKEN	7,624.83	0.00	0.00	0.00	0.00	
001.61.0000.203	FICA	21,257.57	21,974.00	21,974.00	22,448.00	23,031.00	
001.61.0000.204	RETIREMENT	90,846.24	91,371.00	91,371.00	100,475.00	106,725.00	
001.61.0000.205	GROUP INSURANCE	93,750.53	96,319.00	96,319.00	92,340.00	87,427.00	
001.61.0000.206	WORKERS' COMPENSATION	750.00	5,763.00	5,763.00	5,004.00	2,980.00	
001.61.0000.208	UNIFORM ALLOWANCE	0.00	250.00	250.00	0.00	250.00	
001.61.0000.301	OFFICE EXPENSE	1,724.35	1,500.00	1,500.00	1,000.00	1,500.00	
001.61.0000.302	SPECIAL DEPARTMENT EXPENSE	742.50	750.00	750.00	750.00	750.00	
001.61.0000.303	SMALL TOOLS & SUPPLIES	48.43	175.00	175.00	0.00	175.00	
001.61.0000.312	PROFESSIONAL/SPECIALIZED SVC	6,572.80	10,000.00	10,000.00	8,000.00	10,000.00	
	Contract Planning Services						9,000
	Triaxal Data-Data Base Update						500
	Zoning/General Plan Update						500
001.61.0000.313	OTHER CONTRACTUAL SERVICES	2,500.00	4,000.00	4,000.00	2,000.00	4,000.00	
001.61.0000.315	MEMBERSHIPS & DUES	510.00	2,500.00	2,500.00	1,500.00	2,500.00	
	3 APA						1,350
	ICMA						1,000
	AEP						150
001.61.0000.316	TRAVEL/CONFERENCES/MEETINGS	1,561.96	4,000.00	4,000.00	3,000.00	5,000.00	
	State APA						2,500
	Other						2,500
001.61.0000.322	TRAINING & EDUCATION	505.00	2,000.00	2,000.00	2,000.00	5,000.00	
001.61.0000.402	MAINT & OPERATION OF EQMT	0.00	250.00	250.00	150.00	250.00	
001.61.0000.403	MAINT & OPERATION OF VEHICLE	115.22	400.00	400.00	300.00	400.00	
	EXPENDITURE TOTAL	499,695.94	528,490.00	528,490.00	536,952.00	560,094.00	

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
COMMUNITY DEVELOPMENT - BUILDING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.62.0000.101	SALARIES/WAGES - REGULAR	0.00	135,935.00	135,935.00	0.00	134,808.00
001.62.0000.102	SALARIES/WAGES - HOLIDAY	0.00	0.00	0.00	0.00	0.00
001.62.0000.103	SALARIES/WAGES - SICK LEAVE	0.00	0.00	0.00	0.00	0.00
001.62.0000.104	SALARIES/WAGES - VACATION	0.00	0.00	0.00	0.00	0.00
001.62.0000.107	SALARIES/WAGES - TEMPORARY	0.00	0.00	0.00	0.00	7,200.00
001.62.0000.108	SALARIES/WAGES - C/T TAKEN	0.00	0.00	0.00	0.00	0.00
001.62.0000.109	SALARIES/WAGES - OVERTIME	0.00	0.00	0.00	0.00	0.00
001.62.0000.202	PARS-ARS	0.00	0.00	0.00	0.00	0.00
001.62.0000.203	FICA	0.00	10,403.00	10,403.00	0.00	10,864.00
001.62.0000.204	RETIREMENT	2,732.64	33,746.00	33,746.00	3,307.00	48,892.00
001.62.0000.205	GROUP INSURANCE	0.00	68,520.00	68,520.00	0.00	62,067.00
001.62.0000.206	WORKERS' COMPENSATION	500.00	1,921.00	1,921.00	0.00	2,980.00
001.62.0000.301	OFFICE EXPENSE	2,015.31	1,500.00	1,500.00	1,000.00	1,500.00
001.62.0000.302	SPECIAL DEPARTMENT EXPENSE	44.00	0.00	0.00	0.00	10,000.00
001.62.0000.303	SMALL TOOLS & SUPPLIES	670.07	500.00	500.00	0.00	500.00
001.62.0000.306	COMMUNICATIONS	45.60	0.00	0.00	0.00	0.00
001.62.0000.310	RECRUITMENT	0.00	3,000.00	3,000.00	0.00	3,000.00
001.62.0000.312	PROFESSIONAL/SPECIALIZED SVC	796,830.27	495,000.00	495,000.00	475,000.00	620,000.00
	Contracted Building Inspection Services					
	Chief Building Official - Contract through Capitola					
001.62.0000.313	OTHER CONTRACTUAL SERVICES	339.02	0.00	0.00	0.00	5,000.00
001.62.0000.315	MEMBERSHIPS & DUES	0.00	750.00	750.00	250.00	750.00
001.62.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	2,500.00	2,500.00	0.00	3,000.00
001.62.0000.322	TRAINING & EDUCATION	0.00	2,000.00	2,000.00	0.00	2,500.00
001.62.0000.403	MAINT & OPERATION OF VEHICLE	545.16	700.00	700.00	600.00	700.00
	EXPENDITURE TOTAL	803,722.07	756,475.00	756,475.00	480,157.00	913,761.00

Public Works Department


Overview

The Public Works Department oversees planning, design, construction, maintenance, repairs and operation services for City infrastructure. The department is also responsible for City cleanliness and manages the Solid Waste/Recycling Collection and Disposal Program. The department is represented by a professional, semi-professional and licensed disciplines working in Engineering, Maintenance, Parks and Recreation, and Wastewater Divisions.

The **Engineering Division** oversees and supports the planning, design, construction and inspection of improvements for all public works infrastructure projects including streets, storm facilities, curbs, gutters, sidewalks, landscaping, lighting and traffic control systems constructed within the City as part of the capital improvement program (CIP) or new development. The Division also provides ancillary support to other Departments through private development plan review.

The **Maintenance Division** is responsible for 35 miles of public streets, parking lots, storm drain systems, sidewalks, signage, striping, and street sweeping services. Maintaining and renovating Police, City Hall, Community Center, Senior Center and Recreation Buildings. Performing all park maintenance and operations activities for the City's park system.

The **Wastewater Division** operates and maintains over 40 miles of sewer main pipeline, seven (7) sewer lift stations, a laboratory, the 1.5 million gallon per day Scotts Valley Water Reclamation Facility (WRF) and monitors the Source Control Program. The WRF won the 2016 and 2017 Plant of the Year Award for the Monterey Bay CWEA.

The **Parks and Recreation Division** is comprised of five developed parks, eight athletic fields, six children's play areas, and one off-leash area. Other facilities include tennis courts, bocce courts, swimming pool, community center, senior center, open space and hiking trails. The Division coordinates city-wide special events include the 4th of July parade and fireworks. Recreation activities are offered for all age groups including an aquatics program, and after school care at the elementary schools.

Staffing Summary

Position	Actual 2014/15	Actual 2015/16	Actual 2016/17	Approved 2017/18	Proposed 2018/19
Public Works Director/City Engineer	1.00	1.00	1.00	1.00	1.00
Civil Engineer	1.00	1.00	1.00	1.00	1.00
Administrative Secretary II	1.00	1.00	1.00	1.00	1.00
Engineering Technician/Associate	1.00	1.00	1.00	1.00	1.00
Maintenance Division Manager	1.00	-	0.70	-	-
Maintenance Supervisor	1.00	1.00	0.70	1.00	1.00
Maintenance Worker III	1.00	1.00	2.00	2.00	2.00
Maintenance Worker II	3.00	2.00	1.00	1.00	1.00
Maintenance Worker I	2.00	2.00	1.00	1.00	1.00
Laborer	-	-	0.30	0.50	0.50
Chief Mechanic	1.00	1.00	1.00	1.00	1.00
Wastewater and Environmental Program Manager/Director	1.00	-	-	-	-
Wastewater Division Manager	-	1.00	1.00	1.00	1.00
Chief Wastewater Plant Operator	1.00	-	1.00	1.00	1.00
Wastewater Plant Operator II	3.00	3.00	2.00	2.00	2.00
Wastewater Plant Operator I	1.00	1.00	1.00	1.00	1.00
Senior Lab Technician/Analyst	1.00	1.00	1.00	1.00	1.00
Accounting Assistant	0.15	0.15	0.15	0.15	0.15
Total FTE	20.15	17.15	16.85	16.65	16.65

Note: See Parks and Recreation section for staffing summary

Departmental Workplan

The mission of the Public Works Department is to continually provide effective and efficient essential services to the public. This includes environmentally sound wastewater collection and treatment, storm water management, and accessible well managed streets, parks, and public facilities.

These typical recurring activities are assumed in the baseline activities of the department:

- Issue Public Works permits and inspection services
- Complete plan reviews
- Manage Capital Improvement Projects
- Participate in various regional committees
- Complete tasks to comply with the NPDES Phase II permit
- Manage City's Solid Waste/Recycling Franchise Agreement (2010-2022) with Green Waste Recovery and amend as needed to meet state mandates
- Monitor, inspect and service the City Collection System
- Monitor WRF operation to meet all regulatory monitoring and reporting requirements
- Complete work orders to repair potholes, clear storm drains, trim and remove street trees, replace signage, replace concrete, asphalt paving, weed abatement, and striping
- Complete work orders to repair irrigation, mark lines for sports programs, field repair, playground repair, and general park maintenance

The Public Works Department Capital Improvement Program for FY 2018/19 includes the following highlights:

- **Rehabilitation of Green Hills Road** – (Glen Canyon Road to terminus) The project will include bike lanes, road widening, new curb and gutter, restriping on Glen Canyon Road from Vern Hart Fish Park to Green Hills Road. On south Navarra from Green Hills Road to Grant Creek Road, the project will also include bicycle signage. *Goal/Priority: Maintain Quality of Life for Residents*

- **Glenwood Preserve** – With the completion and approval of the Long Term Management Plan, and Public Access Plan, construction of a new 6-mile trail system will begin. A goal of constructing trails on the west preserve in 2018. *Goal/Priority: Maintain Quality of Life for Residents*

- **ADA Improvements: Phase 1** – This project consists of retrofit work to provide ADA accessibility per the assessment completed in 2015 and recorded in the City's Access Audit & Transition Plan. Projects for this fiscal year will include improvements at City Hall/Police Station, Hocus Pocus and Siltanen Parks, and the completion of improvements to the Community Center. *Goal/Priority: Maintain Quality of Life for Residents*

- **Development Projects** – The Engineering division anticipates continued increased workload relative to reviewing plans and performing inspection services related to the various projects, including the town center, that are anticipated for FY 2018/19 and beyond. *Goal/Priority: Ensure Long-Term Financial Stability; Encourage Business Development and Expand the City's Economic Base*

- **Vehicle Maintenance Services** – As part of the Fiscal Sustainability Plan, the Department will explore vehicle maintenance contract services for Council consideration. *Goal/Priority: Ensure Long-Term Financial Stability*

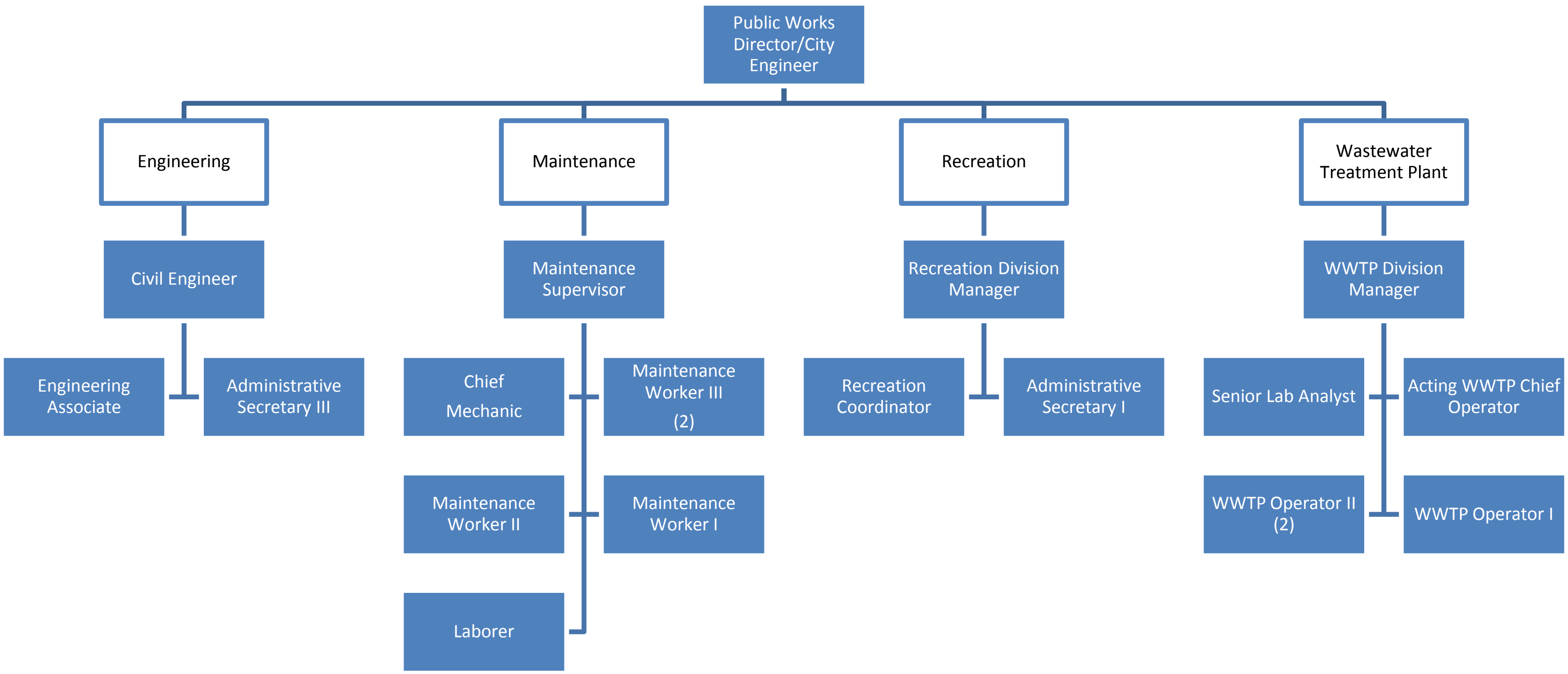
New or Additional Resources Proposed for FY 2018/19

Resources related to the various capital improvement/capital purchase projects that are included within the Department's workplan may be found in the Five-Year Capital Improvement/Capital Purchase (CIP) Plan section of this budget document.

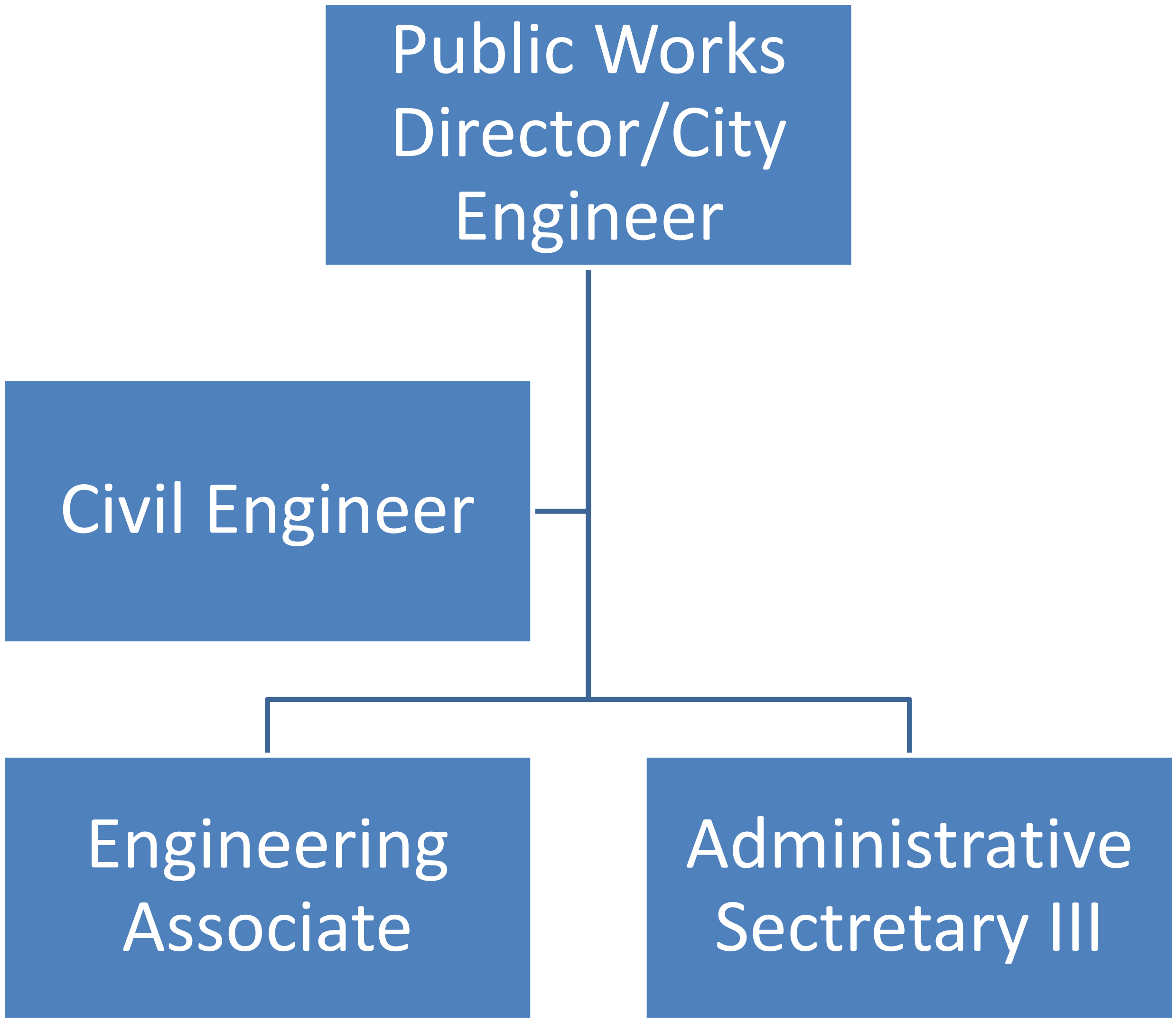
The following new or additional non-CIP related resources are requested in FY 2018/19 in order for the department to accomplish its workplan.

Description	FY 2018/19 Cost
Plan Check/Inspection Consulting Services - consulting services are required for plan check and inspections related to anticipated development projects. These costs are offset by anticipated permit fees and charges	$75,000
Glenwood Preserve – Funding to provide for opening of the preserve including new signs, trailhead development, and infrastructure needs.	$10,000

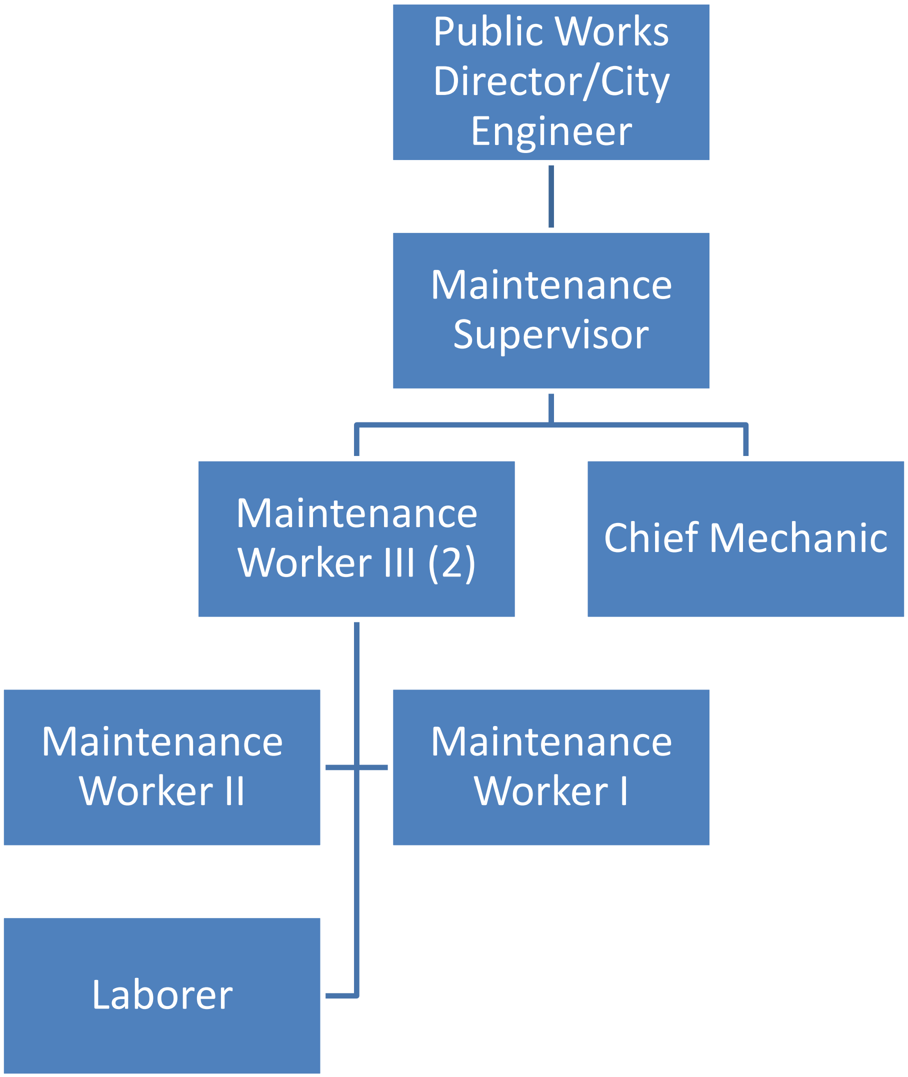
Public Works Department



Public Works - Engineering



Public Works - Maintenance



GENERAL FUND
PUBLIC WORKS - ENGINEERING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.71.0000.101	SALARIES/WAGES - REGULAR	205,112.20	280,186.00	280,186.00	281,442.00	295,660.00
001.71.0000.102	SALARIES/WAGES - HOLIDAY	10,489.46	0.00	0.00	0.00	0.00
001.71.0000.103	SALARIES/WAGES - SICK LEAVE	3,093.54	0.00	0.00	0.00	0.00
001.71.0000.104	SALARIES/WAGES - VACATION	9,984.53	0.00	0.00	0.00	0.00
001.71.0000.107	SALARIES/WAGES - TEMPORARY	0.00	0.00	0.00	37,900.00	0.00
001.71.0000.108	SALARIES/WAGES - C/T TAKEN	5,218.15	0.00	0.00	0.00	0.00
001.71.0000.203	FICA	16,855.12	21,434.00	21,434.00	21,993.00	22,618.00
001.71.0000.204	RETIREMENT	61,444.58	89,576.00	89,576.00	68,227.00	104,870.00
001.71.0000.205	GROUP INSURANCE	78,318.47	97,422.00	97,422.00	88,965.00	88,431.00
001.71.0000.206	WORKERS' COMPENSATION	825.00	5,955.00	5,955.00	5,167.00	3,080.00
001.71.0000.210	SUPPLEMENTAL SERVICES	8,653.62	0.00	0.00	2,358.00	0.00
001.71.0000.301	OFFICE EXPENSE	2,605.11	2,500.00	2,500.00	2,304.00	2,500.00
001.71.0000.302	SPECIAL DEPARTMENT EXPENSE	269.00	200.00	200.00	30.00	200.00
001.71.0000.303	SMALL TOOLS & SUPPLIES	411.87	750.00	750.00	527.00	750.00
001.71.0000.306	COMMUNICATIONS	4,597.27	5,500.00	5,500.00	4,055.00	5,500.00
001.71.0000.310	RECRUITMENT	57.00	1,000.00	1,000.00	700.00	1,000.00
001.71.0000.312	PROFESSIONAL/SPECIALIZED SVC	17.50	0.00	0.00	0.00	0.00
001.71.0000.313	OTHER CONTRACTUAL SERVICES	183,242.80	150,000.00	150,000.00	78,234.00	150,000.00
001.71.0000.315	MEMBERSHIPS & DUES	374.00	515.00	515.00	783.00	515.00
001.71.0000.316	TRAVEL/CONFERENCES/MEETINGS	1,630.69	2,575.00	2,575.00	4,017.00	2,575.00
001.71.0000.322	TRAINING & EDUCATION	1,087.73	1,500.00	1,500.00	2,213.00	1,500.00
001.71.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	183.18	0.00	0.00	0.00	0.00
001.71.0000.402	MAINT & OPERATION OF EQMT	6,975.98	8,000.00	8,000.00	6,472.00	8,000.00
001.71.0000.403	MAINT & OPERATION OF VEHICLE	1,409.25	2,500.00	2,500.00	972.00	2,500.00
001.71.0000.905	MACHINERY & EQUIPMENT	0.00	2,500.00	2,500.00	0.00	2,500.00
001.71.0000.910	OFFICE EQMT & FURNITURE	2,838.47	0.00	0.00	0.00	0.00
	EXPENDITURE TOTAL	605,694.52	672,113.00	672,113.00	606,359.00	692,199.00

GENERAL FUND
PUBLIC WORKS - STREET MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.72.0000.101	SALARIES/WAGES - REGULAR	101,461.98	136,200.00	136,200.00	128,442.00	136,200.00
001.72.0000.102	SALARIES/WAGES - HOLIDAY	7,450.22	0.00	0.00	0.00	0.00
001.72.0000.103	SALARIES/WAGES - SICK LEAVE	6,653.47	0.00	0.00	0.00	0.00
001.72.0000.104	SALARIES/WAGES - VACATION	7,111.69	0.00	0.00	0.00	0.00
001.72.0000.107	SALARIES/WAGES - TEMPORARY	0.00	0.00	0.00	0.00	0.00
001.72.0000.108	SALARIES/WAGES - C/T TAKEN	6,175.94	0.00	0.00	0.00	0.00
001.72.0000.109	SALARIES/WAGES - OVERTIME	6,956.24	3,000.00	3,000.00	7,755.00	8,000.00
001.72.0000.203	FICA	10,196.46	10,649.00	10,649.00	10,241.00	11,031.00
001.72.0000.204	RETIREMENT	37,651.83	43,214.00	43,214.00	39,310.00	48,317.00
001.72.0000.205	GROUP INSURANCE	77,374.33	80,587.00	80,587.00	75,459.00	73,170.00
001.72.0000.206	WORKERS' COMPENSATION	2,300.00	17,673.00	17,673.00	15,370.00	9,145.00
001.72.0000.208	UNIFORM ALLOWANCE	2,941.99	3,000.00	3,000.00	2,449.00	3,000.00
001.72.0000.210	SUPPLEMENTAL SERVICES	948.00	0.00	0.00	11,000.00	12,000.00
001.72.0000.302	SPECIAL DEPARTMENT EXPENSE	242.00	500.00	500.00	1,721.00	500.00
	DMV					
	Hazmat Removal					
001.72.0000.303	SMALL TOOLS & SUPPLIES	2,453.18	2,500.00	2,500.00	1,960.00	2,500.00
001.72.0000.306	COMMUNICATIONS	1,258.31	1,250.00	1,250.00	974.00	1,250.00
001.72.0000.308	RENT & LEASE EXPENSE	173.20	0.00	0.00	0.00	0.00
001.72.0000.310	RECRUITMENT	85.26	0.00	0.00	0.00	0.00
001.72.0000.313	OTHER CONTRACTUAL SERVICES	37,592.14	26,000.00	26,000.00	18,736.00	26,000.00
001.72.0000.315	MEMBERSHIPS & DUES	145.00	200.00	200.00	53.00	200.00
001.72.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	150.00	150.00	0.00	150.00
001.72.0000.322	TRAINING & EDUCATION	60.00	1,000.00	1,000.00	0.00	1,000.00
001.72.0000.327	POWER UTILITIES	46,674.33	45,000.00	45,000.00	39,365.00	45,000.00
001.72.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	30,745.11	0.00	0.00	15,263.00	15,000.00
001.72.0000.402	MAINT & OPERATION OF EQMT	5,081.68	5,000.00	5,000.00	50,417.00	5,000.00
001.72.0000.403	MAINT & OPERATION OF VEHICLE	7,900.72	10,000.00	10,000.00	10,610.00	10,000.00

GENERAL FUND
PUBLIC WORKS - STREET MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.72.0000.404	ROAD MAINTENANCE MATERIALS	17,046.08	25,000.00	25,000.00	15,273.00	25,000.00
001.72.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	0.00
	EXPENDITURE TOTAL	416,679.16	410,923.00	410,923.00	444,398.00	432,463.00

GENERAL FUND
PUBLIC WORKS - VEHICLE MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.73.0000.101	SALARIES/WAGES - REGULAR	33,154.97	71,618.00	71,618.00	54,468.00	71,625.00
001.73.0000.102	SALARIES/WAGES - HOLIDAY	2,589.99	0.00	0.00	0.00	0.00
001.73.0000.103	SALARIES/WAGES - SICK LEAVE	3,643.48	0.00	0.00	0.00	0.00
001.73.0000.104	SALARIES/WAGES - VACATION	4,852.25	0.00	0.00	0.00	0.00
001.73.0000.108	SALARIES/WAGES - C/T TAKEN	2,113.29	0.00	0.00	0.00	0.00
001.73.0000.109	SALARIES/WAGES - OVERTIME	1,033.06	400.00	400.00	472.00	400.00
001.73.0000.203	FICA	3,511.64	5,509.00	5,509.00	4,050.00	5,556.00
001.73.0000.204	RETIREMENT	16,835.96	22,737.00	22,737.00	19,248.00	25,423.00
001.73.0000.205	GROUP INSURANCE	31,484.58	38,561.00	38,561.00	28,924.00	35,014.00
001.73.0000.206	WORKERS' COMPENSATION	1,100.00	8,452.00	8,452.00	7,344.00	4,375.00
001.73.0000.208	UNIFORM ALLOWANCE	2,353.89	1,400.00	1,400.00	1,539.00	1,400.00
001.73.0000.301	OFFICE EXPENSE	47.63	100.00	100.00	46.00	100.00
001.73.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	173.00	0.00
001.73.0000.303	SMALL TOOLS & SUPPLIES	3,859.03	3,000.00	3,000.00	3,334.00	3,000.00
001.73.0000.306	COMMUNICATIONS	614.57	700.00	700.00	599.00	700.00
001.73.0000.322	TRAINING & EDUCATION	180.00	200.00	200.00	240.00	200.00
001.73.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	23.21	0.00	0.00	1,149.00	0.00
001.73.0000.402	MAINT & OPERATION OF EQMT	0.00	1,100.00	1,100.00	0.00	1,100.00
001.73.0000.403	MAINT & OPERATION OF VEHICLE	337.46	700.00	700.00	565.00	700.00
	SUB-TOTAL	107,735.01	154,477.00	154,477.00	122,151.00	149,593.00
POLICE EQMT/VEHICLE MAINT						
001.73.4051.101	SALARIES/WAGES - REGULAR	1,877.51	0.00	0.00	0.00	0.00
001.73.4051.203	FICA	139.50	0.00	0.00	0.00	0.00
001.73.4051.204	RETIREMENT	335.56	0.00	0.00	0.00	0.00
	SUB-TOTAL	2,352.57	0.00	0.00	0.00	0.00
PW/STREETS EQMT/VEHICLE MNT						
001.73.4072.101	SALARIES/WAGES - REGULAR	11,251.12	0.00	0.00	0.00	0.00
001.73.4072.203	FICA	833.65	0.00	0.00	0.00	0.00
001.73.4072.204	RETIREMENT	2,010.99	0.00	0.00	0.00	0.00
	SUB-TOTAL	14,095.76	0.00	0.00	0.00	0.00

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
PUBLIC WORKS - VEHICLE MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
	EXPENDITURE TOTAL	124,183.34	154,477.00	154,477.00	122,151.00	149,593.00

GENERAL FUND
PUBLIC WORKS - PARK MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.75.0000.101	SALARIES/WAGES - REGULAR	53,503.12	59,074.00	59,074.00	57,857.00	60,978.00
001.75.0000.102	SALARIES/WAGES - HOLIDAY	4,029.73	0.00	0.00	0.00	0.00
001.75.0000.103	SALARIES/WAGES - SICK LEAVE	2,440.67	0.00	0.00	0.00	0.00
001.75.0000.104	SALARIES/WAGES - VACATION	3,680.46	0.00	0.00	0.00	0.00
001.75.0000.107	SALARIES/WAGES - TEMPORARY	9,354.17	20,000.00	20,000.00	0.00	0.00
001.75.0000.108	SALARIES/WAGES - C/T TAKEN	946.03	0.00	0.00	0.00	0.00
001.75.0000.109	SALARIES/WAGES - OVERTIME	2,001.81	2,000.00	2,000.00	3,239.00	2,000.00
001.75.0000.203	FICA	5,317.46	4,962.00	4,962.00	4,638.00	4,818.00
001.75.0000.204	RETIREMENT	17,688.47	18,705.00	18,705.00	15,272.00	21,598.00
001.75.0000.205	GROUP INSURANCE	23,563.66	47,358.00	47,358.00	22,189.00	42,898.00
001.75.0000.206	WORKERS' COMPENSATION	1,300.00	9,989.00	9,989.00	8,676.00	5,160.00
001.75.0000.208	UNIFORM ALLOWANCE	2,136.32	2,800.00	2,800.00	1,897.00	2,800.00
001.75.0000.210	SUPPLEMENTAL SERVICES	17,567.00	19,000.00	19,000.00	22,430.00	21,180.00
	Park Maintenance Contracts					
001.75.0000.302	SPECIAL DEPARTMENT EXPENSE	206.00	0.00	0.00	271.00	0.00
001.75.0000.303	SMALL TOOLS & SUPPLIES	3,733.52	2,500.00	2,500.00	3,859.00	2,500.00
001.75.0000.306	COMMUNICATIONS	1,207.28	1,000.00	1,000.00	944.00	1,000.00
001.75.0000.308	RENT & LEASE EXPENSE	1,680.35	1,100.00	1,100.00	4,603.00	1,100.00
001.75.0000.310	RECRUITMENT	288.25	0.00	0.00	0.00	0.00
001.75.0000.313	OTHER CONTRACTUAL SERVICES	500.00	1,000.00	1,000.00	500.00	1,000.00
001.75.0000.315	MEMBERSHIPS & DUES	45.00	100.00	100.00	0.00	100.00
001.75.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	100.00	100.00	1,255.00	100.00
001.75.0000.322	TRAINING & EDUCATION	560.00	300.00	300.00	1,293.00	300.00
001.75.0000.327	POWER UTILITIES	20,524.61	21,000.00	21,000.00	20,127.00	21,000.00
001.75.0000.328	WATER UTILITIES	21,815.61	22,000.00	22,000.00	26,394.00	22,000.00
001.75.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	38,180.64	39,000.00	39,000.00	46,739.00	39,000.00
001.75.0000.402	MAINT & OPERATION OF EQMT	7,798.12	3,200.00	3,200.00	2,498.00	3,200.00
001.75.0000.403	MAINT & OPERATION OF VEHICLE	2,147.53	3,000.00	3,000.00	3,293.00	3,000.00

GENERAL FUND
PUBLIC WORKS - PARK MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
001.75.0000.404	ROAD MAINTENANCE MATERIALS	622.41	0.00	0.00	0.00	0.00
001.75.0000.505	MACHINERY & EQMT - DEPT	0.00	5,100.00	5,100.00	0.00	5,100.00
001.75.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	75,000.00	75,000.00	49,453.00	75,000.00
	EXPENDITURE TOTAL	242,838.22	358,288.00	358,288.00	297,427.00	335,832.00

GENERAL FUND
PUBLIC WORKS - BUILDING MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.76.0000.101	SALARIES/WAGES - REGULAR	60,569.86	76,962.00	76,962.00	77,557.00	78,993.00	
001.76.0000.102	SALARIES/WAGES - HOLIDAY	4,124.04	0.00	0.00	0.00	0.00	
001.76.0000.103	SALARIES/WAGES - SICK LEAVE	1,553.17	0.00	0.00	0.00	0.00	
001.76.0000.104	SALARIES/WAGES - VACATION	3,414.66	0.00	0.00	0.00	0.00	
001.76.0000.108	SALARIES/WAGES - C/T TAKEN	2,518.08	0.00	0.00	0.00	0.00	
001.76.0000.109	SALARIES/WAGES - OVERTIME	3,349.77	3,200.00	3,200.00	5,170.00	3,500.00	
	Special events and winter on-call hours						3,500
001.76.0000.203	FICA	5,564.46	5,684.00	5,684.00	6,110.00	5,840.00	
001.76.0000.204	RETIREMENT	13,083.45	19,291.00	19,291.00	13,865.00	22,550.00	
001.76.0000.205	GROUP INSURANCE	48,931.64	53,404.00	53,404.00	47,424.00	48,350.00	
001.76.0000.206	WORKERS' COMPENSATION	1,750.00	10,950.00	10,950.00	11,373.00	6,760.00	
001.76.0000.208	UNIFORM ALLOWANCE	2,415.99	2,000.00	2,000.00	1,975.00	2,000.00	
001.76.0000.301	OFFICE EXPENSE	61.27	0.00	0.00	0.00	0.00	
001.76.0000.302	SPECIAL DEPARTMENT EXPENSE	841.19	300.00	300.00	87.00	300.00	
001.76.0000.303	SMALL TOOLS & SUPPLIES	1,557.92	1,000.00	1,000.00	831.00	1,000.00	
001.76.0000.306	COMMUNICATIONS	387.29	475.00	475.00	503.00	475.00	
001.76.0000.312	PROFESSIONAL/SPECIALIZED SVC	922.74	0.00	0.00	0.00	0.00	
001.76.0000.313	OTHER CONTRACTUAL SERVICES	22,942.48	15,000.00	15,000.00	24,611.00	15,000.00	
	Air Conditioning						12,300
	Alarm Services						2,000
	Pest Control						700
001.76.0000.316	TRAVEL/CONFERENCES/MEETINGS	660.44	0.00	0.00	0.00	0.00	
001.76.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	273.00	0.00	
001.76.0000.327	POWER UTILITIES	42,718.88	37,000.00	37,000.00	38,575.00	37,000.00	
001.76.0000.328	WATER UTILITIES	2,662.75	3,500.00	3,500.00	1,319.00	3,500.00	
001.76.0000.349	MISCELLANEOUS	324.52	0.00	0.00	0.00	0.00	
001.76.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	30,578.22	19,000.00	19,000.00	24,310.00	19,000.00	
001.76.0000.402	MAINT & OPERATION OF EQMT	19,341.00	0.00	0.00	6.00	0.00	
001.76.0000.403	MAINT & OPERATION OF VEHICLE	4,730.78	5,000.00	5,000.00	7,155.00	0.00	
	SUB-TOTAL	275,004.60	252,766.00	252,766.00	261,144.00	244,268.00	

GENERAL FUND
PUBLIC WORKS - BUILDING MAINTENANCE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
SCOTTS VALLEY LIBRARY						
001.76.4650.306	COMMUNICATIONS	424.21	400.00	400.00	369.00	400.00
001.76.4650.327	POWER UTILITIES	1,996.94	2,000.00	2,000.00	1,247.00	2,000.00
001.76.4650.328	WATER UTILITIES	1,685.10	600.00	600.00	437.00	600.00
001.76.4650.349	MISCELLANEOUS	1,252.30	1,260.00	1,260.00	1,303.00	1,330.00
001.76.4650.401	MAINT OF BLDGS/STRUCT/GRNDS	0.00	500.00	500.00	0.00	0.00
	SUB-TOTAL	5,358.55	4,760.00	4,760.00	3,356.00	4,330.00
	EXPENDITURE TOTAL	280,363.15	257,526.00	257,526.00	264,500.00	248,598.00

General Fund Non-Departmental Funds

The General Fund incurs some expenditures that do not relate to any specific department. These costs are included two areas as listed below..

General Fund – General Government Division (#001, Division 43)

This cost center includes various expenditures such as debt service and regulatory compliance related to general obligation certificates of participation, funding other post-employment benefit obligations into an irrevocable trust, contributions to such agencies as the Scotts Valley Fire District Hazardous Materials program and the Santa Cruz Local Agency Formation Commission, and the City's membership in the League of California Cities.

The cost center also includes debt service related to the 2003 Certificates of Participation, which originally funded the purchase of what is now known as the Community Center. Upon dissolution of the City's former redevelopment agency by the State, this obligation was determined by the Successor Agency Board and the California Department of Finance to be an obligation of the former redevelopment agency. The City's General Fund will need absorb this nearly $170,000 debt service payment until the debt is liquidated in 2027/28.

Expenditures related to risk management efforts (e.g., liability and property insurance) are included in the Administrative Services Department under the Risk Management division (General Fund Division #48).

Expenditures related to workers compensation are allocated to each operating department based upon total personnel and risk-rating factors assigned to each employee based on classification.

New or Additional Resources Proposed for FY 2018/19

Additional resources are requested in FY 2018/19 to accomplish the Department's Workplan:

Description	FY 2018/19 Cost
Strategic Technology Plan – develop a long-term strategic technology plan to conduct a comprehensive review of citywide technology needs and future plan for implementation and funding. This plan will evaluate the City's need for a new Enterprise Resource Planning System (ERP) that can address financial and online permitting efficiencies among others.	$25,000

Description	FY 2018/19 Cost
Fiscal Sustainability Plan (FSP) Implementation – additional resources to implement elements of the FSP and provide transitional support upon hire of the new Administrative Services Director.	$35,000
Economic Development/Town Center Support – additional resources to implement the Town Center development process and appraise City property	$40,000
Polling Services – additional resources for polling services has been included to determine community's interest in revenue enhancements to support city services	$25,000

General Equipment Replacement Reserve (#006)

The City established this reserve fund for the purchase of equipment that is general in nature and does not relate to any one specific department. This fund is included as a subset of the General Fund. There are no equipment purchases anticipated to be funded by the General Equipment Replacement Reserve fund in FY 2018/19.

GENERAL FUND
GENERAL GOVERNMENT

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
001.43.0000.205	GROUP INSURANCE	290,902.59	348,000.00	348,000.00	315,135.00	320,000.00	
001.43.0000.206	WORKERS' COMPENSATION	220,083.31	0.00	0.00	0.00	0.00	
001.43.0000.207	UNEMPLOYMENT INSURANCE	21,120.00	0.00	0.00	0.00	0.00	
001.43.0000.210	SUPPLEMENTAL SERVICES	350.00	0.00	0.00	850.00	600.00	
001.43.0000.301	OFFICE EXPENSE	4,061.45	2,000.00	2,000.00	2,320.00	3,000.00	
001.43.0000.303	SMALL TOOLS & SUPPLIES	1,558.68	0.00	0.00	1,148.00	1,200.00	
001.43.0000.306	COMMUNICATIONS	10,527.14	0.00	0.00	10,200.00	10,520.00	
001.43.0000.310	RECRUITMENT	9,000.00	0.00	0.00	0.00	3,000.00	
001.43.0000.312	PROFESSIONAL/SPECIALIZED SVC	15,436.01	25,000.00	50,000.00	35,500.00	130,000.00	
	Economic Development support						25,000
	City Property - Appraisals						15,000
	Polling						25,000
	Strategic Technology Plan						25,000
	FSP Implementation						35,000
	Others						5,000
001.43.0000.313	OTHER CONTRACTUAL SERVICES	91,523.50	10,800.00	10,800.00	26,450.00	25,000.00	
	Bond Trustees						10,000
	Others						
001.43.0000.314	INSURANCE & SURETY BONDS	116,841.89	0.00	0.00	0.00	0.00	
001.43.0000.315	MEMBERSHIPS & DUES	14,712.00	14,500.00	14,500.00	14,500.00	16,400.00	
	League of CA						5,800
	MBUAPCD						5,000
	AMBAG						3,700
001.43.0000.316	TRAVEL/CONFERENCES/MEETINGS	0.00	0.00	0.00	0.00	0.00	
001.43.0000.349	MISCELLANEOUS	42,900.66	2,500.00	2,500.00	68,900.00	3,500.00	
001.43.0000.402	MAINT & OPERATION OF EQMT	26,027.25	9,900.00	9,900.00	11,995.00	10,500.00	
	Copy Machine Lease/Maintenance						10,500
001.43.0000.701	CONTRIBUTIONS	14,334.47	15,900.00	15,900.00	15,900.00	15,900.00	
	Scotts Valley Fire District-Haz Mat						6,200
	LAFCO						7,000
	Criminal Justice Council						2,000

GENERAL FUND
GENERAL GOVERNMENT

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST	
	Mosquito						700
001.43.0000.801	RETIREMENT OF PRINCIPAL	145,000.00	265,000.00	265,000.00	265,000.00	400,000.00	
	2013 Refunded COPs						145,000
	1997 SV Water District Installment Note						10,000
	SVSA 2003 COPS Refunding						135,000
	CDBG Loan - Principal						110,000
001.43.0000.802	INTEREST EXPENSE	219,245.00	258,571.00	258,571.00	258,571.00	259,570.00	
	2013 Refunded COPs						206,257
	1997 SV Water District Installment Note						5,400
	SVSA 2003 COPS Refunding						36,913
	CDBG Loan - Interest						11,000
001.43.0000.910	OFFICE EQMT & FURNITURE	0.00	0.00	0.00	930.00	0.00	
	EXPENDITURE TOTAL	1,243,623.95	952,171.00	977,171.00	1,027,399.00	1,199,190.00	

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

GENERAL FUND
EQUIPMENT REPLACEMENT FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ORIGINAL BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
006.90.0000.301	OFFICE EXPENSE	799.38	600.00	600.00	452.00	450.00
006.90.0000.905	MACHINERY & EQUIPMENT	0.00	0.00	0.00	2,750.00	0.00
006.90.0000.910	OFFICE EQMT & FURNITURE	0.00	0.00	0.00	5,115.00	0.00
	EXPENDITURE TOTAL	799.38	600.00	600.00	8,317.00	450.00

General Capital Improvement Fund (#150)

The City has previously set aside funds for future capital improvement projects that may not able to be funded from other dedicate funding sources such as gas tax revenues, development impact fees, wastewater rates, or grant funds. This fund is called the General Capital Improvement Fund (#150). Typical items that may be funded through this fund may include accessibility improvements, technology upgrades, roof replacements, and major facility repairs.

The funding sources available for such projects will typically come through transfers from the City's General Fund, or possible one-time revenue sources such as grants.

The following capital improvement and capital purchase projects are included in the FY 2018/19 budget as part of the Five-Year CIP Plan:

- Trash Amendments Compliance (CIP #25) - $100,000
- Recreation Building Windows (CIP #27) - $25,000
- Siltanen Family Swim Center Pool Resurfacing (CIP #29) - $15,000
- Glenwood Open Space Preserve East Trails (CIP #38) - $190,000 ($100,000 funding coming from anticipated donations, and an additional $450,000 funded through Measure D revenues and one-time transportation grants)
- City Facility ADA Improvements Phase I (CIP #40) - $24,200
- Storage Area Netowrk Integration (CIP #52) - $76,000
- Citywide Technology Updates (CIP #53) - $28,000
- Citywide Phone Replacement (CIP #54) - $155,000
- Public Works Large Format Printer (CIP #55) - $5,000

GENERAL CAPITAL IMPROVEMENT PROJECT FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
GENERAL CAPITAL IMPROVEMENTS						
150.90.0000.301	OFFICE EXPENSE	80.31	0.00	0.00	165.00	170.00
150.90.0000.313	OTHER CONTRACTUAL SERVICES	12,776.21	0.00	0.00	9,473.00	0.00
	GENERAL CIP SUBTOTAL	12,856.52	0.00	0.00	9,638.00	170.00
GRANITE CRK OVERPASS						
150.90.4568.904	IMPROVEMENTS O/T BLDGS-OTHER	206,223.86	0.00	0.00	0.00	0.00
SILTANEN SOFTBALL BACKSTOPS						
150.90.4606.904	IMPROVEMENTS O/T BLDGS-OTHER	2,140.00	0.00	0.00	0.00	0.00
SHUGART PATHWAY & FOOTBRIDGE						
150.90.4620.904	IMPROVEMENTS O/T BLDGS-OTHER	400.00	0.00	0.00	0.00	0.00
HACIENDA DRIVE STORM DRAIN						
150.90.4593.904	IMPROVEMENTS O/T BLDGS-OTHER	8,728.00	191,272.00	191,272.00	70,521.00	0.00
MT.HERMON/SV DR IMPROVEMENTS						
150.90.4628.904	IMPROVEMENTS O/T BLDGS-OTHER	130,164.87	628,210.00	973,361.00	276,082.00	0.00
MT.HERMON SLURRY SEAL						
150.90.4652.904	IMPROVEMENTS O/T BLDGS-OTHER	286,032.25	0.00	0.00	0.00	0.00

GENERAL CAPITAL IMPROVEMENT PROJECT FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
ADA IMPROVEMENT PROJECT						
150.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	10,348.69	24,200.00	24,200.00	23,500.00	24,200.00
PASATIEMPO WATER DIVE						
150.90.4661.904	IMPROVEMENTS O/T BLDGS-OTHER	259,652.60	0.00	0.00	78,202.54	0.00
GREEN HILLS STBG IMPROVEMENTS						
150.90.4663.904	IMPROVEMENTS O/T BLDGS-OTHER	44,151.50	0.00	0.00	0.00	0.00
BROOK KNOLL DAYCARE MODULAR ROOF						
150.90.4456.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	33,000.00	33,000.00	0.00	0.00
VINE HILL SCHOOL DAYCARE IMPROVEMENTS						
150.90.4665.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	10,000.00	10,000.00	0.00	0.00
CITYWIDE PHONE REPLACEMENT						
150.90.4043.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	150,000.00	150,000.00	0.00	155,000.00
STORAGE AREA NETWORK INTEGRATION						
150.90.4120.910	OFFICE EQUIP & FURNITURE	0.00	45,000.00	45,000.00	0.00	76,000.00
CITY WEBSITE UPGRADE						
150.90.4047.910	OFFICE EQUIP & FURNITURE	0.00	24,000.00	24,000.00	24,492.00	0.00

GENERAL CAPITAL IMPROVEMENT PROJECT FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
PW MODULAR ROOF REPLCMT						
150.90.4171.910	OFFICE EQUIP & FURNITURE	0.00	30,000.00	30,000.00	0.00	0.00
TRASH AMENDMENTS COMPLIANCE						
150.90.xxxx.910	OFFICE EQUIP & FURNITURE	0.00	0.00	0.00	0.00	100,000.00
RECREATION BUILDING ROOF						
150.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	25,000.00
SILTANEN SWIM CENTER POOL RESURFACING						
150.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	15,000.00
VERN HART FISHING PARK IMPROVEMENTS						
150.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	12,000.00
GLENWOOD OPEN SPACE PRESERVE EAST TRAILS						
150.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	190,000.00
CITYWIDE TECHNOLOGY UPDATES						
150.90.xxxx.910	OFFICE EQUIP & FURNITURE	0.00	0.00	0.00	0.00	28,000.00

GENERAL CAPITAL IMPROVEMENT PROJECT FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
PW LARGE FORMAT PRINTER						
150.90.xxxx.910	OFFICE EQUIP & FURNITURE	0.00	0.00	0.00	0.00	5,000.00
	TOTAL - GENERAL CIP FUND	**960,698.29**	**1,135,682.00**	**1,480,833.00**	**482,435.54**	**630,370.00**

Special Revenue Funds – Development Impact Fee Funds



The City has established separate funds based on funding source to account for resources that must be used for a specific project or use. These funds are known as “Special Revenue Funds”. One of the more significant group of Special Revenue Funds are those funds that the City collects from developers to fund public infrastructure that is required to meet the needs of the impact that those developments have on community resources. These Development Impact Fees are described in greater detail below

Drainage Construction Impact Fees (#007)

This fund accounts for fees paid by developers for the construction of storm drain improvements based on the size (square foot) of the project.

No projects have been identified for funding in the Five-Year CIP Plan.

Traffic Impact Mitigation Fees (#008)

Traffic mitigation fees are charged to developers for improvements to the City’s streets and thoroughfares. Residential projects are charged an amount based on the number of housing units in the project. Commercial and industrial users are charged based on the size (square foot) of their proposed buildings.

No projects have been identified for funding in FY 2018/19, however there are additional projects scheduled in the Five-Year CIP Plan in future years.

Parks and Recreation Facilities Impact Fees (#009)

Parks and recreation impacts fees are charged to residential developers based on the number of housing units being developed. These fees may be reduced depending upon the recreational amenities provided within the project. The fees provide funding for new or improved parks and recreational amenities as a result of the increased impact on such facilities by the new development.

The Five-Year CIP Plan includes funding for the following projects from these funds in FY 2018/19:

- Skypark Restroom Improvements (CIP #28) - $60,000

- Skypark Tennis Area Improvements (CIP #29) - $30,000 (with an additional funding of $20,000 coming from Lennar Funds as noted below)

General Facility Impact Fees (#021)

Developers must pay an impact fee to fund improvements or additions to the City's general facilities and equipment. Fees assessed to residential projects are based on the number of housing units, whereas commercial/industrial projects are assessed based on the acreage of the property being developed.

The Five-Year CIP Plan includes funding for the following project from these funds in FY 2018/19:

- Small Dump Truck 5-yard (CIP #41) - $40,000 (with an additional funding of $40,000 coming from Wastewater Capital Improvement Funds)

Police Facility Building Impact Fees (#027)

An impact fee is charged to developers to fund improvements to law enforcement facilities. Fees assessed to residential projects are based on the number of housing units, whereas commercial/industrial projects are assessed based on the acreage of the property being developed.

The Five-Year CIP Plan includes funding for the following project from these funds in FY 2018/19:

- Police Body Worn and In-Car Cameras (CIP #47) - $150,000

Mount Hermon Traffic Mitigation (#051)

An impact fee is charged to developers with proposed developments that would negatively impact traffic on Mount Hermon Road, including the Town Center planned development area, requiring lane and signal modifications that would otherwise deny development through an environmental impact report process.

No projects have been identified for funding in the Five-Year CIP Plan pending development projects that meet the criteria for traffic mitigation efforts.

Library Impact Fees (#086)

Residential projects are required to pay an fee for the impacts to library facilities based on the number of housing units in the project. These fees are used to fund improvements to the Scotts Valley Library.

No projects have been identified for funding in the Five-Year CIP Plan.

Police Development Fees (#315)

Historically, the City charged a fee to developers for police facilities and deposited these fees into this fund. The prior impact fee was subsequently replaced with the Police Facility Building impact fee mentioned earlier. Funds collected from the prior fee are retained in this fund and are used to fund law enforcement facilities and equipment.

No projects have been identified for funding in FY 2018/19, however there are additional projects scheduled in the Five-Year CIP Plan in future years.

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

SPECIAL REVENUE FUNDS
DEVELOPMENT IMPACT FEE FUNDS

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
DRAINAGE CONSTRUCTION IMPACT FEES FUND						
007.90.0000.301	OFFICE EXPENSE	36.00	30.00	30.00	21.00	25.00
007.90.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	0.00	130,000.00	17,102.00	0.00
007.90.0000.313	OTHER CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
007.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	55,000.00	55,000.00	0.00	0.00
TOTAL-DRAINAGE CONSTRUCTION IMPACT EXPENSES		**36.00**	**55,030.00**	**185,030.00**	**17,123.00**	**25.00**
TRAFFIC IMPACT MITIGATION FEES FUND						
008.90.0000.301	OFFICE EXPENSE	1,731.98	1,500.00	1,500.00	620.00	650.00
008.90.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	0.00	0.00	0.00	0.00
008.90.0000.313	OTHER CONTRACTUAL SERVICES	27,170.86	8,000.00	8,000.00	20,524.00	0.00
008.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	3,942.00	0.00	0.00	0.00	0.00
008.90.0000.907	ENGINEERING	0.00	0.00	0.00	0.00	0.00
TOTAL-TRAFFIC IMPACT MITIGATION EXPENSES		**32,844.84**	**9,500.00**	**9,500.00**	**21,144.00**	**650.00**
PARK & RECREATION FACILITIES IMPACT FEES FUND						
009.90.0000.301	OFFICE EXPENSE	642.80	700.00	700.00	378.00	380.00
009.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	11,812.65	0.00	0.00	0.00	0.00
	SUBTOTAL	12,455.45	700.00	700.00	378.00	380.00
MACDORSA PARK						
009.90.4467.904	IMPROVEMENTS O/T BLDGS-OTHER	50,000.00	0.00	0.00	0.00	0.00
SKYPARK SHADE STRUC/SIDEWALK						

SPECIAL REVENUE FUNDS
DEVELOPMENT IMPACT FEE FUNDS

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
009.90.4583.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	65,000.00	65,000.00	3,696.00	0.00
IDENTIFICATION SIGNS - LIBRARY/COM CTR						
009.90.4664.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	20,000.00	20,000.00	0.00	0.00
SKYPARK RESTROOM IMPROVEMENTS						
009.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	60,000.00
SKYPARK TENNIS AREA IMPROVEMENTS						
009.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	30,000.00
	TOTAL-PARK & RECREATION FAC IMPACT EXPENSES	**62,455.45**	**85,700.00**	**85,700.00**	**4,074.00**	**90,380.00**
GENERAL FACILITY IMPACT FEES FUND						
021.90.0000.301	OFFICE EXPENSE	80.46	80.00	80.00	50.00	55.00
021.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	0.00
021.90.0000.908	VEHICLES	0.00	0.00	0.00	0.00	40,000.00
021.90.0000.914	COMMUNICATIONS EQUIPMENT	0.00	0.00	0.00	0.00	0.00
	TOTAL-GENERAL FACILITY IMPACT EXPENSES	**80.46**	**80.00**	**80.00**	**50.00**	**40,055.00**
POLICE FACILITY BUILDING IMPACT FEES FUND						
027.90.0000.301	OFFICE EXPENSE	277.05	250.00	250.00	168.00	170.00
027.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	94,000.00
027.90.0000.914	COMMUNICATIONS EQUIPMENT	0.00	0.00	26,000.00	0.00	0.00

SPECIAL REVENUE FUNDS
DEVELOPMENT IMPACT FEE FUNDS

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
027.90.0000.915	OTHER EQUIPMENT	0.00	0.00	0.00	0.00	150,000.00
TOTAL-POLICE FACILITY BUILDING IMPACT EXPENSES		**277.05**	**250.00**	**26,250.00**	**168.00**	**244,170.00**
MT. HERMON TRAFFIC MITIGATION						
051.90.0000.301	OFFICE EXPENSE	72.18	70.00	70.00	50.00	55.00
TOTAL-MT. HERMON TRAFFIC MITIGATION EXPENSES		**72.18**	**70.00**	**70.00**	**50.00**	**55.00**
LIBRARY IMPACT FEES FUND						
086.90.0000.301	OFFICE EXPENSE	333.52	300.00	300.00	200.00	210.00
086.90.0000.313	OTHER CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
	SUBTOTAL	333.52	300.00	300.00	200.00	210.00
ADA IMPROVEMENTS - LIBRARY						
086.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	2,284.17	0.00	0.00	0.00	0.00
IDENTIFICATION SIGNS - LIBRARY						
086.90.4664.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	23,000.00	23,000.00	0.00	0.00
TOTAL-LIBRARY IMPACT EXPENSES		**2,617.69**	**23,300.00**	**23,300.00**	**200.00**	**210.00**
POLICE DEVELOPMENT FEES FUND						
315.90.0000.301	OFFICE EXPENSE	231.47	240.00	240.00	130.00	150.00
315.90.0000.912	SAFETY EQUIPMENT	0.00	100,000.00	100,000.00	0.00	0.00

SPECIAL REVENUE FUNDS
DEVELOPMENT IMPACT FEE FUNDS

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
TOTAL-POLICE DEVELOPMENT EXPENSES		231.47	100,240.00	100,240.00	130.00	150.00
	TOTAL - SPECIAL REVENUE DIF FUNDS	98,615.14	274,170.00	430,170.00	42,939.00	375,695.00

Special Revenue Funds
(excluding Development Impact Fee Funds)


The City has established separate funds based on funding source to account for resources that must be used for a specific project or use. These funds are known as “Special Revenue Funds”. One of the more significant group of Special Revenue Funds are those funds that the City collects from developers to fund public infrastructure that is required to meet the needs of the impact that those developments have on community resources. These Development Impact Fees are grouped in a separate section within this Annual Budget document. A brief overview of the other Special Revenue Funds that are not development related are indicated below

Recycling/Environment Fund (#002)

This fund accounts for fees paid by solid waste companies and customers through the County of Santa Cruz for disposal of solid waste in County transfer facilities. A portion of these revenues are sent back to the City to help pay for recycling and environmental protection initiatives such as street sweeping, e-waste recycling, community training classes, and storm water protection and remediation. There are no capital projects anticipated to be funded from these sources.

Gas Tax Fund (#003)

The state of California imposes per-gallon excise taxes on gasoline and diesel fuel, sales taxes on gasoline and diesel fuel and registration taxes on motor vehicles with allocations to dedicated transportation purposes. These allocations flow through the Highway Users Tax Account (HUTA), which are allocated to state and local agencies based primarily on population. These revenues are allocated to Scotts Valley and other cities based on the provisions in the California Streets & Highway Code §2103-2107.5.

In April 2017, the State Legislature approved the Road Repair and Accountability Act of 2017, creating a Road Maintenance and Rehabilitation Account (RMRA) which allocates the revenues collected from that legislation. The new revenues include: additional 12 cent and 20 cent per-gallon increases to gasoline and diesel fuel excise taxes, respectively; an additional vehicle registration tax for all vehicles based on value; and, an additional $100 registration tax on zero-emissions vehicles for vehicles manufactured after 2020.

These funds are used to finance street maintenance activities performed by the Public Works Streets Maintenance Division (approximately $235,000 annually), and fund various roadway improvements indicated in the Five-Year Capital Improvement Project Plan. The following project is included for funding in FY 2018/19:

- Annual Street Maintenance/Resurfacing Program (CIP #18) - $200,000

SMIP Fees Fund (#005)

The City levies a Strong Motion and Instrumentation Program (SMIP) fee on every building permit where a building discipline inspector is required as part of the field inspection. This fee funds the California State Strong-Motion Instrumentation Program, administered by the California Department of Conservation, which funds the purchase, installation, maintenance, data collection and interpretation of information collected from seismic instrumentation placed in geographic environments throughout the state. These funds are remitted to the State as required by California Public Resources Code §2700-2709.1.

Senior Center Designated Donations Fund (#018)

Community members will, at time, donate funds to the City restricted to fund various programs, activities, or in support of equipment and furniture needs at the City's Senior Center. This fund is used to account for such donations and are expended for the purpose so designated by the donor.

Affordable Housing Fund (#019)

Upon dissolution of the City's former redevelopment agency in 2012, the City chose to become the successor housing agency to administer affordable housing programs in Scotts Valley. Funds were transferred from the former redevelopment agency upon dissolution to fund affordable housing programs that were enforceable obligations at the time of dissolution. On an ongoing basis, the City received rental income from affordable housing properties that were previously owned by the redevelopment agency and dedicated to the City as part of dissolution. The City also carries first-time homebuyer loans on the books that will be paid upon sale of those homes by their homeowners. The revenue is used to fund the ongoing administration of affordable housing properties owned by the City as successor housing agency, and used to help fund development of additional affordable housing stock in Scotts Valley through subsidies paid to developers.

Lennar Funds (#025)

In 2014, the City approved a first amendment to the development agreement between the City and Lennar Homes of California, Inc. for the development of homes on the property formerly known as Polo Ranch. Lennar paid the City $1 million as required by the development agreement to be used for park and recreational opportunities in the City at the sole discretion of the City Council. These funds have been used to fund a variety of parks and recreational infrastructure improvements.

Per City Council direction, the following projects are being funded by these funds in FY 2018/19:

- Parks ADA Improvements – Phase 1 (CIP #26) - $38,800
- Skypark Tennis Area Improvements (CIP #31) - $20,000 (with $30,000 in additional funding coming from Parks Development Impact Fees)

Senior Center Operations Fund (#028)

The City operates a Senior Center for the enjoyment of Scotts Valley's seniors, offering a variety of programs and activities and rental of the senior center facility by community members. Program and rental revenues are recorded in the fund to pay for the expenditures associated with the programs and activities offered.

STP Exchange Projects Fund (#031)

California's Department of Transportation administers the Regional Surface Transportation Program (RSTP, or STP), using Surface Transportation Block Grant Program funds provided under federal law, to provide flexible funding to address State and local transportation needs. The City has also applied for and received grants from the California Transportation Commission 2018 Local Partnership Program. These grants fund various transportation related projects, and this fund accounts for the grant revenues and the associated capital project expenditures for approved projects.

The following capital project has been approved for funding under the STP program for FY 2018/19:

- Kings Village Road Sidewalk Improvements (CIP #18) – $271,000 (with additional funding of $35,000 from Measure D funds)
- Glenwood Open Space Preserve East Trails (CIP #38) – $320,000 (with additional funding of $130,000 from Measure D funds and $190,000 from the General CIP Fund)

Tree Replacement Fund (#033)

The City levies a tree removal fee for property owners that wish to remove trees on their property. A higher fee is charged for what are considered "heritage trees". Fees collected are used to fund tree planting maintenance efforts on City property to mitigate the environmental impact on tree removal by private property owners.

Green Building Fund (#035)

The City levies a green building fee in accordance with the provisions of Scotts Valley Municipal Code §17.51.080, on property development that is not otherwise exempt from the fee based on their proposed green building elements of the project. The fee is based on assessed valuation of improvements. Revenues collected from developers are used for program management, public educational purposes and local seminars on green building issues and programs.

Disability Compliance Fund (#036)

The City collects a one-dollar fee required by Senate Bill 1186 (2012) on any local business license registration or renewal, remitted to the California Department of General Services' Division of the State Architect which are used to increase disability access and compliance with construction-related accessibility requirements. All fees collected are remitted to the State on a quarterly basis. The fee will sunset on December 31, 2018.

Pinewood Estates Maintenance District (#050)

A landscape maintenance assessment district was established in 1987 for 25 parcels in the Pinewood Estates subdivision to maintain improvements consisting of ornamental landscaping, irrigation equipment, signs, fences and storm detention ponds. This fund accounts for the expenditures associated with those maintenance efforts that are paid for from assessments levied on the homeowners.

Skypark Landscape Maintenance District (#077 and 078)

An open space maintenance assessment district was established in 1995 to maintain a linear park and two greenbelt areas that are the responsibility of 190 parcel owners adjacent to Skypark. Maintenance efforts are accounted for in Fund #077 and include maintenance of landscape, irrigation systems, lighting, curbs, gutters, sidewalks and water/electricity utilities. The district also establishes a self-insurance fund in the event of a slope failure, which is accounted for in Fund #078. The assessments levied on the 190 parcel owners for maintenance and self-insurance are deposited into those respective funds.

Library Facilities Improvements (Measure S) Fund (#088)

The passage of countywide Measure S in June 2016 provides $3 million in bond financing revenues for improvements to the Scotts Valley Library. It is expected that the City's first drawdown of bond proceeds of $500,000 is anticipated to occur in FY 2018/19.

There are no library building improvement projects scheduled for FY 2018/19, pending direction from the Council regarding the use of the adjacent space to the Library. Some minor library projects are scheduled for FY 2019/20 to address sound attenuation, security, and parking lot improvement needs.

Community Facility Center Operations Fund (#123)

The City operates a Community Center for the enjoyment of the community. The facility is available for rental to the public. Rental revenues are recorded in the fund to pay for the expenditures associated with the operation and maintenance of the Center.

Measure D Sales Tax for Transportation (#155)

The passage of countywide Measure D in November 2016 will provide nearly $270,000 in annual sales tax revenues to the City to fund a variety of transportation projects that the City might not have otherwise been able to fund with existing revenues (a key stipulation in the measure).

The following capital projects have been included for funding in FY 2018/19 in the Five-Year CIP Plan:

- Rehabilitation of Glenwood Drive (CIP #17) - $100,000
- Kings Village Road Sidewalk Improvements (CIP #18) - $35,000 (with additional funding of $271,000 from grants in the STP Exchange Projects Fund)
- Glenwood Open Space Preserve East Trails (CIP #38) - $130,000 (with additional funding of $320,000 from STP Exchange Projects Fund and $190,000 from the General CIP Fund)

Supplemental Law Enforcement Services Fund (#306)

The State provides funding for local law enforcement pursuant to the provisions of California Government Code §30061 under the Citizens' Option for Public Safety program. These funds, known as "supplemental law enforcement services funds" (SLESF) are allocated to local agencies to provide "front-line law enforcement services", allocated based on population with a minimum grant of $100,000 to each agency. Due to Scotts Valley's relative size within Santa Cruz County, the City receives only the minimum $100,000.

These funds are eligible to be used for operating or capital law enforcement expenditures at the discretion of the agency. Scotts Valley has historically used these funds to finance capital acquisition of equipment and other capital needs for the

Police Department. A placeholder amount of $100,000 has been included in the FY 2018/19 budget for vehicle replacement needs.

Police Budget Act of 2016 Fund (#312)

In 2017, the City received $49,000 through the City of Watsonville from grants associated with the State's Budget Act of 2016 that appropriated funds for agencies employing 100 or fewer officers. The funds are required to be used to supplement existing funds for such areas as homeless outreach, gang resistance education and training, outreach to high-risk youth, and other similar programs. The police chiefs in Santa Cruz County agreed to split the grant equally among the cities of Watsonville, Capitola, Santa Cruz and Scotts Valley. The City intends to expend an amount not to exceed $15,000 each year in support of the DARE program until all funds are depleted.

Homeland Security Grant Fund (#316)

The US Department of Homeland Security (DHS) provided grant funds to local law enforcement agencies to enhance the ability of regional authorities to prepare, prevent and respond to terrorist attacks and other disasters. Local agencies use these grant funds for planning, equipment, training and exercise needs. Scotts Valley Police Department has typically applied for these funds to finance acquisition of equipment in support of DHS' purposes, including upgrading the regional 911 police radio site. These funds will be fully depleted with the completion of that project.

EDG Revolving Loan Fund (#317)

This loan fund was established to account for a notes receivable due from a developer that is secured by that property. The loan was provided from Community Development Block Grant funds and is payable upon the sale of the property. There is no activity in the fund until which time the note becomes due and payable.

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
RECYCLING/ENVIRONMENT FUND						
002.90.0000.301	OFFICE EXPENSE	29.14	0.00	0.00	30.00	30.00
002.90.0000.303	SMALL TOOLS & SUPPLIES	0.00	0.00	0.00	0.00	0.00
002.90.0000.313	OTHER CONTRACTUAL SERVICES	44,377.00	60,650.00	60,650.00	48,000.00	60,650.00
002.90.0000.905	MACHINERY & EQUIPMENT	0.00	0.00	0.00	0.00	0.00
TOTAL RECYCLING/ENVIRONMENT EXPENDITURES		**44,406.14**	**60,650.00**	**60,650.00**	**48,030.00**	**60,680.00**
GAS TAX FUND						
003.90.0000.301	OFFICE EXPENSE	672.14	0.00	0.00	155.00	160.00
003.90.0000.312	PROFESSIONAL/SPECIALIZED SVC	0.00	0.00	0.00	0.00	0.00
003.90.0000.313	OTHER CONTRACTUAL SERVICES	18,620.00	0.00	0.00	18,880.00	0.00
003.90.0000.402	MAINT & OPERATION OF EQMT	0.00	16,493.00	16,493.00	16,943.00	0.00
003.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	9,500.00	0.00	0.00	0.00	0.00
	SUBTOTAL	28,792.14	16,493.00	16,493.00	35,978.00	160.00
STREET OVERLAY						
003.90.4535.904	IMPROVEMENTS O/T BLDGS-OTHER	59,680.00	75,000.00	75,000.00	110,195.00	200,000.00
ADA IMPROVEMENTS PROJECTS						
003.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	39,600.00	39,600.00	64,122.00	0.00
TOTAL-GAS TAX EXPENDITURES		**88,472.14**	**131,093.00**	**131,093.00**	**210,295.00**	**200,160.00**

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
SMIP FEES FUND						
005.90.0000.301	OFFICE EXPENSE	25.84	20.00	20.00	20.00	20.00
005.90.0000.317	GOVERNMENTAL FEES/TAXES	0.00	5,000.00	5,000.00	25,857.00	8,050.00
	TOTAL-SMIP EXPENDITURES	**25.84**	**5,020.00**	**5,020.00**	**25,877.00**	**8,070.00**
AFFORDABLE HOUSING FUND						
019.82.0000.301	OFFICE EXPENSE	368.31	320.00	320.00	348.00	350.00
019.82.0000.304	SUCCESSOR AGENCY ADMIN COSTS	1,941.08	0.00	0.00	0.00	0.00
019.82.0000.313	OTHER CONTRACTUAL SERVICES	3,868.50	500.00	500.00	4,639.00	25,000.00
019.82.0000.503	RENT GUARANTEES	23,688.00	23,700.00	23,700.00	23,688.00	23,700.00
019.82.0000.504	AFFORDABLE HOUSING SUBSIDIES	0.00	260,000.00	260,000.00	0.00	5,050.00
	TOTAL-AFFORDABLE HOUSING EXPENDITURES	**29,865.89**	**284,520.00**	**284,520.00**	**28,675.00**	**54,100.00**
LENNAR FUNDS						
SKYPARK TURF DRAINAGE						
024.90.4519.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	50,000.00	50,000.00	59,385.00	0.00
ADA IMPROVEMENT PROJECTS - PARKS-PHASE I						
024.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	38,800.00	38,800.00	39,965.00	38,800.00
ADA IMPROVEMENT PROJECTS - COMMUNITY CENTER-PHASE I						

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
024.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	46,000.00	46,000.00	62,150.00	0.00
SKKYPARK TENNIS AREA IMPROVEMENTS						
024.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	20,000.00
	TOTAL-LENNAR EXPENDITURES	**0.00**	**134,800.00**	**134,800.00**	**161,500.00**	**58,800.00**

SENIOR CENTER OPERATIONS FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
028.90.0000.101	SALARIES/WAGES - REGULAR	10,906.45	22,170.00	22,170.00	6,581.00	22,796.00
028.90.0000.102	SALARIES/WAGES - HOLIDAY	743.42	0.00	0.00	0.00	0.00
028.90.0000.103	SALARIES/WAGES - SICK LEAVE	318.64	0.00	0.00	0.00	0.00
028.90.0000.104	SALARIES/WAGES - VACATION	823.06	0.00	0.00	0.00	0.00
028.90.0000.107	SALARIES/WAGES - TEMPORARY	17,261.12	17,365.00	17,365.00	17,828.00	17,365.00
028.90.0000.108	SALARIES/WAGES - C/T TAKEN	114.29	0.00	0.00	0.00	0.00
028.90.0000.109	SALARIES/WAGES - OVERTIME	16.80	0.00	0.00	0.00	0.00
028.90.0000.203	FICA	1,119.57	3,024.00	3,024.00	658.00	1,996.00
028.90.0000.204	RETIREMENT	3,270.80	6,441.00	6,441.00	3,078.00	7,434.00
028.90.0000.205	GROUP INSURANCE	9,886.88	17,691.00	17,691.00	9,695.00	16,171.00
028.90.0000.206	WORKERS' COMPENSATION	887.00	2,978.00	2,978.00	2,437.00	1,440.00
028.90.0000.301	OFFICE EXPENSE	1,859.77	1,250.00	1,250.00	1,972.00	1,950.00
028.90.0000.302	SPECIAL DEPARTMENT EXPENSE	9,500.65	12,500.00	12,500.00	8,052.00	9,000.00
028.90.0000.305	ADVERTISING	2,245.19	2,600.00	2,600.00	2,248.00	2,500.00
028.90.0000.306	COMMUNICATIONS	401.68	500.00	500.00	540.00	550.00
028.90.0000.307	UTILITIES	7,311.26	8,900.00	8,900.00	6,620.00	6,700.00
028.90.0000.313	OTHER CONTRACTUAL SERVICES	325.00	400.00	400.00	400.00	400.00
028.90.0000.314	INSURANCE & SURETY BONDS	1,355.63	1,300.00	1,300.00	3,745.00	4,000.00
028.90.0000.315	MEMBERSHIPS & DUES	110.00	110.00	110.00	110.00	110.00
028.90.0000.322	TRAINING & EDUCATION	0.00	300.00	300.00	0.00	300.00

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
028.90.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	9,240.94	5,700.00	5,700.00	4,738.00	5,500.00
028.90.0000.402	MAINT & OPERATION OF EQMT	2,069.75	2,000.00	2,000.00	1,590.00	2,000.00
028.90.0000.403	MAINT & OPERATION OF VEHICLE	98.10	500.00	500.00	225.00	500.00
028.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	0.00
028.90.0000.905	MACHINERY & EQMT - OTHER	0.00	0.00	0.00	0.00	0.00
	SENIOR CENTER SUBTOTAL	79,866.00	105,729.00	105,729.00	70,517.00	100,712.00
CRAFT FAIR-SENIOR CENTER						
028.90.1049.302	SPECIAL DEPARTMENT EXPENSE	564.74	0.00	0.00	908.00	900.00
028.90.1049.305	ADVERTISING	497.88	0.00	0.00	497.00	500.00
	CRAFT FAIR SUBTOTAL	1,062.62	0.00	0.00	1,405.00	1,400.00
	TOTAL-SENIOR CENTER OPERATIONS EXPENDITURES	**80,928.62**	**105,729.00**	**105,729.00**	**71,922.00**	**102,112.00**
STP EXCHANGE PROJECTS FUND						
031.90.0000.301	OFFICE EXPENSE	37.77	40.00	40.00	12.00	20.00
GREEN HILLS STBG IMPROVEMENTS						
031.90.4663.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	711,000.00	855,848.00	855,848.00	0.00
GLENWOOD OPEN SPACE PRESERVE EAST TRAILS						
031.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	320,000.00
KINGS VILLAGE RD SIDEWALK IMPROVEMENTS						

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
031.90.xxxx.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	271,000.00
	TOTAL-STP EXCHANGE EXPENDITURES	**37.77**	**711,040.00**	**855,888.00**	**855,860.00**	**591,020.00**
TREE REPLACEMENT FUND						
033.90.0000.301	OFFICE EXPENSE	33.65	0.00	0.00	20.00	25.00
033.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	896.31	10,000.00	10,000.00	1,000.00	10,000.00
	TOTAL-TREE REPLACEMENT EXPENDITURES	**929.96**	**10,000.00**	**10,000.00**	**1,020.00**	**10,025.00**
GREEN BUILDING FUNDING FUND						
035.90.0000.301	OFFICE EXPENSE	330.24	250.00	250.00	235.00	240.00
035.90.0000.305	ADVERTISING	0.00	0.00	0.00	0.00	0.00
035.90.0000.313	OTHER CONTRACTUAL SERVICES	2,090.07	2,000.00	2,000.00	2,000.00	2,000.00
035.90.0000.317	GOVERNMENTAL FEES/TAXES	0.00	0.00	0.00	7,954.00	2,000.00
035.90.0000.322	TRAINING & EDUCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL-GREEN BUILDING EXPENDITURES	**2,420.31**	**2,250.00**	**2,250.00**	**10,189.00**	**4,240.00**
DISABILITY COMPLIANCE FUND						
036.90.0000.301	OFFICE EXPENSE	4.52	10.00	10.00	3.00	5.00
036.90.0000.317	GOVERNMENTAL FEES/TAXES	0.00	750.00	750.00	2,205.00	5,000.00
	TOTAL-DISABILITY COMPLIANCE EXPENDITURES	**4.52**	**760.00**	**760.00**	**2,208.00**	**5,005.00**

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
PINEWOOD ESTATES MAINTENANCE DISTRICT						
050.90.0000.301	OFFICE EXPENSE	12.49	12.00	12.00	7.00	15.00
050.90.0000.307	UTILITIES	449.06	500.00	500.00	480.00	500.00
050.90.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	5,271.00	5,000.00	5,000.00	4,996.00	5,000.00
	TOTAL-PINEWOOD ESTATES MAINT EXPENDITURES	**5,732.55**	**5,512.00**	**5,512.00**	**5,483.00**	**5,515.00**
SKYPARK LANDSCAPE MAINTENANCE DISTRICT						
077.90.0000.301	OFFICE EXPENSE	5.28	0.00	0.00	0.00	0.00
077.90.0000.307	UTILITIES	7,716.45	11,000.00	11,000.00	11,390.00	12,000.00
077.90.0000.314	INSURANCE & SURETY BONDS	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00
077.90.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	25,854.06	21,000.00	21,000.00	24,627.00	25,000.00
	TOTAL-SKYPARK LANDSCAPE MAINT EXPENDITURES	**42,575.79**	**41,000.00**	**41,000.00**	**45,017.00**	**46,000.00**
SKYPARK LANDSCAPE DISTRICT INSURANCE						
078.90.0000.301	OFFICE EXPENSE	672.96	700.00	700.00	360.00	400.00
	TOTAL-SKYPARK LANDSCAPE INSUR EXPENDITURES	**672.96**	**700.00**	**700.00**	**360.00**	**400.00**
LIBRARY FACILITIES IMPROVEMENTS (MEASURE S) FUND						
088.90.0000.301	OFFICE EXPENSE	20.66	0.00	0.00	150.00	170.00
088.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	670.22	0.00	0.00	3,050.00	0.00
088.90.0000.910	OFFICE EQMT & FURNITURE	7,110.90	0.00	0.00	0.00	0.00

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
	SUBTOTAL	7,801.78	0.00	0.00	3,200.00	170.00
LIBRARY ROOF & HVAC SYSTEM						
088.90.4673.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	292,000.00	292,000.00	0.00	0.00
TOTAL-LIBRARY FACILITIES IMPR EXPENDITURES		**7,801.78**	**292,000.00**	**292,000.00**	**3,200.00**	**170.00**
COMMUNITY FACILITY CENTER OPERATIONS FUND						
123.90.0000.101	SALARIES/WAGES - REGULAR	10,906.21	15,442.00	14,823.00	6,581.00	16,342.00
123.90.0000.102	SALARIES/WAGES - HOLIDAY	743.43	0.00	0.00	0.00	0.00
123.90.0000.103	SALARIES/WAGES - SICK LEAVE	318.65	0.00	0.00	0.00	0.00
123.90.0000.104	SALARIES/WAGES - VACATION	823.06	0.00	0.00	0.00	0.00
123.90.0000.108	COMP TIME TAKEN	114.28	0.00	0.00	0.00	0.00
123.90.0000.109	SALARIES/WAGES - OVERTIME	16.80	0.00	0.00	0.00	0.00
123.90.0000.203	FICA	869.31	1,181.00	1,181.00	401.00	1,181.00
123.90.0000.204	RETIREMENT	3,270.80	4,082.00	4,082.00	3,078.00	4,779.00
123.90.0000.205	GROUP INSURANCE	8,952.47	9,715.00	9,715.00	8,738.00	7,993.00
123.90.0000.206	WORKERS' COMPENSATION	887.00	480.00	480.00	747.00	450.00
123.90.0000.301	OFFICE EXPENSE	115.32	70.00	70.00	68.00	70.00
123.90.0000.302	SPECIAL DEPARTMENT EXPENSE	1,993.00	700.00	700.00	1,165.00	1,200.00
123.90.0000.306	COMMUNICATIONS	341.83	300.00	300.00	467.00	500.00
123.90.0000.308	RENT & LEASE EXPENSE	3,943.81	6,000.00	6,000.00	0.00	0.00
123.90.0000.314	INSURANCE & SURETY BONDS	2,659.46	2,600.00	2,600.00	15,330.00	15,500.00
123.90.0000.327	POWER UTILITIES	7,438.12	8,500.00	8,500.00	6,880.00	7,000.00
123.90.0000.328	WATER UTILITIES	1,604.21	1,500.00	1,500.00	1,540.00	1,600.00
123.90.0000.349	MISCELLANEOUS	324.52	400.00	400.00	876.00	500.00
123.90.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	9,804.74	18,000.00	18,000.00	14,390.00	18,000.00
123.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	0.00

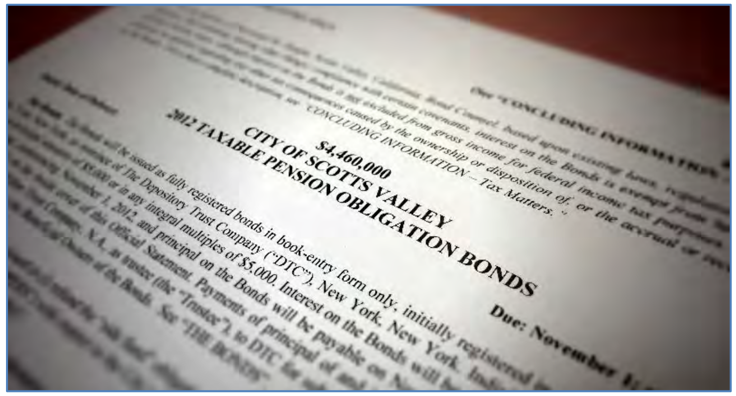
**SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)**

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
	OPERATING SUBTOTAL	55,127.02	68,970.00	68,351.00	60,261.00	75,115.00
ADA IMPROVEMENT PROJECT						
123.90.4660.904	IMPROVEMENTS O/T BLDGS-OTHER	7,582.80	0.00	0.00	0.00	0.00
TOTAL-COMMUNITY CENTER EXPENDITURES		**62,709.82**	**68,970.00**	**68,351.00**	**60,261.00**	**75,115.00**
MEASURE D SALES TAX FOR TRANSPORTATION						
155.90.0000.301	OFFICE EXPENSE	0.00	0.00	0.00	12.00	20.00
155.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	100,000.00	100,000.00	0.00	265,000.00
TOTAL-MEASURE D TRANSPORTATION EXPENDITURES		**0.00**	**100,000.00**	**100,000.00**	**12.00**	**265,020.00**
SUPPL. LAW ENFORCEMENT SERVICES FUND (SLESF)						
306.90.0000.301	OFFICE EXPENSE	113.55	0.00	0.00	1,390.00	1,400.00
306.90.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	8,000.00	8,000.00
306.90.0000.905	MACHINERY & EQUIPMENT	1,649.55	0.00	0.00	30,000.00	37,500.00
306.90.0000.908	VEHICLES	52,612.52	0.00	0.00	62,000.00	100,000.00
TOTAL-SUPPL LAW ENFORCEMENT EXPENDITURES		**54,375.62**	**0.00**	**0.00**	**101,390.00**	**146,900.00**
POLICE - BUDGET ACT OF 2016						
312.90.0000.301	OFFICE EXPENSE	0.00	0.00	0.00	24.00	0.00

SPECIAL REVENUE FUNDS
(EXCLUDING DEVELOPMENT IMPACT FEE FUNDS)

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
312.90.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	8,000.00	15,000.00
	TOTAL-POLICE-BUDGET ACT OF 2016 EXPENDITURES	**0.00**	**0.00**	**0.00**	**8,024.00**	**15,000.00**
HOMELAND SECURITY GRANT FUND						
316.90.0000.301	OFFICE EXPENSE	0.61	0.00	0.00	2.00	30.00
316.90.0000.302	SPECIAL DEPARTMENT EXPENSE	0.00	0.00	0.00	0.00	0.00
316.90.0000.905	MACHINERY & EQUIPMENT	2,298.76	0.00	0.00	0.00	0.00
316.90.0000.908	VEHICLES	0.00	0.00	0.00	0.00	0.00
316.90.0000.914	COMMUNICATIONS EQUIPMENT	0.00	47,500.00	47,500.00	0.00	0.00
	TOTAL-HOMELAND SECURITY EXPENDITURES	**2,299.37**	**47,500.00**	**47,500.00**	**2.00**	**30.00**
EDG-REVOLVING LOAN FUND						
317.90.0000.301	OFFICE EXPENSE	0.77	0.00	0.00	0.00	0.00
317.90.0000.349	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00
	TOTAL-EDG-REVOLVING LOAN EXPENDITURES	**0.77**	**0.00**	**0.00**	**0.00**	**0.00**
	TOTAL - ALL SPECIAL REVENUE FUNDS	**423,259.85**	**2,001,544.00**	**2,145,773.00**	**1,639,325.00**	**1,648,362.00**

Debt Service Funds



Debt service funds are used to account for the repayment of bonds and other debt obligations of the City. There are two remaining debt service funds used to extinguish the City's remaining debt obligations.

Pension Obligation Bonds (#026)

The City issued pension obligation bonds in 2012 to finance its unfunded pension obligations with CalPERS to take advantage of the low interest rate environment at that time. The bonds require debt service in the form of annual principal and semi-annual interest payments, and will be fully paid off by 2024/25. Contractual services are also required to comply with annual regulatory reporting requirements. The source of payment is through an annual interfund transfer charged to operating department budgets in the General, Special Revenue, Recreation Enterprise and Wastewater Enterprise funds based on budgeted payroll expenses.

COP Debt Service Reserve Fund (#066)

In 2013, the City refunded two prior City general debt obligations to take advantage of the low interest rate environment at that time. The issued certificates of participation (COP) will be fully paid off in 2043. Debt service for these obligations are charged directly to the General Fund. The official statement required a debt service reserve fund be established. This fund hold those reserve assets. Investment earnings are generated on the service funds, which are used to offset the debt service costs borne by the General Fund.

DEBT SERVICE FUNDS

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
PENSION OBLIGATION BOND FUND						
026.90.0000.313	OTHER CONTRACTUAL SERVICES	3,300.00	3,500.00	3,500.00	3,300.00	3,500.00
026.90.0000.801	RETIREMENT OF PRINCIPAL	325,000.00	335,000.00	335,000.00	335,000.00	340,000.00
026.90.0000.802	INTEREST EXPENSE	118,305.00	110,286.00	110,286.00	110,286.00	100,325.00
TOTAL DEBT SERVICE EXPENDITURES		**446,605.00**	**448,786.00**	**448,786.00**	**448,586.00**	**443,825.00**
COP DEBT SERVICE RESERVE FUND						
066.90.0000.301	OFFICE EXPENSE	1,329.20	1,400.00	1,400.00	690.00	700.00
066.90.0000.801	RETIREMENT OF PRINCIPAL	0.00	0.00	0.00	0.00	0.00
066.90.0000.802	INTEREST EXPENSE	0.00	0.00	0.00	0.00	0.00
TOTAL COP DEBT SERVICE EXPENDITURES		**1,329.20**	**1,400.00**	**1,400.00**	**690.00**	**700.00**
	TOTAL - DEBT SERVICE FUNDS	**447,934.20**	**450,186.00**	**450,186.00**	**449,276.00**	**444,525.00**

Parks and Recreation Division

Overview

The Parks and Recreation Division (PRD) works with all residents to be good stewards of the environment, and to provide safe, welcoming opportunities to play, learn, contemplate, and build community awareness. The PRD is comprised of five developed parks, featuring eight athletic fields, six children's play areas, and one off-leash area. Other facilities include four outdoor tennis courts, two bocce courts, one outdoor swimming pool, two horseshoe pits, three half basketball courts, a community center, senior center, a one-mile paved trail, one hiking trail, and more. Countless area residents and visitors use the Parks and Recreation facilities to pursue their passions, from soccer to music, kite flying to baseball, swimming to community events.

Division employees work hard to develop partnerships with park neighbors, volunteers, non-profits, local businesses, the Scotts Valley Chamber of Commerce and the Scotts Valley School District to effectively respond to increasing requests for use of Scotts Valley's parks and recreation facilities. One of the most significant partnerships is with the Scotts Valley Unified School District; where the PRD provides childcare and recreation programs in the City-owned facilities located on the School District's property at Vine Hill and Brook Knoll Elementary Schools.

The PRD also supports and manages the Park and Recreation Commission, Scotts Valley Advocates 501(c)(3), the Arts Commission, and the Senior Center Board. These organizations are made up of volunteer members and are an advisory committee to City Council and Parks and Recreation staff on recreation programming and facility maintenance which enables the Division to consistently offer incredible parks, quality childcare, and a wide range of recreation programs to the public. The PRD continues to look for creative opportunities to redefine how it does business in order to preserve access for the community.

Staffing Summary

Position	Actual 2014/15	Actual 2015/16	Actual 2016/17	Approved 2017/18	Proposed 2018/19
Administrative Services Director	-	-	0.20	0.20	-
Recreation Division Manager	1.00	1.00	1.00	1.00	1.00
Recreation Coordinator	1.00	1.00	1.00	1.00	1.00
Administrative Secretary I/II	1.00	1.00	1.00	1.00	1.00
Laborer	-	-	0.50	0.50	0.50
Sr. Recreation Leader/ Site Director	2.00	2.00	2.00	2.00	2.00
Total FTE	5.00	5.00	5.70	5.70	5.50

The staffing summary above incorporate full-time staffing in support of the Recreation, Senior Center and Community Center operations. Recreation Division activities rely heavily on a total of 55 full-year or seasonal part-time employees to provide recreation services through the Recreation, Senior Center and Community Center operating funds.

Divisional Workplan

The Parks and Recreation Division (PRD) is derived primarily through recurring activities (i.e., parks, fields and facility rentals, school recreation programs, and City offered classes). Activity guides are distributed in the Fall, Spring/Winter and Summer for activities for the public (i.e., day camps, sports activities, swimming, and other classes). The PRD supervises the Senior Center, Community Center and Community Garden, overseeing their rentals, memberships and scheduled activities (i.e., exercise classes, card and board games, seasonal potlucks, themed dinners and other various events).

The Division's workplan for FY 2018/19 includes the following:

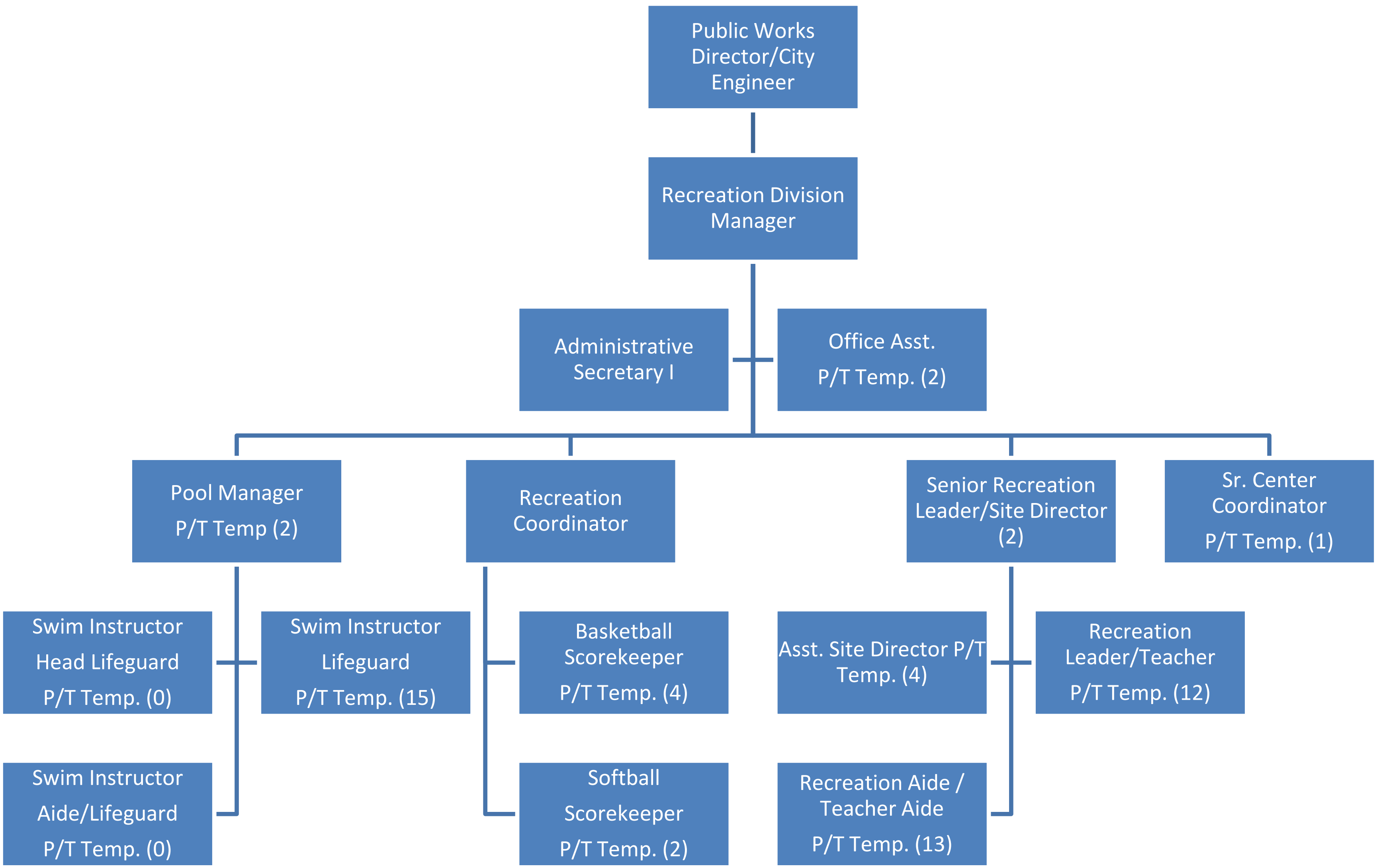
- **Values, Beliefs and Roles of the Parks and Recreation Division** – The Parks and Recreation Division will continue to pursue the values, beliefs and roles documented by the Parks Master Plan and ensure that facilities are maintained both for the safety and enjoyment of the public and to ensure the longevity of the facilities and amenities. It is the responsibility of the PRD to annually review the Parks Master Plan to stay aligned with these goals. *Goal/Priority: Operational efficiencies; Public infrastructure; Public safety*
- **Customer Satisfaction Survey Development** – The Parks and Recreation Commission proposes to develop and distribute a City survey to Scotts Valley residents. The survey's purpose is to determine any needs addressed in relation to City parks, rental facilities, school-age recreation programs and all activities offered through the PRD. *Goal/Priority: Operational efficiencies; Community Engagement*
- **Recreation Activities and Park Usage** – The Parks and Recreation Division will continue to ensure leisure and recreation related opportunities that meet and balance the identified and documented needs and preferences of individuals and groups within the community. The PRD will also provide facilities, programs and services that give all citizens reasonable opportunities to participate in a wide range of recreation activities. *Goal/Priority: Community engagement; Public infrastructure*
- **Public Art Displays** – The Division will work with the Arts Commission to identify opportunities for additional public art displays in such areas as public parks, medians, and other city facilities. Activities may include replacing the existing mural at Siltanen Park, implementing an Art Walk, the Poetry Contest, the Art Contest, and other activities that further arts and culture in Scotts Valley. *Goal/Priority: Community Engagement*

New or Additional Resources Proposed for FY 2018/19

No new or additional resources are requested in FY 2018/19 in order for the department to accomplish its workplan.

In FY 2016/17, the Department's services, supplies and maintenance costs were budgeted in the Recreation Administration cost center. Starting in FY 2017/18, those costs are allocated to program-related cost centers (e.g., school year recreation, adult softball, etc.).

Recreation



Note: This organization chart also includes part-time and seasonal employees

RECREATION ENTERPRISE FUND
RECREATION DIVISION

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
RECREATION ADMINISTRATION						
004.77.0000.101	SALARIES/WAGES - REGULAR	176,792.62	271,304.00	271,304.00	235,794.00	250,162.00
004.77.0000.102	SALARIES/WAGES - HOLIDAY	13,694.79	0.00	0.00	0.00	0.00
004.77.0000.103	SALARIES/WAGES - SICK LEAVE	10,286.12	0.00	0.00	0.00	0.00
004.77.0000.104	SALARIES/WAGES - VACATION	18,917.39	0.00	0.00	0.00	0.00
004.77.0000.107	SALARIES/WAGES - TEMPORARY	36,799.40	18,000.00	18,000.00	55,617.00	17,250.00
004.77.0000.108	SALARIES/WAGES - C/T TAKEN	2,333.79	0.00	0.00	0.00	0.00
004.77.0000.109	SALARIES/WAGES - OVERTIME	530.73	2,000.00	2,000.00	100.00	0.00
004.77.0000.203	FICA	18,135.65	21,177.00	21,177.00	20,311.00	23,487.00
004.77.0000.204	RETIREMENT	274,646.28	85,652.00	85,652.00	73,859.00	83,633.00
004.77.0000.205	GROUP INSURANCE	158,112.82	145,771.00	145,771.00	105,880.00	109,137.00
004.77.0000.206	WORKERS' COMPENSATION	9,860.00	67,042.00	67,042.00	58,296.00	34,685.00
004.77.0000.301	OFFICE EXPENSE	5,722.38	6,000.00	6,000.00	4,520.00	5,000.00
004.77.0000.302	SPECIAL DEPARTMENT EXPENSE	3,969.61	7,500.00	7,500.00	2,116.00	2,000.00
004.77.0000.303	SMALL TOOLS & SUPPLIES	560.90	400.00	400.00	405.00	400.00
004.77.0000.305	ADVERTISING	8,838.31	9,000.00	9,000.00	8,620.00	9,000.00
004.77.0000.306	COMMUNICATIONS	4,847.54	4,000.00	4,000.00	2,795.00	3,000.00
004.77.0000.307	UTILITIES	8,219.03	8,000.00	8,000.00	8,524.00	8,500.00
004.77.0000.310	RECRUITMENT	0.00	0.00	0.00	409.00	500.00
004.77.0000.313	OTHER CONTRACTUAL SERVICES	27,307.63	30,000.00	30,000.00	23,293.00	30,000.00
004.77.0000.314	INSURANCE & SURETY BONDS	11,430.02	9,200.00	9,200.00	5,618.00	18,745.00
004.77.0000.315	MEMBERSHIPS & DUES	75.00	100.00	100.00	100.00	100.00
004.77.0000.322	TRAINING & EDUCATION	25.00	0.00	0.00	35.00	0.00
004.77.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	4,113.17	2,000.00	2,000.00	2,960.00	3,000.00
004.77.0000.402	MAINT & OPERATION OF EQMT	7,224.90	8,000.00	8,000.00	7,870.00	8,000.00
004.77.0000.403	MAINT & OPERATION OF VEHICLE	6,715.53	5,500.00	5,500.00	6,950.00	7,000.00
004.77.0000.906	DEPRECIATION	1,000.00	0.00	0.00	0.00	0.00
	SUBTOTAL-GENERAL REC	810,158.61	700,646.00	700,646.00	624,072.00	613,599.00

CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

RECREATION ENTERPRISE FUND
RECREATION DIVISION

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
SCHOOL YEAR RECREATION						
004.77.1006.101	SALARIES/WAGES - REGULAR	34,933.22	0.00	0.00	0.00	0.00
004.77.1006.107	SALARIES/WAGES - TEMPORARY	258,600.54	206,800.00	206,800.00	245,607.00	237,000.00
004.77.1006.203	FICA	6,399.25	2,990.00	2,990.00	3,561.00	3,437.00
004.77.1006.204	RETIREMENT	6,224.87	0.00	0.00	0.00	0.00
004.77.1006.302	SPECIAL DEPARTMENT EXPENSE	33,790.09	49,500.00	49,500.00	39,065.00	42,000.00
004.77.1006.401	MAINT OF BLDGS/STRUCT/GRNDS	610.00	4,000.00	4,000.00	0.00	4,000.00
	SUBTOTAL-SCHOOL YR REC	340,557.97	263,290.00	263,290.00	288,233.00	286,437.00
ADULT SOFTBALL						
004.77.1015.107	SALARIES/WAGES - TEMPORARY	1,798.88	1,700.00	1,700.00	1,835.00	1,850.00
004.77.1015.203	FICA	26.11	25.00	25.00	26.00	27.00
004.77.1015.302	SPECIAL DEPARTMENT EXPENSE	4,071.23	3,750.00	3,750.00	2,106.00	2,500.00
004.77.1015.313	OTHER CONTRACTUAL SERVICES	2,598.00	2,800.00	2,800.00	2,664.00	2,800.00
004.77.1015.315	MEMBERSHIPS & DUES	70.00	300.00	300.00	300.00	300.00
	SUBTOTAL-ADULT SOFTBALL	8,564.22	8,575.00	8,575.00	6,931.00	7,477.00
YOUTH BASKETBALL						
004.77.1016.107	SALARIES/WAGES - TEMPORARY	3,791.00	3,500.00	3,500.00	3,871.00	3,900.00
004.77.1016.203	FICA	55.02	51.00	51.00	56.00	56.00
004.77.1016.302	SPECIAL DEPARTMENT EXPENSE	4,795.92	3,750.00	3,750.00	873.00	900.00
004.77.1016.313	OTHER CONTRACTUAL SERVICES	2,450.00	2,500.00	2,500.00	3,465.00	3,500.00
	SUBTOTAL-YOUTH BASKETBALL	11,091.94	9,801.00	9,801.00	8,265.00	8,356.00
AQUATICS						
004.77.1020.107	SALARIES/WAGES - TEMPORARY	59,916.25	40,000.00	40,000.00	40,350.00	45,000.00
004.77.1020.203	FICA	868.82	580.00	580.00	585.00	580.00
004.77.1020.302	SPECIAL DEPARTMENT EXPENSE	1,827.55	8,250.00	8,250.00	810.00	900.00
004.77.1020.313	OTHER CONTRACTUAL SERVICES	700.00	6,000.00	6,000.00	0.00	0.00
004.77.1020.322	TRAINING & EDUCATION	70.00	0.00	0.00	0.00	0.00
004.77.1020.401	MAINT OF BLDGS/STRUCT/GRNDS	9,654.21	2,000.00	2,000.00	15,710.00	8,000.00
004.77.1020.402	MAINT & OPERATION OF EQMT	0.00	0.00	0.00	0.00	0.00
	SUBTOTAL-AQUATICS	73,036.83	56,830.00	56,830.00	57,455.00	54,480.00

RECREATION ENTERPRISE FUND
RECREATION DIVISION

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
CLASSES						
004.77.1037.302	SPECIAL DEPARTMENT EXPENSE	28.22	750.00	750.00	105.00	110.00
004.77.1037.313	OTHER CONTRACTUAL SERVICES	45,566.62	55,000.00	55,000.00	54,686.00	55,000.00
	SUBTOTAL-CLASSES	45,594.84	55,750.00	55,750.00	54,791.00	55,110.00
ADULT SOCCER						
004.77.1046.302	SPECIAL DEPARTMENT EXPENSE	703.64	750.00	750.00	721.00	750.00
004.77.1046.313	OTHER CONTRACTUAL SERVICES	2,752.00	3,500.00	3,500.00	3,250.00	3,500.00
	SUBTOTAL-ADULT SOCCER	3,455.64	4,250.00	4,250.00	3,971.00	4,250.00
TENNIS						
004.77.1047.302	SPECIAL DEPARTMENT EXPENSE	785.77	750.00	750.00	650.00	750.00
004.77.1047.313	OTHER CONTRACTUAL SERVICES	27,525.69	37,000.00	37,000.00	36,875.00	37,000.00
	SUBTOTAL-TENNIS	28,311.46	37,750.00	37,750.00	37,525.00	37,750.00
BOCCE BALL						
004.77.1048.302	SPECIAL DEPARTMENT EXPENSE	300.21	0.00	0.00	300.00	300.00
004.77.1048.303	SMALL TOOLS & SUPPLIES	0.00	0.00	0.00	0.00	0.00
	SUBTOTAL-BOCCE BALL	300.21	0.00	0.00	300.00	300.00
TOTAL - RECREATION ENTERPRISE FUND		**1,321,071.72**	**1,136,892.00**	**1,136,892.00**	**1,081,543.00**	**1,067,759.00**

Wastewater Enterprise Funds

Overview

The City provides wastewater services to the community through its wastewater collection and treatment plant operations. The City also provides tertiary water (recycled water) services through the treatment and distribution of non-potable water to the Scotts Valley Water District. Wastewater services are provided under the Public Works Department. Please refer to the Public Works section for a more detailed description of the department and the services it provides, including information about wastewater services.

Wastewater services are accounted for in a series of funds referred to as "Wastewater Enterprise Funds". A description of these funds and the activities that are included in them follows.

Wastewater Operations (#010)

This fund accounts for the majority of costs associated with the collection and treatment of wastewater from properties located in Scotts Valley. Wastewater fees are billed by the Finance Department and are recorded in this fund, from which these costs are paid.

Tertiary Operating (#011)

Costs directly associated with the treatment of tertiary water from the wastewater treatment plant are allocated and accounted for in this fund. The revenues generated through the sale of tertiary water to the Scotts Valley Water District (SVWD) are recorded in this fund.

Wastewater Capital Reserve Fund (#012)

Wastewater fees and charges collected in the Wastewater Operations (#010) fund are first used to pay for current operations. Excess funds are then transferred to the Wastewater Capital reserve fund in order to maintain the funds necessary to maintain the City's significant investment in infrastructure that supports its wastewater operations. Infrastructure investments such as sewer pipes and lift station, treatment plant facilities and related equipment are paid for out of the Capital Reserve fund.

The following projects have been identified for FY 2018/19 in the Five-Year CIP Plan:

- Air Conditioning Unit at the Wastewater Operations Building (CIP #1) - $30,000

- Tanker Truck (CIP #2) - $80,000
- Mission Communications for Lift Stations (CIP #3) – $40,000
- Sewer System Management Plan (CIP #4) - $375,000
- PLC Upgrade (CIP #5) – 50,000
- Rebuild Aqua Guards (CIP #6) - $250,000
- Small Dump Truck Five-Yard (CIP #41) - $40,000 (with additional funding of $40,000 coming from the General Facilities Development Impact Fees Fund)
- Storage Area Network Integration (CIP #52) - $19,000
- Citywide Technology Updates (CIP #53) - $7,000
- Citywide Phone Replacement (CIP #54) - $38,800
- Public Works Large Format Printer (CIP #55) - $5,000

Wastewater Equipment Replacement Fund (#014)

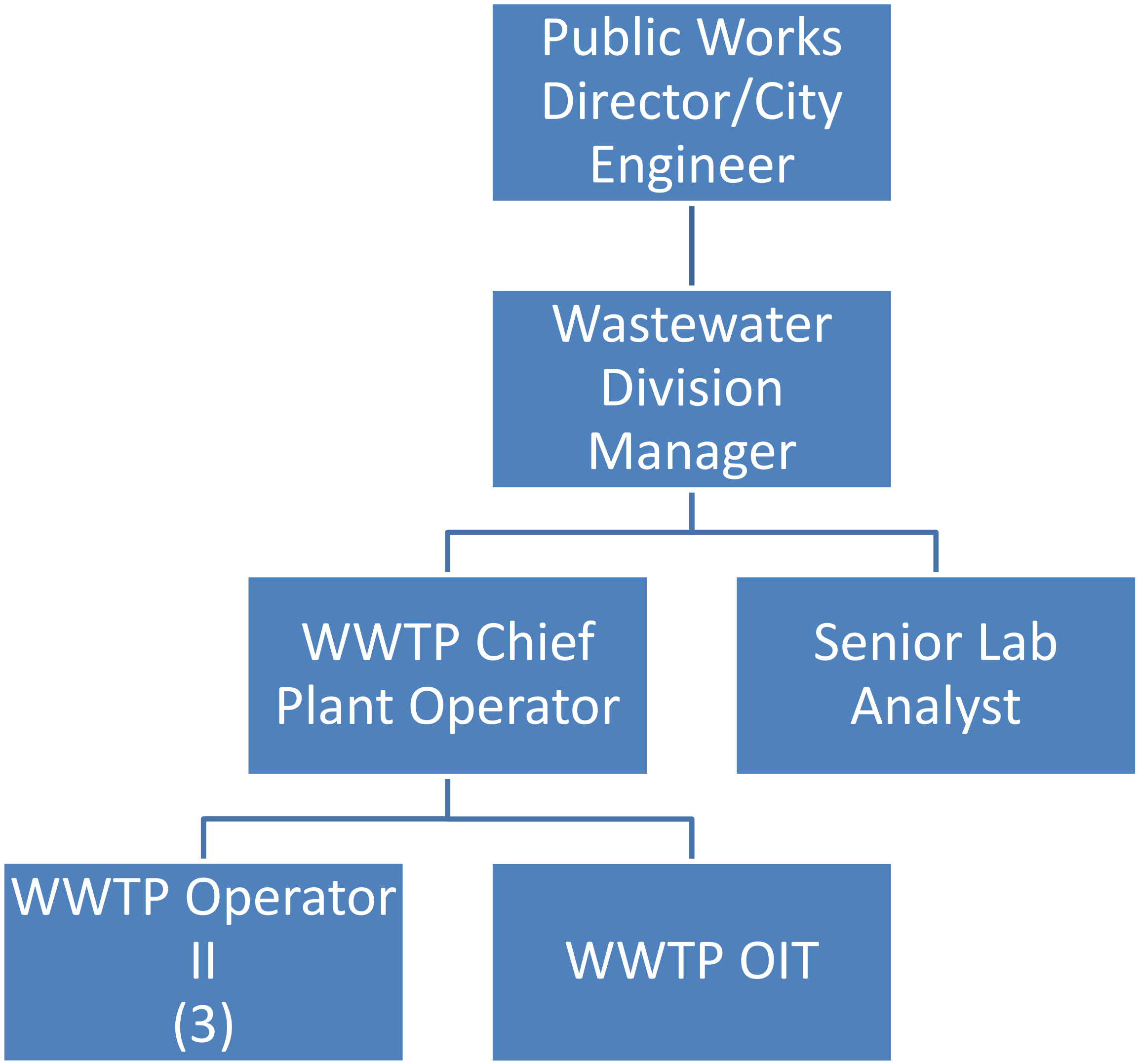
The City has invested in equipment and vehicles that support the wastewater operations, and those costs are paid for in this fund. Funding for investment in equipment and fleet come from the Wastewater Capital Reserve Fund (#012). Accumulated reserves in this fund exist to pre-fund a portion of the investment in wastewater equipment.

TTP District Reserve (#015)

As part of the operation of the tertiary treatment facilities, the City entered into an agreement with Scotts Valley Water District to provide recycled water to the District. That agreement calls for a reserve account to be established from revenues generated by the City from SVWD tertiary water revenues to maintain the tertiary treatment equipment.

No projects have been identified for funding in the Five-Year CIP Plan.

Public Works – Wastewater Treatment Plant



CITY OF SCOTTS VALLEY
PRELIMINARY FY 2018/19 ANNUAL BUDGET

WASTEWATER ENTERPRISE FUNDS
WASTEWATER - OPERATING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
010.74.0000.101	SALARIES/WAGES - REGULAR	412,145.00	481,112.00	520,112.00	486,913.00	513,985.00
010.74.0000.102	SALARIES/WAGES - HOLIDAY	26,275.37	0.00	0.00	0.00	0.00
010.74.0000.103	SALARIES/WAGES - SICK LEAVE	14,550.24	0.00	0.00	0.00	0.00
010.74.0000.104	SALARIES/WAGES - VACATION	33,378.61	0.00	0.00	0.00	0.00
010.74.0000.108	SALARIES/WAGES - C/T TAKEN	5,970.81	0.00	0.00	0.00	0.00
010.74.0000.109	SALARIES/WAGES - OVERTIME	34,397.65	25,000.00	25,000.00	29,000.00	30,000.00
010.74.0000.203	FICA	39,988.15	38,718.00	38,718.00	39,374.00	41,615.00
010.74.0000.204	RETIREMENT	136,423.05	147,776.00	147,776.00	140,698.00	174,534.00
010.74.0000.205	GROUP INSURANCE	230,512.79	228,925.00	228,925.00	192,156.00	200,241.00
010.74.0000.206	WORKERS' COMPENSATION	73,615.00	54,171.00	54,171.00	47,086.00	28,025.00
010.74.0000.208	UNIFORM ALLOWANCE	7,122.51	6,800.00	6,800.00	7,500.00	8,000.00
010.74.0000.301	OFFICE EXPENSE	2,810.55	2,000.00	2,000.00	2,300.00	2,500.00
010.74.0000.302	SPECIAL DEPARTMENT EXPENSE	137,048.87	120,000.00	120,000.00	120,000.00	130,000.00
010.74.0000.303	SMALL TOOLS & SUPPLIES	18,752.49	12,000.00	12,000.00	12,000.00	12,000.00
010.74.0000.306	COMMUNICATIONS	7,073.58	8,000.00	8,000.00	7,500.00	8,000.00
010.74.0000.307	UTILITIES	319,940.79	265,000.00	265,000.00	360,000.00	360,000.00
010.74.0000.308	RENT & LEASE EXPENSE	0.00	6,000.00	6,000.00	5,500.00	6,000.00
010.74.0000.312	PROFESSIONAL/SPECIALIZED SVC	7,104.50	0.00	0.00	0.00	0.00
010.74.0000.313	OTHER CONTRACTUAL SERVICES	140,741.07	87,000.00	87,000.00	85,000.00	90,000.00
010.74.0000.314	INSURANCE & SURETY BONDS	45,289.86	42,000.00	42,000.00	123,424.00	125,000.00
010.74.0000.315	MEMBERSHIPS & DUES	2,764.00	2,000.00	7,000.00	7,000.00	7,000.00
010.74.0000.316	TRAVEL/CONFERENCES/MEETINGS	3,292.62	2,000.00	2,000.00	5,500.00	6,000.00
010.74.0000.320	LABORATORY	48,270.45	34,000.00	34,000.00	39,270.00	40,000.00
010.74.0000.322	TRAINING & EDUCATION	2,739.66	3,000.00	3,000.00	3,500.00	5,000.00
010.74.0000.349	MISCELLANEOUS	12,827.65	0.00	0.00	0.00	0.00
010.74.0000.401	MAINT OF BLDGS/STRUCT/GRNDS	11,592.48	6,500.00	6,500.00	7,500.00	7,500.00
010.74.0000.402	MAINT & OPERATION OF EQMT	103,012.28	90,000.00	90,000.00	80,000.00	90,000.00
010.74.0000.403	MAINT & OPERATION OF VEHICLE	33,620.91	25,000.00	25,000.00	20,000.00	25,000.00
010.74.0000.708	COST ALLOCATION	286,689.20	256,200.00	256,200.00	270,000.00	270,000.00
010.74.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	6,748.96	20,000.00	20,000.00	0.00	35,000.00
010.74.0000.905	MACHINERY & EQMT - OTHER	0.00	0.00	0.00	0.00	40,000.00

WASTEWATER ENTERPRISE FUNDS
WASTEWATER - OPERATING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
010.74.0000.906	DEPRECIATION	783,270.00	0.00	0.00	0.00	0.00
010.74.0000.912	SAFETY EQUIPMENT	14.06	0.00	0.00	0.00	1,000.00
010.74.0000.914	COMMUNICATIONS EQUIPMENT	0.00	0.00	0.00	0.00	0.00
010.74.0000.915	OTHER EQUIPMENT	7,854.15	7,500.00	7,500.00	0.00	0.00
	SUBTOTAL OPERATIONS	2,995,837.31	1,970,702.00	2,014,702.00	2,091,221.00	2,256,400.00
CITY WEBSITE UPGRADE						
010.74.4047.910	OFFICE EQMPT & FURNITURE	0.00	0.00	0.00	6,123.00	0.00
MBR UPGRADE						
010.74.4671.905	MACHINERY & EQUIPMENT	0.00	0.00	133,955.00	133,955.00	0.00
	TOTAL-WASTEWATER OPERATIONS EXPENDITURES	**2,995,837.31**	**1,970,702.00**	**2,148,657.00**	**2,231,299.00**	**2,256,400.00**

WASTEWATER ENTERPRISE FUNDS
TERTIARY OPERATING

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
011.90.0000.101	SALARIES/WAGES - REGULAR	20,364.63	28,000.00	28,000.00	20,384.00	28,000.00
011.90.0000.109	SALARIES/WAGES - OVERTIME	505.06	0.00	0.00	0.00	500.00
011.90.0000.203	FICA	1,588.55	2,142.00	2,142.00	1,544.00	2,142.00
011.90.0000.204	RETIREMENT	6,054.32	8,817.00	8,817.00	5,967.00	9,866.00
011.90.0000.205	GROUP INSURANCE	0.00	11,759.00	11,759.00	11,700.00	12,781.00
011.90.0000.302	SPECIAL DEPARTMENT EXPENSE	48,981.11	35,000.00	35,000.00	30,000.00	35,000.00
011.90.0000.303	SMALL TOOLS & SUPPLIES	194.32	750.00	750.00	750.00	750.00
011.90.0000.307	UTILITIES	50,678.61	50,000.00	50,000.00	40,000.00	50,000.00
011.90.0000.314	INSURANCE & SURETY BONDS	5,388.38	6,900.00	6,900.00	28,138.00	30,000.00
011.90.0000.320	LABORATORY	5,385.19	8,000.00	8,000.00	9,000.00	9,000.00
011.90.0000.402	MAINT & OPERATION OF EQMT	39,718.26	40,000.00	40,000.00	38,000.00	40,000.00
011.90.0000.905	MACHINERY & EQUIPMENT	5,756.52	12,000.00	12,000.00	11,000.00	12,000.00
011.90.0000.907	ENGINEERING	0.00	0.00	0.00	0.00	0.00
TOTAL TERTIARY OPERATING EXPENDITURES		**184,614.95**	**203,368.00**	**203,368.00**	**196,483.00**	**230,039.00**

WASTEWATER ENTERPRISE FUNDS
WASTEWATER CAPITAL RESERVE

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
012.90.0000.301	OFFICE EXPENSE	1,949.32	1,500.00	1,500.00	890.00	900.00
012.90.0000.902	RIGHTS-OF-WAY	0.00	0.00	100,000.00	100,000.00	0.00
012.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	1,996.00	0.00	0.00	0.00	0.00
012.90.0000.905	MACHINERY & EQUIPMENT	42,670.15	150,000.00	150,000.00	150,000.00	450,000.00
012.90.0000.907	ENGINEERING	0.00	0.00	0.00	0.00	375,000.00
012.90.0000.908	VEHICLES	0.00	0.00	0.00	0.00	40,000.00
012.90.0000.910	OFFICE EQUIP & FURNITURE	0.00	0.00	0.00	0.00	69,800.00
TOTAL WASTEWATER CAPITAL EXPENDITURES		**46,615.47**	**151,500.00**	**251,500.00**	**250,890.00**	**935,700.00**

WASTEWATER ENTERPRISE FUNDS
WASTEWATER EQMPT REPLACEMENT

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
014.90.0000.301	OFFICE EXPENSE	1,037.59	1,000.00	1,000.00	484.00	490.00
014.90.0000.905	MACHINERY & EQUIPMENT	38,747.22	0.00	0.00	0.00	0.00
014.90.0000.908	VEHICLES	1,694.00	0.00	0.00	0.00	0.00
014.90.0000.910	OFFICE EQMT & FURNITURE	417.50	6,000.00	6,000.00	0.00	0.00
014.90.0000.911	AUTOMOBILE EQUIPMENT	0.00	0.00	0.00	0.00	0.00
TOTAL-WASTEWATER ENTERPRISE EXPENDITURES		**41,896.31**	**7,000.00**	**7,000.00**	**484.00**	**490.00**

WASTEWATER ENTERPRISE FUNDS
TERTIARY TREATMENT PLANT DISTRICT RESERVE FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
015.90.0000.301	OFFICE EXPENSE	14.70	12.00	12.00	10.00	12.00
015.90.0000.904	IMPROVEMENTS O/T BLDGS-OTHER	0.00	0.00	0.00	0.00	0.00
TOTAL-TERTIARY DISTRICT RESERVE EXPENDITURES		**14.70**	**12.00**	**12.00**	**10.00**	**12.00**

Internal Service Fund
Dental Self-Insurance Fund (#112)

An internal service fund is a fund used to track costs of services provided to other funds and operating departments on a cost reimbursment basis.

Under the provisions of various memoranda of understanding with employee bargaining groups, the City provides self-insured dental benefits to employees. The City provides reimbursement for employees and their dependents for documented dental expenses, with the first $200 in expenses 100% reimbursed, the next $500 in expenses 80% reimbursed, and the next $1,000 in expenses 50% reimbursed, up to a maximum of $1,100 in City contribution each calendar year.

The Dental Self-Insurance Fund (#112) was established as an internal service fund where costs of dental expenses are paid from the fund, and the costs for providing benefits to employees are allocated to their respective operating departments and funds where their salary and benefits are allocated.

INTERNAL SERVICE FUND

Account Code	Description	2016 / 2017 ACTUAL	2017 / 2018 ADOPTED BUDGET	2017 / 2018 REVISED BUDGET	2017 / 2018 PROJECTED	2018 / 2019 DEPT REQUEST
DENTAL INSURANCE INTERNAL SERVICE FUND						
112.90.0000.205	GROUP INSURANCE	71,497.63	70,000.00	70,000.00	70,000.00	70,000.00
112.90.0000.301	OFFICE EXPENSE	50.62	50.00	50.00	30.00	40.00
	TOTAL-INTERNAL SERVICE EXPENDITURES	**71,548.25**	**70,050.00**	**70,050.00**	**70,030.00**	**70,040.00**

THE CAPITAL IMPROVEMENT PROJECT BUDGETING PROCESS

The City prepares a five-year capital improvement project and capital outlay plan as part of its annual budget. The development of the capital improvement project ("CIP") program is more complex than planning to purchase a piece of equipment that would be the subject of a capital outlay expenditure. This document provides background information on the process to develop and budget the CIP portion of the five-year plan.

What is a CIP?

A capital improvement project (or "CIP") is a plan for capital expenditures to provide for the acquisition, expansion or rehabilitation of an element of the City's physical plant to be incurred over a period of several future years. Examples of such projects include:

- Wastewater treatment plant upgrades
- Street pavement projects
- Park infrastructure improvements (e.g., paving basketball courts, walkway construction or rehabilitation)
- City facilities construction / refurbishment

Because the costs of such improvements are usually significant, the City prepares a five-year capital improvement project plan so that it can anticipate future costs and funding strategies for projects.

CIP Planning Process

Identifying CIP Projects

Throughout the fiscal year, City staff members continually monitor the functional status and performance of all of the City's physical plant. Maintenance activities supporting City infrastructure are documented and analyzed to determine if rehabilitation or replacement is necessary. In addition, throughout the year, policy direction from the City Council may be received to construct, enhance or rehabilitate City facilities. Staff makes note of these projects and begins to define the scope, nature and extent of projects as may be required.

In the winter of each year, under the direction of the City Manager, the Public Works Director initiates discussions with members of various City departments to begin the process of developing the coming five-year plan. Existing projects on the previous year's Five-Year CIP Plan are reviewed and updated. Staff also begins the process of formally identifying, for consideration by the City Council, updates to CIP's identified in the prior year-s plan, and any new CIP's which were not on the list in the previous year.

Project Prioritization

Each project is assigned a priority category based on staff's professional judgment using the factors and priority levels identified below:

- **Priority A** – project is ***essential/critical*** to health and safety or legal/regulatory requirements
- **Priority B** – project is ***important*** to maintaining health and safety or maintaining quality of life, ***but not critical***.
- **Priority C** – project is ***deferrable*** and would only be implemented to the extent that higher priority projects are first funded.

Cost Estimates

Over the next few months, staff develops a draft CIP Plan. Upon identifying the scope and nature of each project, staff begins to prepare cost estimates of the projects. Projects which come up within the next 1-2 years have more detailed engineers' cost estimates prepared for purposes of determining the total cost of the project. Projects which are 3-5 years out have less-detailed cost estimates prepared but are sufficient in detail to give an overall order-of-magnitude cost estimate for planning purposes. This is performed for both newly identified projects and projects that are being updated from the previous year's five-year CIP plan.

The City builds in an inflation factor to cost estimates that are 2-5 years out. Inflation factors can range anywhere from 2% to 10% per year. Assumptions are made based upon the historical trends and future expectations of raw material and labor costs for each project. For example, projects that have significant amounts of steel or oil products may have a high inflationary factor due to the price increases experienced and forecast for those raw materials. On the other hand, projects which entail dirt and sod may yield lower inflationary factors. The typical inflation factor used in the City's CIP plan is 3%.

Cost estimates also include contingency factors that can range from 0% to 25% based upon historical experience of similar projects and relative uncertainty with respect to the project itself. For example, a construction project built upon ground that is suspected to have hazardous materials may yield a higher contingency factor than a relatively simple replacement of walkways in a park. The typical contingency factor used is 25% to provide the most conservative estimate. Staff exercises judgment based upon its professional experience in determining both inflationary factors and contingency factors.

Cost Components

Staff develops separate cost components for the design phase and the construction phase of a project, where necessary. For larger projects, the construction phase may also be split into separate components for project identification and manageability. In this way, the costs can be identified based upon the timing for each phase of the project. Cost estimates are then prepared and time-activated based upon each component of the project and as described above.

Funding Sources

Once the costs have been identified and projected, a financial analysis is prepared to determine whether the projects can be funded. Consideration is given to a variety of sources of funds, including:

- Grant funds
- Revenues dedicated for such purposes (e.g., gas tax or Measure D funds for street improvements)
- Development impact fees
- Wastewater revenue rate projections
- Interest earnings
- Existing undesignated funds

Funding sources are then compared to project cost estimates to develop the Five-Year CIP Plan. The timing of the various projects is taken into consideration given the status of the existing infrastructure, risk management considerations, Council Policy Calendar initiatives, bidding environment, and available funding. The funding analysis will identify projects based on priority level and determine the extent to which funding is available. Any deficiencies in project funding for Priority A projects are highlighted, with possible alternative funding sources and direction from the City Council. Funding deficiencies for Priority B and C projects are also identified but will typically be deferred to future years while staff works to identify alternative funding sources.

Development of Five Year Plan

Prior to or concurrent with the completion of the draft CIP plan, staff will meet with representatives from various city commissions as appropriate to gain input from those bodies relative to CIP projects for which they may have input. Two commissions in particular that have discussions on the City's CIP plans are the

ADA Accessibility Committee and the Parks & Recreation Commission.

Once the draft plan is created, it is presented to the City Council in a Study Session held in April or early May. Council then provides direction on each of the projects within the plan and any changes are incorporated into a revised Five-Year CIP Plan. Any updates requiring further discussion are provided once again to the City Council at its May Budget Study Session. The CIP Plan is also provided to the Planning Commission in May for their review and concurrence that the proposed five-year plan is consistent with the City's General Plan.

The Council then holds a Public Hearing on the budget, which includes the Five-Year CIP Plan, normally the first Wednesday in June. Subject to any public testimony and final Council direction, the final Five-Year CIP Plan is prepared, and the project costs associated with any projects which are funded in the next fiscal year are appropriated by the City Council as part of the adoption of the Annual Budget.

Capital Improvement and Capital Purchase Program

The Capital Improvement and Capital Purchase Program (CIP) consists of projects to maintain and enhance the City's infrastructure related to its roads, parks, facilities and wastewater treatment plant for the benefit of the community. It also includes the capital outlay associated with equipment, vehicles and information technology hardware/software that support the City's operations.

The primary objective of the CIP is to develop and implement projects to ensure continued reliable delivery of service to meet the City's needs. The following is a summary of active projects to be managed during Fiscal Year 2018/19.

Ongoing Projects

Update Traffic Master Plan (FY16/17-1 $150,000)
This project entails the development of an updated traffic master plan for the city that, once completed, would the City's General Plan, provide recommendations about future intersection improvements, and help shape an updated analysis of traffic mitigation impact fees paid by development.

Current Status: The timing of the Traffic Master Plan will coordinate with the General Plan Update. It is expected that the Traffic Master Plan would be completed in FY 2020/21. This project will be closed out, and will be incorporated in the City's five-year financial plan projections to take place in that year.

Mt. Hermon Road/Scotts Valley Drive/Whispering Pines Drive Intersection Operations Improvement Project (FY 16/17-6, $758,375)
This project will improve the level of service (LOS) at the intersection of Mt. Hermon Road and Scotts Valley Drive. This project will include lengthening the westbound left turn lane from Mt. Hermon Road to Whispering Pines Drive, bicycle and pedestrian improvements, signal modifications and restriping. This project will meet the recommended conditions of Town Center EIR.

Current Status: Project is currently under construction and will be completed in Spring 2018.

Pavement Rehabilitation on Green Hills Road (FY 17/18-17, $913,000)
This project will rehabilitate Green Hills Road from Glen Canyon Road to its terminus. The project will include bike lanes, road widening, new curb and gutter, restriping on Glen Canyon Road from Vern Hart Fish Park to Green Hills Road. On South Navarra from Green Hills Road to Grant Creek Road, the project will also include signage and sharrows.

Current Status: Project is to be re-bid in late Spring. Construction will occur in Summer 2018.

Vine Hill School Daycare Improvements (FY 17/18-31, $10,000)
This project will provide a substantial repair/replacement to ramp and stairs leading up to the modular, skirting around the outside of the building, ceiling tiles

Current Status: Public Works staff will complete construction in Summer 2018.

Skypark Picnic Area Shade Structure (FY 17/18-33, $65,000)
This project will provide a third rentable Shade Structure area in Skypark Park next to the existing large BBQ and picnic area with shade structure over it. This will be a revenue source for the City, which is projected to provide additional annual revenues totaling $5,000 or more.

Current Status: Staff is in the process of receiving bids for this project. Construction will occur in Spring 2018.

Identification Signs – Library and Community Center (FY 17/18-45, $43,000)
This project consists of monument signs for the Scotts Valley Branch Library and the Community Center. The City Council has previously approved a directional sign program which included intersection signs and directional signs for the Community Center and the Library.

Current Status: Staff is in the process of finalizing sign design. Construction will occur in Spring 2018.

Library Roof and HVAC System (FY 17/18-46, $292,000)
This project will replace the HVAC system at the library followed by roof repairs. These systems were not upgraded as part of the adaptive reuse project which created the Library in 2011.

Current Status: This project is currently pending on determination of building use adjacent to the library space.

Projects Completed and Closed Out in FY 2017/18:

- **Screenings Washer and Compactor** (FY 2017/18-1, $100,000)
- **Mt. Hermon Rd at CVS/KMART Sidewalk Improvements** (FY 2017/18-19, $39,600)
- **Skypark Turf Drainage** (FY 2017/18-32, $50,000)

Project Overview for FY 2018/19

The projects proposed for FY 2018/19 will provide for the seamless operation of the City's wastewater treatment plant, implement improvements to the City roadways and sidewalk systems, comply with the new storm drain regulations, implement improvements to City parks and buildings to better conform to the requirements of the Americans with Disabilities Act (ADA), improve public safety communication, and improve the City's information technology infrastructure. All of the projects identified for FY 2018/19 are expected to have the necessary funding resources to complete.

A brief summary of the projects proposed for FY 2018/19 are as follows:

Wastewater

- **Air Conditioning Unit in the Wastewater Operations Building ($30,000)** – replacement of the current air conditioning unit which has been out of service since Fall 2016.
- **Tanker Truck ($90,000)** – purchase of an additional truck to enable continuous operation of the WWTP using the Aero-mod sludge thickener/press.
- **Mission Communications for Lift Stations ($40,000)** – update the communication from three lift stations to allow for integration into the WWTP monitoring system.
- **Sewer System Management Plan ($375,000)** – update to the City's sewer system management plan (SSMP), including a review of operations and maintenance activities, completing a sewer system condition assessment, updating the sewer system capital improvement program and conducting the required environmental review of the SSMP.
- **PLC Upgrade ($50,000)** – year four of a five-year upgrade of the programmable logic controllers at the WWTP.
- **Rebuild Aqua Guards ($250,000)** – rehabilitation of the aqua guards that remove inorganic debris that can clog downstream pumps and equipment.

Transportation

- **Annual Street Maintenance/Resurfacing Program ($200,000)** – annual street overlay program to address alligatoring, potholes, and traffic volume, funded based upon Council direction from the pavement management study conducted in 2017.
- **Rehabilitation of Glenwood Drive ($100,000)** – preliminary design of improvements to Glenwood Drive to preserve the existing roadway and enhance bicycle and pedestrian safety.
- **Sidewalk Improvements on Kings Village Road ($306,000)** – rehabilitation of existing sidewalks and construction of new segments to provide connectivity

from Mount Hermon Road to the Cavallaro Transit Center.

Storm Drains

- **Trash Amendments Compliance ($100,000)** – installation of trash capture systems in priority land use areas as required by the State Water Resources Control Board, the first year of a 10-year implementation plan.

Parks

- **Parks ADA Improvements Phase 1 ($38,800)** – the third year of a five-year plan for accessibility improvements. Current year improvements include the parking lot and path of travel at Siltanen Park.
- **Recreation Building Windows ($25,000)** – repair and replacement of windows at Recreation Center.
- **Skypark Restroom Improvements ($60,000)** – substantial improvements to lighting, floors, fixtures and to make the facility fully ADA accessible.
- **Siltanen Family Swim Center Pool Resurfacing ($15,000)** – substantial repair/replacement to the surface of the pool in Siltanen Park.
- **Vern Hart Fishing Park Improvements ($12,000)** – repair storm damage to Vern Hart Fishing Park as a result of the storms of 2017.
- **Skypark Tennis Area Improvements ($50,000)** – new storage, new and enlarged parking area, shade structure, and picnic tables in the tennis court area along the Linear Trail.
- **Glenwood Open Space Preserve East Trails ($640,000)** – construction of the east side trail system including parking facilities, fully accessible path from Siltanen Park parking lot to main trailhead, signage, waste management, benches, picnic tables, and required mitigations.

General Facilities

- **City Facility ADA Improvements Phase 1 ($24,200)** – improvements per the City Access Audit & Transition Plan that will include improvements to doorways, restrooms, and exterior routes.
- **Small Dump Truck 5-Yard ($80,000)** – acquisition of an additional dump truck to assist in public works and wastewater projects.

Police

- **Santa Cruz Mountains (Highway 17) Police Radio Site ($47,500)** – an additional radio receiver site for the primary blue channel at a site located within the Santa Cruz Mountains to improve radio communications for Scotts Valley Police Officers while on Hwy 17.
- **Police Station Locker Room ($94,000)** – remodel of the existing locker room and the adjacent weight room to accommodate male and female officers.
- **Body Worn Camera Implementation ($150,000)** – acquisition and implementation of body worn cameras for police officers and in-car cameras.

Information Technology

- **Storage Area Network Integration ($95,000)** – continuation of improvements to the City's network storage, improving reliability and increasing the life cycle of servers.
- **Citywide Technology Updates ($35,000)** – required updates for desktop and server operating systems and software applications.
- **Citywide Phone Replacement ($193,800)** – replacement of the City's aging telephone and voicemail system for all City locations, the first year of a four-year phased project.
- **Public Works Large Format Printer ($10,000)** – replacement of the 36" large format multi-function printer at the Public Works trailer.

Five-Year Funding Analysis

Table B of the Five-Year CIP plan identifies available funding for the City's capital improvement plans. The funding sources for each project are based on available resources, projected future revenues and transfers and are presented based on each project's respective priority level. There are a total of six projects totaling $9.3 million for which funds are not expected to be available based on current projections. It should also be noted that the plan assumes a transfer of $1.5 million from the City's General Fund to the General CIP Fund over the next five years to fund capital projects with no other funding sources. There is a total of $1.4 million in projects in the General CIP fund that are considered Priority A projects. This transfer is built into the City's five-year General Fund forecast that is part of the City's overall fiscal sustainability plan.

The following table summarizes the total funding availability of projects in all Priority categories.

Priority Level	Funded	Under- or Un-funded	Total
Priority A	$ 4,263,250	$ -	$ 4,263,250
Priority B	$ 7,718,600	$ 3,677,300	$11,395,900
Priority C	$ 1,305,200	$ 5,589,900	$ 6,895,100
Totals	**$ 13,287,050**	**$ 9,267,200**	**$22,554,250**

The funding availability for projects based on priority level are discussed further below.

Priority A Projects

The analysis indicates that all scheduled Priority A projects have sufficient funding from their identified funding sources. There is one unscheduled project for which cost estimates are not currently available and that does not have identified funding sources:

- **Public Works Department Facility (No cost estimate currently available)** – the current Public Works modular at the Corporation Yard are beyond their useful lives. Staff is exploring a solution to expand the existing Wastewater Operations building and reconfigure the vehicle maintenance facilities to accommodate all Public Works staff. Opportunities could then be explored to repurpose the rest of the facilities that could include other uses up to and including possible sale of a portion of the land. The cost of construction of the facility is pending an engineer's estimate from an engineering consultant. This project is presented as a placeholder pending the analysis and identification of possible funding sources, but the replacement of the facilities will be critical to the long-term provision of services by the Public Works department.

Priority B Projects

The analysis indicates that all scheduled Priority B projects have sufficient funding from their identified funding sources. There are three unscheduled projects that do not have identified funding sources as follows:

- **Sidewalk Master Plan Projects ($2,513,000)** – the Sidewalk Master Plan prepared in 1996 has been used as the basis for implementation of various sidewalk improvements. There exist 13 projects ranging in value from $12,000 to $477,000 that have not been implemented nor incorporated into the current five-year CIP plan. In order for these projects to be implemented, it would require funding resources such as grants, development impact fees, Gas Tax or Measure D revenues.
- **Storm Drain Master Plan Projects ($184,300)** – The Storm Drain Master Plan was last updated in December 1989. The Plan will need to be updated to take into consideration changing regulations associated with stormwater management. Nevertheless, there remain 9 projects from the original master plan ranging in estimated cost from $8,500 to $64,000 that do not currently have any identified available funding resources. These projects would require funding from such sources as grants, development impact fees or possible Gas Tax of Measure D revenues to the extent that one or more of the projects have a demonstrated impact on roadways before they could be scheduled or implemented.
- **Play Structure Equipment at Skypark ($980,000)** – The play structure at Skypark will need to be replaced within the next five years, however there is no identified funding source to fund the nearly $1 million necessary to serve the community. Various options are being explored that could reduce the projected cost of the project and to identify possible funding sources from grants or Proposition 68 funds.

Priority C Projects

The analysis indicates that all scheduled Priority C projects have sufficient funding from their identified funding sources. In addition, there are four other unscheduled projects that do not have identified funding sources as follows:

- **Stormwater LID ($231,900)** – The proposed project would replace approximately 2,000 square feet of existing impervious are of sidewalk and roadway in order to construct new bioretention facilities within the Lundy Lane ROW and the WWTP. The initial plan was to use Proposition 1 grant monies to fund the project, however the state is unlikely to fund this as a stand-alone project. Until which time as other grant sources are identified, or there is the opportunity to incorporate the project into future wastewater rate models, the project is presented as unscheduled.
- **Bicycle Transportation Plan Projects ($2,858,000)** – a Bicycle Transportation Plan was completed in 2012 that identified to improve bicycle circulation, encourage

bicycle usage as alternatives to vehicles, and reduce traffic congestion. There remain 6 projects ranging in estimated cost from $230,000 to $841,000 that do not have any identified funding sources. Alternative funding sources could include grants, development impact fees, Gas Tax or Measure D revenues.

- **Al Shugart Park Phase 3 & 4 Construction ($2,500,000)** – the Al Shugart Park Master Plan was created in 2009 that incorporated four phases. Phases 3 and 4 which include significant new elements such as a dog park, restroom, parking lots, a bridge, and turf and picnic areas, do not have any identified funding sources. In order for this project to move forward, there would need to be identified funding sources such as private donations, grants, park impact fees, or approval to use a portion of the remaining Lennar Funds.

(NEW) CIP #01

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

AIR CONDITIONING UNIT – WASTEWATER OPERATIONS BUILDING

Funding	WWTP Capital	Total
	Funding Sources	
2018-2019	30,000	30,000
2019-2020		-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**30,000**	**30,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		24,000		-	24,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		24,000		-	24,000
Contingency	25%	6,000		-	6,000
Totals		**30,000**		**-**	**30,000**

PROJECT PRIORITY CATEGORY[1]: A

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project would replace the AC unit in the Wastewater Operations building. The current AC unit has been out of service since Fall 2016 and the cost to repair would be greater than the cost to replace with a new unit.

FUNDING SOURCES:

Primary funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Spring 2018
Installation	Summer 2018

(Existing) CIP #02

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

TANKER TRUCK

Funding Sources

Funding	**WWTP Capital**	**Total**
2018-2019	80,000	80,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**80,000**	**80,000**

Expenditure Categories

Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		80,000		-	80,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		80,000		-	80,000
Contingency	0%	-		-	-
Totals		**80,000**		**-**	**80,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This purchase would be the second tanker truck for the WWTP. An additional truck is needed to enable continuous operation of the WWTP using the Aero-mod sludge thickener/press.

As opposed to the belt press sludge that is disposed of in Marina, Areo-mod sludge is disposed of at the City of Santa Cruz WWTP at a greatly reduced disposal price and allowing for shorter, safer disposal trips that consume less employee time and minimize wear and tear on the truck.

The Areo-mod unit produces a larger volume of sludge, necessitating an additional truck to allow for continued operation when the other truck is in transit.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Spring 2018
Purchase	Summer 2018

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #03

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

MISSION COMMUNICATIONS FOR LIFT STATIONS

Funding	Funding Sources: WWTP Capital	Total
2018-2019	40,000	40,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**40,000**	**40,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		32,000		-	32,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		32,000		-	32,000
Contingency	25%	8,000		-	8,000
Totals		**40,000**		**-**	**40,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project will update the communication from three lift stations from phone lines to a cloud based system. The other four pump stations have already completed this upgrade. The completion of this project will allow for the removal of serial cables and payment of those lines. This will also allow for these pump stations to be integrated into the WWTP monitoring system.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quote	Complete
Installations and Programming	Winter 2019

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #04

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SEWER SYSTEM MANAGEMENT PLAN

Funding	WWTP Capital (Funding Sources)	Total
2018-2019	375,000	375,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023		-
Total	**375,000**	**375,000**

Expenditures		Estimated Project Cost (Expenditure Categories)	Inflation %	Inflation Escalation	Total
2018-2019		300,000		-	300,000
2019-2020			3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023			12%	-	-
Subtotal		300,000		-	300,000
Contingency	25%	75,000		-	75,000
Totals		**375,000**		**-**	**375,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:
The State Water Resources Control Board (SWRCB) Statewide General Waste Discharge Requirements (WDR) require all public wastewater collection system agencies in California to develop, implement, and maintain a sewer system management plan (SSMP). The SSMP must be updated every five (5) years, and must include any significant program changes. No significant changes have been identified since the original document was developed in 2007-2009. The collection system has not had a comprehensive video assessment completed since the 1990s. It is anticipated that the SWRCB will be auditing the City's SSMP in the next 24 months.

Tasks include reviewing the City's existing management plan, operations, and maintenance; completing a sewer system condition assessment; updating the sewer system capital improvement program; and conducting the required environmental review of the SSMP.

FUNDING SOURCES:
Primary source of funding is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Develop RFP	Summer 2019
Bid	Fall 2019
Plan Development	Fall 2019-Spring 2020

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #05

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PLC UPGRADE

Funding Sources

Funding	WWTP Capital	Total
2018-2019	50,000	50,000
2019-2020	51,500	51,500
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**101,500**	**101,500**

Expenditure Categories

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		40,000		-	40,000
2019-2020		40,000	3%	1,200	41,200
2020-2021			6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		80,000		1,200	81,200
Contingency	25%	20,000		300	20,300
Totals		**100,000**		**1,500**	**101,500**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project will upgrade the programmable logic controller (PLC) at the wastewater treatment plant to allow for remote operations of parts of the facility. Currently the PLC system allows for monitoring only. This will allow for operations staff to complete some processes from home, reducing the frequency of on call visits to the plant. This technology is considered standard at similar size plants. FY 2018/19 is the fourth year of the five-year planned upgrade.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quote	Complete
Installations and Programming	In phases through 2020

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #06

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

REBUILD AQUA GUARDS

	Funding Sources	
Funding	**WWTP Capital**	**Total**
2018-2019	250,000	250,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**250,000**	**250,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		200,000		-	200,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		200,000		-	200,000
Contingency	25%	50,000		-	50,000
Totals		**250,000**		**-**	**250,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project would rehabilitate both of the existing Aqua Guards. An Aqua Guard is a self-cleaning in-channel screen that uses a filter element system to automatically remove inorganic debris that can clog downstream pumps and equipment.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Bids	Spring 2018
Construction	Fall 2018

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #07

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

WATER PUMP SYSTEM UPGRADE

Funding	WWTP Capital	Total
	Funding Sources	
2018-2019	-	-
2019-2020	30,900	30,900
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**30,900**	**30,900**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		-		-	-
2019-2020		24,000	3%	700	24,700
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		24,000		700	24,700
Contingency	25%	6,000		200	6,200
Totals		**30,000**		**900**	**30,900**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project would replace two variable frequency drive pumps that provide and air gap for water from the Scotts Valley Water District to the WWTP.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Fall 2019
Construction	Winter 2020

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

ELECTRIC SECURITY GATE

Funding Sources

Funding	WWTP Capital	Total
2018-2019	-	-
2019-2020	20,600	20,600
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**20,600**	**20,600**

Expenditure Categories

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		16,000	3%	500	16,500
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		16,000		500	16,500
Contingency	25%	4,000		100	4,100
Totals		**20,000**		**600**	**20,600**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project would replace the current manual close gate at the WWTP with an electric remote controlled gate with intercom system. The current gate has a manual lock and is open during the workday that allows unobstructed access the WWTP.

FUNDING SOURCES:

Primary funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Project Bid	Winter 2019
Construction	Spring 2020

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #09

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

CLARIFIER SUPERSTRUCTURE AND WALKWAYS

Funding Sources

Funding	WWTP Capital	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	255,800	255,800
2021-2022	-	-
2022-2023	-	-
Total	**255,800**	**255,800**

Expenditure Categories

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		193,000	6%	11,600	204,600
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		193,000		11,600	204,600
Contingency	25%	48,300		2,900	51,200
Totals		**241,300**		**14,500**	**255,800**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project will replace the superstructure and walkways on Clarifier #3 and walkways on Clarifier #4. The superstructure consists of a set of rake blades and squeegees suspended from a bridge to collect settled solids on the tank bottom and/or surface of the water. The current walkways are rusted and may present a safety concern if not remediated.

This original clarifier is currently over 30 years old and is underperforming due to leaks and recirculating sludge. Staff plans to perform visual inspections and repairs to the existing structure over the next three years in anticipation of replacing this item in FY 2020/21.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quote	Complete
Project Bid	Fall 2020
Construction	Spring 2021

(NEW) CIP #10

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

ROTARY DRUM THICKENER

Funding Sources

Funding	WWTP Capital	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	231,900	231,900
2021-2022	-	-
2022-2023	-	-
Total	**231,900**	**231,900**

Expenditure Categories

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		175,000	6%	10,500	185,500
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		175,000		10,500	185,500
Contingency	25%	43,800		2,600	46,400
Totals		**218,800**		**13,100**	**231,900**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project will provide redundancy for the Aero-mod sludge thickener/press and eliminate the need for the belt press at the wastewater treatment plant. This project replaces the belt press rehabilitation and the belt press may be sold after installation of the new Rotary Drum Thickener.

FUNDING SOURCES:

Primary funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Spring 2020
Construction	Summer 2021

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #11

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

GLEN CANYON LIFT STATION GENERATOR

Funding	Funding Sources: WWTP Capital	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	59,700	59,700
2021-2022	-	-
2022-2023	-	-
Total	**59,700**	**59,700**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		45,000	6%	2,700	47,700
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		45,000		2,700	47,700
Contingency	25%	11,300		700	12,000
Totals		**56,300**		**3,400**	**59,700**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

This project will replace the generator at the Glen Canyon lift station. This piece of equipment is rarely used and is currently functional; however, it will not meet air quality standards in the future.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Winter 2020
Installation	Spring 2021

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #12

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

AERATION BASIN SYSTEM UPGRADE

Funding Sources

Funding	WWTP Capital	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	130,800	130,800
2022-2023	-	-
Total	**130,800**	**130,800**

Expenditure Categories

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		96,000	9%	8,600	104,600
2022-2023		-	12%	-	-
Subtotal		96,000		8,600	104,600
Contingency	25%	24,000		2,200	26,200
Totals		**120,000**		**10,800**	**130,800**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project consists of new valving to independently operate each basin of the aeration system and optimize oxidation at the WWTP.

FUNDING SOURCES:

Primary funding source for this project is the Wastewater Capital Reserve Fund

ESTIMATED PROJECT SCHEDULE:

Receive Bids	Winter 2022
Construction	Summer 2022

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #13

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

EFFLUENT PUMP

Funding	WWTP Capital	Total
	Funding Sources	
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	272,500	272,500
2022-2023	-	-
Total	**272,500**	**272,500**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		200,000	9%	18,000	218,000
2022-2023		-	12%	-	-
Subtotal		200,000		18,000	218,000
Contingency	25%	50,000		4,500	54,500
Totals		**250,000**		**22,500**	**272,500**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

This project will replace one effluent pump at the wastewater treatment plant. There are currently three pumps of similar age used in rotation that have been in service for 20 years. Beginning in FY 2021/22 staff will begin to replace the aging effluent pumps as they near the end of their useful life.

FUNDING SOURCES:

Funding source for this project is the Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive Quotes	Spring 2020
Construction	Summer 2021

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #14

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

ULTRAVIOLET DISINFESCTION SYSTEM EVALUATION

Funding	Funding Sources: Tertiary Treatment Fund	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	42,000	42,000
Total	**42,000**	**42,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		30,000	12%	3,600	33,600
Subtotal		30,000		3,600	33,600
Contingency	25%	7,500		900	8,400
Totals		**37,500**		**4,500**	**42,000**

PROJECT DESCRIPTION:
This project would perform an evaluation of the ultraviolet (UV) disinfection system for recycled water at the WWTP. Project components would include evaluation of lamp intensity, electricity consumption, disinfection effectiveness, and overall efficiency and cost effectiveness to determine replacement needs to continue to meet State water treatment requirements.

FUNDING SOURCES:
Primary funding source for this project is the Tertiary Treatment Plant Fund.

ESTIMATED PROJECT SCHEDULE:

Bid	Summer 2022
Evaluation	Winter 2023

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #15

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

STORMWATER LID

Funding	WWTP Capital	Prop 1 Grant	Total
	Funding Sources		
2018-2019	-	-	-
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Unscheduled	111,900	120,000	231,900
Total	**111,900**	**120,000**	**231,900**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Unscheduled		165,600	12%	19,900	185,500
Subtotal		165,600		19,900	185,500
Contingency	25%	41,400		5,000	46,400
Totals		**207,000**		**24,900**	**231,900**

PROJECT PRIORITY CATEGORY[1]: C

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project would replace approximately 2,000 square feet of existing impervious are of sidewalk and roadway in order to construct new bioretention facilities within the Lundy Lane ROW and the WWTP. The goal of the project is to provide stormwater treatment and infiltration of the Lundy Lane drainage basin.

FUNDING SOURCES:

Primary funding source for this project would be the Proposition 1 Grant matched by the Wastewater Capital Reserve Fund and staff time executing the project. This project is not likely to be funded by the state as a stand-alone project. This project will be identified as unscheduled until which time staff identifies opportunities to combine this project with another wastewater project to make this project eligible for reimbursement.

ESTIMATED PROJECT SCHEDULE:

Project Design	Completed
Grant Application	Spring 2019
Grant Award	Fall 2019
Project Bid	Winter/Spring 2020
Construction	Summer/Fall 2020

(Existing) CIP #16

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

ANNUAL STREET MAINTENANCE/RESURFACING PROGRAM

Funding	Funding Sources RMRA (SB 1)	Gas Tax	Total
2018-2019	200,000	-	200,000
2019-2020	230,000	20,000	250,000
2020-2021	275,000	-	275,000
2021-2022	275,000	-	275,000
2022-2023	275,000	-	275,000
Total	**1,255,000**	**20,000**	**1,275,000**

Expenditures		Expenditure Categories Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		160,000		-	160,000
2019-2020		200,000	0%	-	200,000
2020-2021		220,000	0%	-	220,000
2021-2022		220,000	0%	-	220,000
2022-2023		220,000	0%	-	220,000
Subtotal		1,020,000		-	1,020,000
Contingency	25%	255,000		-	255,000
Totals		**1,275,000**		**-**	**1,275,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project is an annual street overlay program that includes the resurfacing of various city-maintained streets on a rotating basis. Maintenance can take the form of either slurry seal, asphalt overlay, or road reconstruction as necessary. In FY 2017/18 a pavement management study (PMS) was completed to inform the prioritization and funding of streets throughout the City. Based on the study, several large rehabilitation projects have been identified and are scheduled separately in the CIP. This project includes preventative maintenance to extend the time needed before more expensive rehabilitation and reconstruction is required.

Staff plans to address problems in FY2018/19 on the streets below.

Street Name	Begin Location	End Location	Treatment
Blue Hills Ct	South Navarra Dr	south end	HMA overlay
Green Tree Wy	Oak Creek Blvd	west end	HMA overlay
Kentwood Ct	Kirkorian Ct	east end	HMA overlay
Pinecone Ln	Whispering Pines Dr	east end	HMA overlay
Purple Hills Ct	San Augustine	west end	HMA overlay
Sageland Ct	San Augustine Way	west end	HMA overlay
Taryn Ct	Lauren Circle	east end	HMA overlay
Granite Creek Rd	Scotts Valley Dr	Santas Village Rd	HMA overlay w/digouts
Nadia Ct	Grace Way	east end	HMA overlay w/digouts
Scotts Valley Dr	Sawyer Ci	north end	HMA overlay w/digouts
Lockhart Gulch Rd	Mt. Hermon Rd	pavement change	Seal Cracks
Scotts Valley Dr	Mt. Hermon Rd	Bethany Dr	Seal Cracks

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

FUNDING SOURCES:

Primary funding source for this project will be Gas Tax revenues and RMRA. Alternative funding sources may include Measure D Sales Tax revenues or grant funding from federal or state sources.

ESTIMATED PROJECT SCHEDULE:

Identify Streets for improvement	Winter of each year
Issue Bids for Construction	Spring to Summer
Construction	Spring to Summer

(Existing) CIP #17

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

REHABILITATION OF GLENWOOD DRIVE

Funding	Funding Sources: Measure D	RTC-RTIP	CTC-LPP	Total
2018-2019	100,000	-	-	100,000
2019-2020	370,000	310,000	680,000	1,360,000
2020-2021	-	-	-	-
2021-2022	-	-	-	-
2022-2023	-	-	-	-
Total	**470,000**	**310,000**	**680,000**	**1,460,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		100,000		-	100,000
2019-2020		1,036,000	3%	31,100	1,067,100
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		1,136,000		31,100	1,167,100
Contingency	25%	284,000		7,800	291,800
Totals		**1,420,000**		**38,900**	**1,458,900**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

The Project will implement significant improvements to both preserve the existing roadway and enhance bicycle safety through widening the roadway for new Class II bike lanes between Casa Way and the City limits, and create a safe pedestrian crossing for the Glenwood Preserve Trail System.

FUNDING SOURCES:

Primary source of funding would be Measure D Sales Tax revenues and grant from the Regional Transportation Commission – Regional Transportation Improvement Program (RTC-RTIP), a grant from the California Transportation Commission 2018 Local Partnership Program.

ESTIMATED PROJECT SCHEDULE:

Preliminary Design	Summer 2018
Final Design	Winter 2018/2019
Develop Bid Specs	Spring 2019
Issue Bids for Construction	Spring/Summer 2019
Construction	Summer 2019 – Spring 2020

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SIDEWALK IMPROVEMENT ON KINGS VILLAGE ROAD

	Funding Sources		
Funding	**Measure D**	**RTC-RTIP**	**Total**
2018-2019	35,000	271,000	306,000
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Total	**35,000**	**271,000**	**306,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		306,000		-	306,000
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Subtotal		306,000		-	306,000
Contingency	0%	-		-	-
Totals		**306,000**		**-**	**306,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project will construct new, fill in gaps, and improve accessibility of sidewalk on King's Village Road to provide connectivity from Mount Hermon Road to the Cavallaro Transit Center and other facilities. Improvements include:

- **Bluebonnet Lane**: Fill in sidewalk gap on south side of road on the frontage of the 200 block of Bluebonnet Lane and 350 Bean Creek Road.
- **Kings Village Road East**: Fill in sidewalk gap directly adjacent to 201 Kings Village Road.
- **Kings Village Road West**: Construct new sidewalk from Mount Hermon Road to the Cavallaro Transit Center.
- **Mount Hermon Road**: Modify existing curb ramps to be ADA complaint at the intersection of Kings Village Road.

FUNDING SOURCES:

Primary funding source for this project is a combination of a grant from the Regional Transportation Commission – Regional Transportation Improvement Program (RTC-RTIP), which has provided a grant of $271,000 based on an 11% matching requirement by the City of $35,000 from Measure D Sales Tax revenues.

ESTIMATED PROJECT SCHEDULE:

Design	Spring 2018
Bid	Summer 2018
Construction	Summer/ Fall 2018

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SCOTTS VALLEY DRIVE TRAFFIC IMPROVEMENTS

Funding	Funding Sources: Not Identified	Total
2018-2019	-	-
2019-2020	375,000	375,000
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**375,000**	**375,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		300,000	0%	-	300,000
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Subtotal		300,000		-	300,000
Contingency	25%	75,000		-	75,000
Totals		**375,000**		**-**	**375,000**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project includes additional medians and a series of improvements for access management and pedestrian safety on Scotts Valley Drive from Civic Center Drive to Granite Creek Road to relieve traffic congestion resulting from recently and expected approved development projects. Landscape medians were constructed on Scotts Valley Drive between Mount Hermon Road and Civic Center Drive during the improvements to Scotts valley drive in the mid-1990s.

Project components may consist of new construction of new landscaped medians inclusive of irrigation, climate appropriate plantings, and mulching and new crosswalks, warning striping at unsignalized crosswalks, signage for yielding and/or new rapid rectangular flashing beacons.

FUNDING SOURCES:

Primary source of funding for this project is from Traffic Impact Mitigation Fees.

ESTIMATED PROJECT SCHEDULE:

Design	Fall/Winter 2019
Bid	Winter/Spring 2020
Construction	Summer 2020

(Existing) CIP #20

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PAVEMENT REHABILITATION ON BEAN CREEK ROAD

Funding	Funding Sources Measure D	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	500,000	500,000
2021-2022	-	-
2022-2023	-	-
Total	**500,000**	**500,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		377,400	6%	22,600	400,000
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		377,400		22,600	400,000
Contingency	25%	94,400		5,600	100,000
Totals		**471,800**		**28,200**	**500,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

Bean Creek Road, between Montevalle to the City limits, is currently exhibiting issues such as poor drainage, potholes, and uneven pavement surfaces. Construction would include reworking the subgrade, asphalt overlaying, drainage improvements, and restriping.

FUNDING SOURCES:

Primary source of funding would be Measure D Sales Tax revenues. Alternative funding sources could include grant funding from federal and/or state resources and Gas Tax revenues.

ESTIMATED PROJECT SCHEDULE:

Develop Bid Specs	Spring 2020
Issue Bids for Construction	Summer 2020
Construction	Summer/Fall 2020

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #21

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

ACTIVE TRANSPORTATION PLAN

Funding	Measure D	Traffic DIF	Total
	Funding Sources		
2018-2019	-	-	-
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	100,000	100,000	200,000
Total	**100,000**	**100,000**	**200,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		142,900	12%	17,100	160,000
Subtotal		142,900		17,100	160,000
Contingency	25%	35,700		4,300	40,000
Totals		**178,600**		**21,400**	**200,000**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:
The City has two outdated master plans for bicycle (2012) and pedestrian improvements (1996). In order to be eligible for many transportation grant programs an Active Transportation Plan (ATP) is required.

The ATP will identify an integrated network of walkways and bikeways that connect City neighborhoods and communities to employment, recreation, education and destinations that meet daily needs. The ATP will develop and prioritize a list of bicycle and pedestrian projects to increase active transportation opportunities and increase safety, mobility, connectivity and access for all roadway users, and to relieve traffic congestion through the City. The in progress General Plan Update Mobility Element will serve as a guiding document for the ATP.

FUNDING SOURCES:
Primary funding sources for this project would be 50% from Measure D Sales Tax revenues that addresses existing infrastructure, and 50% from Traffic Impact Mitigation Fees that address impacts from recent development activities. Alternative funding sources could include grant funding from Caltrans or other federal and/or state resources and Gas Tax revenues.

ESTIMATED PROJECT SCHEDULE:

Bid	Summer 2022
Plan Development	Fall 2022-Spring 2023

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SIDEWALK MASTER PLAN PROJECTS

Funding	Funding Sources: Not Identified	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Unscheduled	2,513,000	2,513,000
Total	**2,513,000**	**2,513,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Unscheduled		2,010,400	0%	-	2,010,400
Subtotal		2,010,400		-	2,010,400
Contingency	25%	502,600		-	502,600
Totals		**2,513,000**		**-**	**2,513,000**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

Projects from the 1996 Scotts Valley Sidewalk Master Plan that have not been completed are listed on the following page, which include brief project summaries and 1996 cost estimates.

Prioritization and timing of the proposed projects would be based on several factors, including grant fund availability, community engagement, and other possible new development projects that may impact the proposed projects. Current costs are extrapolated from 1996 costs, which would need to be updated if the City proceeded for any of these projects.

These projects may change based on the outcomes of the Active Transportation Plan scheduled for FY 2022/23.

FUNDING SOURCES:

There is currently no dedicated funding source for this project. If this project were to proceed, it would require funding resources such as grants, development impact fees, Gas Tax or Measure D revenues.

ESTIMATED PROJECT SCHEDULE:

Design	Varies
Bid	Winter/Spring of each year
Construction	Summer of each year

City of Scotts Valley Sidewalk Master Plan
Unfunded Projects List

Priority	1996 Master Plan Item No.	Street	Description	Estimated Cost
1	27	Grace Way	East side from Victor Square to San Augustine Way	$ 12,000
2	28	San Augustine Way	East side from Grace Way to Hacienda Drive	$ 62,000
3	16	Erba Lane	North side from Scotts Valley Drive to City Hall property	$ 42,000
4	19	Carbonero Way	North side from Scotts Valley Drive to El Pueblo Road	$ 49,000
5	10	Kings Village Road	Both sides from Mt Hermon Road to Bluebonnet Lane	$ 145,000
6	4	Mt. Hermon Road	South side from Skypark drive to La Madrona Drive; north side from La Madrona Drive to Scotts Valley Medical Clinic	$ 477,000
7	6	Estrella Drive	South side from Whispering Pines to Lockewood Lane	$ 168,000
8	13	Glen Canyon Road	North side from Mt. Hermon Road to Green Hills Road	$ 297,000
9	21	Victor Square	Inside the perimeter of the entire square	$ 108,000
10	11	Bluebonnet Lane	Both sides from Bean Creek Road to Skypark	$ 151,000
11	12	Bean Creek Road	Both sides from Scotts Valley Drive to the middle School; west side from the middle school to Bluebonnet Lane	$ 400,000
12	20	El Pueblo Road	West side from Carbonero Way to cul-de-sac; east side from Carbonero Way to old El Pueblo; north side from old El Pueblo to Scotts Valley Drive	$ 291,000
13	23	South Navarra Drive	East side from Green Hills Road to Granite Creek Road	$ 298,000
14	15	Scotts Valley Drive	East side from Granite Creek overpass to Tabor Drive	$ 163,000

(Existing) CIP #23

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

BICYCLE TRANSPORTATION PLAN PROJECTS

Funding	Funding Sources: Not Identified	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Unscheduled	2,858,000	
Total	**2,858,000**	**-**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Unscheduled		2,286,400	0%	-	2,286,400
Subtotal		2,286,400		-	2,286,400
Contingency	25%	571,600		-	571,600
Totals		**2,858,000**		**-**	**2,858,000**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:
The March 2012 Scotts Valley Bicycle Transportation Plan outlined proposed projects to meet the following goals:

1. Improve bicycle circulation within the City of Scotts Valley and with adjoining jurisdictions;
2. Increase use of bicycling for short- and long-range trips, and reduce the use of motor vehicles;
3. Provide a safe and efficient bicycle transportation system within the Planning Area;
4. Design all streets and roads to be "bicycle friendly" to equally accommodate both bicycles and private motorized vehicles, in addition to equestrians, pedestrians, and transit; and
5. Reduce traffic congestion by encouraging all residents, visitors and employees within the City to voluntarily increase bicycle trips for the benefit of all.

See attached page for project summaries and 2012 cost estimates. Prioritization and timing of the proposed projects would be based on several factors, including grant fund availability, community engagement, and other possible new development projects that may impact the proposed projects.

These projects may change based on the outcomes of the Active Transportation Plan scheduled for FY2022/23.

FUNDING SOURCES:
There is currently no dedicated funding source for this project. If this project were to proceed, it would require funding resources such as grants, development impact fees, Gas Tax or Measure D revenues.

ESTIMATED PROJECT SCHEDULE:

Design	Varies
Bid	Winter/Spring
Construction	Summer

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

Scotts Valley Bicycle Transportation Plan
Unfunded Project List

2012 Plan Item No.	**Project**	**Existing Condition**	**Estimated Cost**
3	Bethany Dr, Class I (Scotts Valley Dr. to Bethany College)	• Narrow roadway • Residential • High volumes during commute	$ 841,000
5	Granite Creek, Class II including Highway 17 overpass	• Narrow in places • Residential • High volumes during commute	$ 526,000
6	North Navarra Dr. through Sucinto Drive, Class II	• Undeveloped area behind Borland	$ 420,000
8	El Rancho, Class II	• Narrow • Medium traffic volumes	$ 315,000
9	Lockhart Gulch Road, Class II	• Narrow, no bike lane • Primarily residential	$ 526,000
10/11	Bike Rest Stops	• Need at Camp Evers Fishing Park and Skypark	$ 230,000

(NEW) CIP #24

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

TRASH AMENDMENTS COMPLIANCE

	Funding Sources	
Funding	**General CIP**	**Total**
2018-2019	100,000	100,000
2019-2020	100,000	100,000
2020-2021	100,000	100,000
2021-2022	100,000	100,000
2022-2023	100,000	100,000
Total	**500,000**	**500,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		80,000		-	80,000
2019-2020		80,000	0%	-	80,000
2020-2021		80,000	0%	-	80,000
2021-2022		80,000	0%	-	80,000
2022-2023		80,000	0%	-	80,000
Subtotal		400,000		-	400,000
Contingency	25%	100,000		-	100,000
Totals		**500,000**		**-**	**500,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

Per the 2015 the State Water Resources Control Board's Amendment to the Water Quality Control Plan, referred to as the "Trash Amendments", the City is required to install trash capture systems in priority land use areas. A Storm Drainage Master Plan Update is currently being completed to accurately evaluate compliance with the Trash Amendments and determine capital needs. The City has approximately 10 years (at 10% progress per year) to complete installation of Full Capture Systems in identified locations. It is anticipated that the City will need to spend $660,000 - $944,000 in one-time capital improvements over the 10-year period.

FUNDING SOURCES:

Primary funding for this project is the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Complete SDMP Update	Summer 2018
Issue Bids	Winter 2019
Construction	Spring 2019

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #25

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

STORMDRAIN MASTER PLAN PROJECTS

Funding	Funding Sources: Not Identified	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Unscheduled	184,300	184,300
Total	**184,300**	**184,300**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019				-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Unscheduled		147,400	0%	-	147,400
Subtotal		147,400		-	147,400
Contingency	25%	36,900		-	36,900
Totals		**184,300**		**-**	**184,300**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

The Scotts Valley Storm Drain Master Plan identifies recommended storm drain culvert improvements and references corresponding locations on the City's storm drain system maps. These projects are typically deferrable, however, when a problem or need for improvement occurs, a certain amount of money is allocated per drainage location. The last study was performed in December 1989. The table below displays the projects identified in that study and have been prioritized should funding be identified.

These projects may change based on the outcomes of the Storm Drain Master Plan Update currently in progress.

Priority	Project Description (Map Location)	Total Cost
1	Vine Hill School Road at west corner Siltanen (W8B-F7)	$15,000
2	Upper Navarra, Sunset Terrace to Granite Creek Rd. (C10A-E8)	$11,900
3	Drainage Easements South Side Granite Creek Road (C10C)	$15,000
4	Dunslee Way to Scotts Valley Dr. (C12B-D7)	$6,500
5	Caliente Dr., Estrella Dr. to Colado Dr. (E1B-B6)	$18,400
6	Baja Sol at Baja Sol Ct. (B6C-B6)	$12,100
7	Meadow Way at Granite Creek Road (W8A-E7)	$10,400
8	Estrella Dr. near Lunar Dr. (E1A-B6)	$64,000
9	Pinecone easement to Baja Sol (B6B-B6)	$31,000

FUNDING SOURCES:

There is currently no dedicated funding source for this project. If this project were to proceed, it would require funding resources such as grants, development impact fees, Gas Tax or Measure D revenues.

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

ESTIMATED PROJECT SCHEDULE:

Design	Fall/Winter each year
Issue Bids	Spring each year
Construction	Summer each year

(Existing) CIP #26

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PARKS ADA IMPROVEMENTS – PHASE 1

Funding	Lennar (Funding Sources)	Total
2018-2019	38,800	38,800
2019-2020	40,000	40,000
2020-2021	41,200	41,200
2021-2022	-	-
2022-2023	-	-
Total	**120,000**	**120,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		31,040		-	31,040
2019-2020		31,040	3%	900	31,940
2020-2021		31,040	6%	1,900	32,940
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		93,120		2,800	95,920
Contingency	25%	23,300		700	24,000
Totals		**116,420**		**3,500**	**119,920**

PROJECT PRIORITY CATEGORY[1]: A

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project would implement the first phase of park improvements as part of the City's ADA Transition Plan for Hocus Pocus, MacDorsa, Siltanen and Camp Evers Fishing Parks.

Sub-projects for FY 2018/19 include improvements to the parking lot and path of travel at Siltanen Park.

For a detailed description of projects, the City's Transition Plan is on its website www.scottsvalley.org and a hard copy is at City Hall, One Civic Center Drive.

FUNDING SOURCES:

Funding source for this project will be Lennar Funds. Additional funding may be available in FY2018/19 for the above improvements if the City is awarded the California Transportation Commission 2018 Local Partnership Program grant for the Glenwood Preserve Trail System.

ESTIMATED PROJECT SCHEDULE:

Design	Varies
Bid	Spring of each year
Construction	Summer of each year

(NEW) CIP #27

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

RECREATION BUILDING WINDOWS

Funding	Funding Sources: General CIP Fund	Total
2018-2019	25,000	25,000
2019-2020	-	-
2020-2021	-	-
2021-2022		-
2022-2023	-	-
Total	**25,000**	**25,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		21,740		-	21,740
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		21,740		-	21,740
Contingency	15%	3,261		-	3,261
Totals		**25,001**		**-**	**25,001**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project will provide a substantial repair/replacement to windows and window framing in the recreation front office. This area of the building currently has termite and weather related damage and experiences severe leakage in the winter months that is compromising the electrical system.

FUNDING SOURCES:

Primary funding source for this project will be the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Issue Bids for Construction	Summer 2018
Construction	Fall 2018

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(New) CIP #28

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SKYPARK RESTROOM IMPROVEMENTS

Funding	Funding Sources: Parks DIF	Total
2018-2019	60,000	60,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**60,000**	**60,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		48,000		-	48,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		48,000		-	48,000
Contingency	25%	12,000		-	12,000
Totals		**60,000**		**-**	**60,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

The restrooms at Skypark are highly utilized by several field user groups and the general public. This project would improve lighting, refinish the floor, provide new fixtures, refresh paint and bringing the restrooms to current ADA standards.

FUNDING SOURCES:

Primary funding source for this project will be the Parks DIF.

ESTIMATED PROJECT SCHEDULE:

Bids	Summer 2018
Construction	Fall 2018

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #29

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SILTANEN FAMILY SWIM CENTER POOL RESURFACING

Funding	Funding Sources: General CIP Fund	Total
2018-2019	15,000	15,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**15,000**	**15,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		12,000		-	12,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		12,000		-	12,000
Contingency	25%	3,000		-	3,000
Totals		**15,000**		**-**	**15,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project will provide a substantial repair/replacement to the surface of the pool in Siltanen Park. At times, the pool surface cracks and pieces from the surface give away making rough spots on the bottom of the pool. Current repairs consist of temporary patch work.

FUNDING SOURCES:

Primary funding source for this project will be the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Pool Resurfacing Fall 2018

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #30

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

VERN HART FISHING PARK IMPROVEMENTS

	Funding Sources	
Funding	**Cal OES/FEMA**	**Total**
2018-2019	12,000	12,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**12,000**	**12,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		9,425		-	9,425
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		9,425		-	9,425
Contingency	25%	2,400		-	2,400
Totals		**11,825**		**-**	**11,825**

PROJECT PRIORITY CATEGORY[1]: C

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

During the winter storm events of January 2017 damage was sustained to the bank of Carbonera Creek at Vern Hart Fishing Park causing a ground loss/land slide from park into creek. The City received $11,825 in Disaster Funding from the California Office of Emergency Services (CalOES) to repair the damage.

Staff will repair the storm damage to the park in addition to improvements to the existing picnic area and parking lot effected by the storm damage.

FUNDING SOURCES:

Funding source for this project will be FEMA funds received for park repairs. Alternative funding sources could include park impact fees, grant funding from federal and/or state resources.

ESTIMATED PROJECT SCHEDULE:

Concept	Summer 2018
Issue Bids for contractor	Winter 2018
Landscape Construction	Spring 2019

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SKYPARK TENNIS AREA IMPROVEMENTS

Funding	Park DIF	Lennar	Total
	Funding Sources		
2018-2019	30,000	20,000	50,000
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Total	**30,000**	**20,000**	**50,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		40,000		-	40,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		40,000		-	40,000
Contingency	25%	10,000		-	10,000
Totals		**50,000**		**-**	**50,000**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

This project will provide storage, new and enlarged parking area, shade structure, and picnic tables in Skypark at the tennis area along the Linear Trail.

FUNDING SOURCES:

Primary funding source for this project will be the Parks DIF for storage, shade structure, and picnic tables. Lennar Funds will be used for the resurfacing and enlarging the parking lot.

ESTIMATED PROJECT SCHEDULE:

Issue Bids for Construction	Spring 2018
Construction	Summer 2018

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #32

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

VINE HILL SCHOOL DAYCARE IMPROVEMENTS

Funding	Funding Sources: General CIP Fund		Total
2018-2019	-		-
2019-2020	30,900		30,900
2020-2021	-		-
2021-2022	-		-
2022-2023	-		-
Total	**30,900**	**-**	**30,900**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		24,000	3%	700	24,700
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		24,000		700	24,700
Contingency	25%	6,000		200	6,200
Totals		**30,000**		**900**	**30,900**

PROJECT PRIORITY CATEGORY[1]: A

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project will provide a substantial repair/replacement to ramp and stairs leading up to the modular, skirting around the outside of the building, ceiling tiles, and a roof. The ramp and stairs are unsteady, skirting is rotting away, and the roof leaks on an occasion in different locations throughout the building.

The project was appropriated in FY 2017/18 with $10,000 funding for construction of ramp, stairs, skirting and ceiling tiles conducted by Public Works staff which will be completed in the Summer of 2018. The remaining project of $30,900 is scheduled for FY 2019/20 and would be for the roof improvements.

FUNDING SOURCES:

Primary funding source for this project will be the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Construction of ramp, stairs, skirting and ceiling tiles with Public Works staff	Summer 2018
Issue Bids for Construction of Roof	Spring 2019
Construction of Roof	Summer 2019

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PLAY STRUCTURE EQUIPMENT – HOCUS POCUS PARK

	Funding Sources	
Funding	**Parks DIF**	**Total**
2018-2019	-	-
2019-2020	-	-
2020-2021	463,800	463,800
2021-2022	-	-
2022-2023	-	-
Total	**463,800**	**463,800**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		350,000	6%	21,000	371,000
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		350,000		21,000	371,000
Contingency	25%	87,500		5,300	92,800
Totals		**437,500**		**26,300**	**463,800**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

The play structure in the main playground area at Hocus Pocus Park is showing signs of wear and will need to be replaced with an enhanced play structure that could serve a greater number of community members for a longer period of time. The project would include equipment demolition and disposal, installation of 5,750 square feet of geotextile fabric, and installation of a new play structure.

An alternative proposal would use poured-in-place (PIP) rubber as the playground surface rather than EWF. The installation of PIP rubber would nearly double the cost of the project, which would not be cost effective given that annual maintenance costs associated with replacing EWF is well below the incremental cost of PIP rubber over the projected life of that product.

FUNDING SOURCES:

Primary funding source for this project will be the Parks DIF. Alternative funding that would be pursued prior to expending Parks & Recreation Facilities DIF funds could possibly come from grants or Proposition 68 funds.

ESTIMATED PROJECT SCHEDULE:

Bids	Winter 2021
Construction	Spring 2021

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #34

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

BROOK KNOLL AND VINE HILL DAYCARE MODULAR IMPROVEMENTS

	Funding Sources	
Funding	**Parks DIF**	**Total**
2018-2019	-	-
2019-2020	-	-
2020-2021	463,750	463,750
2021-2022	-	-
2022-2023	490,050	490,050
Total	**953,800**	**953,800**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		350,000	6%	21,000	371,000
2021-2022		-	9%	-	-
2022-2023		350,000	12%	42,000	392,000
Subtotal		700,000		63,000	763,000
Contingency	25%	175,000		15,800	190,800
Totals		**875,000**		**78,800**	**953,800**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project will provide a substantial improvement to the Brook Knoll and Vine Hill daycare modulars. The modulars regularly need major maintenance such as: siding/skirting replacement, ceiling/roof repairs, light covers, flooring, doors, and water leak damage inside walls and to sub flooring. Current repairs consist of temporary patches when damage arises.

FUNDING SOURCES:

Primary funding will be through the Parks & Recreation Facilities DIF. Alternative funding that would be pursued prior to expending Parks & Recreation Facilities DIF funds could possibly come from grants.

ESTIMATED PROJECT SCHEDULE:

Issue Bids for Construction	Spring 2020
Replacement of Brook Knoll Modular	Summer 2021
Issue Bids for Construction	Spring 2022
Replacement of Vine Hill Modular	Summer 2023

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #35

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PARKS ADA IMPROVEMENTS – PHASE 2

	Funding Sources	
Funding	**Lennar**	**Total**
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	53,600	53,600
2022-2023	53,600	53,600
Total	**107,200**	**107,200**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		53,600	0%	-	53,600
2022-2023		53,600	0%	-	53,600
Subtotal		107,200		-	107,200
Contingency	0%	-		-	-
Totals		**107,200**		**-**	**107,200**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project consists of retrofit work to provide ADA accessibility at Camp Evers Fishing Park, Hocus Pocus Park, MacDorsa Park, Scotts Valley Dog Park, Siltanen Park, and Skypark per Phase Two the assessment completed in 2015 and recorded in the City's Access Audit & Transition Plan. Work to be completed consists of improvements to exterior routes, doors, park facilities and surfaces, parking, restrooms and Recreation employee spaces.

This would be a 5-year CIP program which would not start until the Phase 1 improvements are completed. The amount shown here is the first two years of the 5-year program.

FUNDING SOURCES:

Funding source for this project is the Lennar Funds.

ESTIMATED PROJECT SCHEDULE:

Design	Varies
Bid	Spring of each year
Construction	Summer of each year

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #36

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SENIOR CENTER ADA IMPROVEMENTS – PHASE 2

Funding	Funding Sources: General CIP Fund	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	76,300	76,300
2022-2023	-	-
Total	**76,300**	**76,300**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		56,000	9%	5,000	61,000
2022-2023		-	12%	-	-
Subtotal		56,000		5,000	61,000
Contingency	25%	14,000		1,300	15,300
Totals		**70,000**		**6,300**	**76,300**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project consists of retrofit work to provide ADA accessibility at the Senior Center per Phase Two the assessment completed in 2015 and recorded in the City's Access Audit & Transition Plan. Work to be completed consists of improvements to doorways, parking, restrooms, and the kitchen.

Phase Three of the Access Audit & Transition Plan consisting of retrofit work to provide ADA accessibility at Public Works and Wastewater Treatment Plant is outside of this 5-year CIP.

FUNDING SOURCES:

Funding source for this project is the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Bid	Spring/Summer 2021
Construction	Fall/Winter 2021

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #37

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PLAY STRUCTURE EQUIPMENT – SKYPARK

	Funding Sources	
Funding	**Not Identified**	**Total**
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Unscheduled	980,000	980,000
Total	**980,000**	**980,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Unscheduled		700,000	12%	84,000	784,000
Subtotal		700,000		84,000	784,000
Contingency	25%	175,000		21,000	196,000
Totals		**875,000**		**105,000**	**980,000**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

The play structure in the main playground area at Skypark is showing signs of wear and will need to be replaced with an enhanced play structure that could serve a greater number of community members for a longer period of time. The project would include equipment demolition and disposal, installation of 13,900 square feet of geotextile fabric, installation of a new play structures in the toddler and 5-12 areas, and replacement of approximately 507 cubic yards of engineered wood fiber (EWF).

An alternative proposal would use poured-in-place (PIP) rubber as the playground surface rather than EWF. The installation of PIP rubber would nearly double the cost of the project, which would not be cost effective given that annual maintenance costs associated with replacing EWF is well below the incremental cost of PIP rubber over the projected life of that product.

FUNDING SOURCES:

There is currently no dedicated funding source for this project. If this project were to proceed, it would require funding resources such as grants or Proposition 68 funds.

ESTIMATED PROJECT SCHEDULE:

Bids	Winter 2022
Construction	Spring 2022

(NEW) CIP #38

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

GLENWOOD OPEN SPACE PRESERVE EAST TRAILS

	Funding Sources				
Funding	Measure D	General CIP Fund	Donation	CTC-LPP	Total
2018-2019	130,000	90,000	100,000	320,000	640,000
2019-2020	-	-	-	-	-
2020-2021	-	-	-	-	-
2021-2022	-	-	-	-	-
2022-2023	-	-	-	-	-
Total	**130,000**	**90,000**	**100,000**	**320,000**	**640,000**

		Expenditure Categories			
Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		640,000		-	640,000
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Subtotal		640,000		-	640,000
Contingency	0%	-		-	-
Totals		**640,000**		**-**	**640,000**

PROJECT PRIORITY CATEGORY[1]: C

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

This project would consist of construction of the east side trail system of the Glenwood Open Space Preserve inclusive of parking facilities and a fully accessible path of travel from the Siltanen Park parking lot to the main trailhead. The trail development and construction will include signage, waste management, benches and picnic tables, as well as required mitigations described in the Glenwood Open Space Preserve Long Term Management Plan.

FUNDING SOURCES:

Primary source of funding would be Measure D Sales Tax revenues, a grant from the California Transportation Commission 2018 Local Partnership Program a private donation, and General Funds (to meet the required match for the CTC grant). Alternatives to the General Fund include Lennar funds, development impact fees or additional Measure D revenues.

ESTIMATED PROJECT SCHEDULE:

Preliminary Design	Spring 2018
Final Design	Summer 2018
Issue Bids for Construction	Summer 2018
Construction	Fall 2018

(Existing) CIP #39

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

AL SHUGART PARK PHASE 1, 3 AND 4 CONSTRUCTION

Funding	Funding Sources: Not Identified	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Unscheduled	2,500,000	2,500,000
Total	**2,500,000**	**2,500,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Unscheduled		2,000,000		-	2,000,000
Subtotal		2,000,000		-	2,000,000
Contingency	25%	500,000		-	500,000
Totals		**2,500,000**		**-**	**2,500,000**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

The Master Plan for the Al Shugart Park was approved by City Council on March 4, 2009. This project would include construction of Phases 1, 3 and 4. Phase 1 entails landscaping and beautification along Glenwood Drive. Phase 3 is construction of a dog park, restroom building, parking lot, and bridge over drainage channel connecting the dog park to the parking lot. Phase 4 represents the remaining park improvements including a passive turf area, picnic areas, concrete walkway, and interpretive signage.

FUNDING SOURCES:

There is currently no dedicated funding source for this project. If this project were to proceed, it would require funding resources such as private funds, grants, Park Impact Fees (DIF), and/or Lennar Funds.

ESTIMATED PROJECT SCHEDULE:

Al Shugart Park Master Plan	Complete
Design	Summer
Bid/Award	Fall 2021
Start Construction	Winter/Spring 2021/2022

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #40

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

CITY FACILITY ADA IMPROVEMENTS – PHASE 1

	Funding Sources	
Funding	**General CIP Fund**	**Total**
2018-2019	24,200	24,200
2019-2020	24,900	24,900
2020-2021	25,750	25,750
2021-2022	-	-
2022-2023	-	-
Total	**74,850**	**74,850**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		19,350		-	19,350
2019-2020		19,350	3%	600	19,950
2020-2021		19,350	6%	1,200	20,550
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		58,050		1,800	59,850
Contingency	25%	14,500		500	15,000
Totals		**72,550**		**2,300**	**74,850**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project consists of retrofit work to provide ADA accessibility at non-park City facilities per Phase Two the assessment completed in 2015 and recorded in the City's Access Audit & Transition Plan. Work to be completed consists of improvements to doorways, restrooms, and exterior routes.

FUNDING SOURCES:

Primary funding source for this project is the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Issue Bids	Fall of each year
Construction	Winter of each year

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #41

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SMALL DUMP TRUCK 5-YARD

Funding	Facilities DIF	WWTP Capital	Total
	Funding Sources		
2018-2019	40,000	40,000	80,000
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Total	**40,000**	**40,000**	**80,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
		Expenditure Categories			
2018-2019		80,000		-	80,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		80,000		-	80,000
Contingency	0%	-		-	-
Totals		**80,000**		**-**	**80,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This truck is an addition to the existing fleet of vehicles. A smaller truck is more easily maneuverable and does not require a commercial license for staff to operate. This truck would be used by both Public Works and Wastewater staff.

FUNDING SOURCES:

Funding for this purchase will be split equally from the General Facilities DIF and the Wastewater Treatment Plant Capital Reserves Fund.

ESTIMATED PROJECT SCHEDULE:

Vehicle Purchase Fall 2018

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #42

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

LIBRARY IMPROVEMENTS – SOUND ATTENUATION, BUILDING IMPROVEMENTS, PARKING LOT

	Funding Sources	
Funding	**Measure S**	**Total**
2018-2019	-	-
2019-2020	190,000	190,000
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**190,000**	**190,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		152,000	0%	-	152,000
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		152,000		-	152,000
Contingency	25%	38,000		-	38,000
Totals		**190,000**		**-**	**190,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

This project will include the installation of sound attenuation equipment, building improvements, and parking lot improvements.

The cost allocation (excluding inflation) between the three projects is estimated as follows:

Project	**Cost**
Sound attenuation	$ 75,000
Building improvements, including keyless entry and security cameras	50,000
Parking lot improvements	65,000
Total	**$190,000**

FUNDING SOURCES:

Funding source for this project is the bond proceeds from Measure S Sales Tax revenues administered by Santa Cruz County.

ESTIMATED PROJECT SCHEDULE:

Solicit Bids	Summer 2019
Project implementation	Fall 2019

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #43

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

LIBRARY IMPROVEMENTS – OTHER

	Funding Sources	
Funding	**Measure S**	**Total**
2018-2019	-	-
2019-2020	2,549,000	2,549,000
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**2,549,000**	**2,549,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		-		-	-
2019-2020		1,980,000	3%	59,100	2,039,100
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		1,980,000		59,100	2,039,100
Contingency	25%	495,000		14,900	509,900
Totals		**2,475,000**		**74,000**	**2,549,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

Funding is available in the amount of $3 million in total from Measure S funds approved by voters in November 2016. Funds from Measure S must be expended within a 3-year period in accordance with the terms of the Joint Powers Authority created for this purpose. A placeholder amount of $2,549,000 is included subject to final improvement plans approved by the City Council to fully exhaust the funds provided under Measure S.

FUNDING SOURCES:

Funding source for this project is the bond proceeds from Measure S Sales Tax revenues administered by Santa Cruz County.

ESTIMATED PROJECT SCHEDULE:

Develop improvement plans	TBD
Issue Bids for Construction	TBD
Construction	TBD

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #44

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

CITY FACILITY ADA IMPROVEMENTS – PHASE 2

Funding	General CIP Fund	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	151,500	151,500
2022-2023	-	-
Total	**151,500**	**151,500**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		111,200	9%	10,000	121,200
2022-2023		-	12%	-	-
Subtotal		111,200		10,000	121,200
Contingency	25%	27,800		2,500	30,300
Totals		**139,000**		**12,500**	**151,500**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project consists of retrofit work to provide ADA accessibility at non-park City facilities per Phase Two the assessment completed in 2015 and recorded in the City's Access Audit & Transition Plan. Work to be completed consists of improvements to doorways, restrooms, and exterior routes.

This program would not start until the Phase 1 improvements are completed.

FUNDING SOURCES:

Primary funding source for this project is the General CIP Fund.

ESTIMATED PROJECT SCHEDULE:

Bid	Winter 2021
Construction	Spring/Summer 2022

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #45

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PUBLIC WORKS DEPARTMENT FACILITY

Funding	Funding Sources: Facilities DIF	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**-**	**-**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	0%	-	-
2020-2021		-	0%	-	-
2021-2022		-	0%	-	-
2022-2023		-	0%	-	-
Subtotal		-		-	-
Contingency	25%	-		-	-
Totals		**-**		**-**	**-**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

The current Public Works offices consist of modulars constructed in the late 1970s and purchased/moved by the City in FY 1988/89. The modulars regularly need major maintenance such as siding/skirting replacement, ceiling/roof repairs, light covers, flooring, doors, and water leak damage inside walls and to sub flooring. Current repairs consist of temporary patches when damage arises. The office and storage spaces exhibit mold growth and a pose health risk to staff. The modulars are beyond their useful life and require replacement.

The solution being explored would expand the existing Wastewater Operations building and reconfigure the vehicle maintenance facilities to accommodate all Public Works staff. Opportunities could then be explored to repurpose the rest of the facilities that could include other uses up to and including possible sale of a portion of the land.

FUNDING SOURCES:

The cost of construction of the facility is pending an engineer's estimate from an engineering consultant. An evaluation of other site uses will then need to be conducted to determine options to finance the construction of the facilities. Funding for this project could include General Facilities DIF (previously budgeted for improvements to the existing PW facility), sale of equipment, sale of a portion of the property, grants or additional development impact fees.

ESTIMATED PROJECT SCHEDULE:

Concept	Complete
Final Engineering	Fall/Winter 2018
Site alternatives	TBD
Bid	TBD
Construction	TBD

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #46

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

SANTA CRUZ MOUNTAINS (HWY 17) POLICE RADIO SITE

Funding	Funding Sources: SLESF-COPS	Total
2018-2019	37,500	37,500
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**37,500**	**37,500**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		30,000		-	30,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		30,000		-	30,000
Contingency	25%	7,500		-	7,500
Totals		**37,500**		**-**	**37,500**

PROJECT PRIORITY CATEGORY[1]: A

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

The Scotts Valley Police Department needs to add another radio receiver site for the primary blue channel at a site located within the Santa Cruz Mountains to improve radio communications for Scotts Valley Police Officers while on Hwy 17.

This project would involve recurring annual operating expenses of a T-1 line from the radio site to the police department and additional support costs from our public safety communications vendor. Total incremental costs are expected to be approximately $1,000 per year.

FUNDING SOURCES:

Primary funding for this project will come from SLESF-COPS grant funding.

ESTIMATED PROJECT SCHEDULE:

Evaluate Site Options	Spring 2017
Obtain Authorization to use Site	Summer/Fall 2017
Tower Analysis Complete	Fall 2017
Quote for Blue Equipment	Completed
Obtain Authorization to Purchase	TBD
Purchase Equipment	TBD
Establish a T1 line to site	TBD
Install Equipment	TBD
Complete final testing	TBD

(Existing) CIP #47

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

POLICE DEPARTMENT LOCKER ROOM

Funding	Funding Sources: Police Facilities DIF	Total
2018-2019	94,000	94,000
2019-2020	-	-
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**94,000**	**94,000**

Expenditures		Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		75,000		-	75,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		75,000		-	75,000
Contingency	25%	18,800		-	18,800
Totals		**93,800**		**-**	**93,800**

PROJECT PRIORITY CATEGORY[1]: B

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

PROJECT DESCRIPTION:

The Police Department locker room is more than 30 years old and is substandard to support current personnel. The shower is operational, but has significant drainage issues.

The scope of this project would involve a remodel of the existing locker room and the adjacent weight room to accommodate male and female officers. The current female locker room would be remodeled and a new shower installed for both male and female police employee use.

FUNDING SOURCES:

Primary funding for this project will come from Police Facilities DIF funds, and can be partially offset by using City Public Works staff.

ESTIMATED PROJECT SCHEDULE:

Select vendor to create remodel plan	Summer 2018
Evaluate new Lockers & related equipment.	Fall 2018
Obtain quotes for Construction work	Fall 2018
Begin Construction	Winter 2018
End Construction	March 2021

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

POLICE BODY WORN & IN CAR CAMERAS

Funding	Funding Sources: PD DIF		Total
2018-2019	150,000		150,000
2019-2020	-		-
2020-2021	-		-
2021-2022	-		-
2022-2023	39,200		39,200
Total	**189,200**	**-**	**189,200**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		150,000		-	150,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		35,000	12%	4,200	39,200
Subtotal		185,000		4,200	189,200
Contingency	0%	-		-	-
Totals		**185,000**		**4,200**	**189,200**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:
The purchase and implementation of a police body worn camera program to outfit all officers with body cameras and patrol vehicles with in-car cameras. This program would require community involvement, updated policies and procedures, additional training of sworn personnel and support staff.

The implementation of police cameras will require future upgrades and supportive maintenance after the initial five year support agreement expires.

FUNDING SOURCES:
Police development fees would be used for the initial purchase of the body cameras, network infrastructure, vehicle updates, software licensing and five-year support contract.

After the five year support contract is up the city will need to budget for ongoing upgrades and support contracts.

ESTIMATED PROJECT SCHEDULE:

Establish Workgroup	Complete
Evaluate Network Requirements	Complete
Finalize Policies & Procedures	In Process
Prepare Network Systems	In Process
Test and Evaluation	July 2018
Select Vendor	TBD
Install Software & Hardware	TBD
Update Vehicles	TBD
Total deployment of BWC program	TBD

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #49

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

POLICE HAND GUN REPLACEMENT

Funding	SLESF-COPS Fund (Funding Sources)	Total
2018-2019	-	-
2019-2020	15,500	15,500
2020-2021	-	-
2021-2022	-	-
2022-2023	-	-
Total	**15,500**	**15,500**

Expenditures		Estimated Project Cost (Expenditure Categories)	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		15,000	3%	500	15,500
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		15,000		500	15,500
Contingency	0%	-		-	-
Totals		**15,000**		**500**	**15,500**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

Purchase twenty (20) new handguns for police officers. The existing handguns are more than twenty years old. The current guns will be assigned to Reserve Officers' for their use while on duty.

FUNDING SOURCES:

The guns can be purchased with FY 2019/20 COPs grant money.

ESTIMATED PROJECT SCHEDULE:

Establish a Workgroup	Fall 2018
Test and Evaluate	Winter/Spring 2019
Purchase	Summer 2019

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #50

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

POLICE DEPARTMENT ARMORY

Funding	Funding Sources: Police Development Fees	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	66,300	66,300
2021-2022	-	-
2022-2023	-	-
Total	**66,300**	**66,300**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		50,000	6%	3,000	53,000
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		50,000		3,000	53,000
Contingency	25%	12,500		800	13,300
Totals		**62,500**		**3,800**	**66,300**

PROJECT PRIORITY CATEGORY[1]: C

PROJECT DESCRIPTION:

Remodel of existing police armory to bring it up to best practice standards for safety and security. The existing armory has not been upgraded since 1986.

FUNDING SOURCES:

Primary funding source for this project will be Police Development Fees funds.

ESTIMATED PROJECT SCHEDULE:

Select vendor to create remodel plan	Spring 2020
Obtain quotes for Construction work	Fall 2020
Evaluate new Lockers & related equipment	Fall 2020
Begin Construction	Winter 2020
End Construction	March 2021

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

POLICE RADIO SIMULCAST – SVPD BLUE

Funding	Funding Sources: SLESF-COPS Funds	Total
2018-2019	-	-
2019-2020	-	-
2020-2021	106,000	106,000
2021-2022	-	-
2022-2023	-	-
Total	**106,000**	**106,000**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		-		-	-
2019-2020		-	3%	-	-
2020-2021		100,000	6%	6,000	106,000
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		100,000		6,000	106,000
Contingency	0%	-		-	-
Totals		**100,000**		**6,000**	**106,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

The Scotts Valley Police Department has been adding additional radio tower sites to improve radio communications between field officers and the dispatch center. However, these additional sites do not address issues with the field officers ability to hear each other. The addition of simulcast technology would improve in-field radio communications for the department's primary radio channel.

After the implementation of the FCC narrowband mandate in January of 2013 law enforcement agencies have experienced issues with a reduction in radio coverage. Agencies have been forced to invest significant resources to improve their radio capabilities.

This project would involve recurring annual operating expenses of a T-1 line from the radio site to the police department and additional support costs from our public safety communications vendor. Total incremental costs are expected to be approximately $1,000 per year.

FUNDING SOURCES:

Primary funding for this project will come from SLESF-COPS funds. Alternative funding that would be pursued prior to expending COPS funds could possibly come from Homeland Security Grant Funding.

ESTIMATED PROJECT SCHEDULE:

Evaluate & Design	Spring 2020
Approvals & Structural Testing	Spring 2020
Obtain quotes for Equipment	June 2020
Installation and Testing	Sept/Oct. 2020

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #52

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

STORAGE AREA NETWORK (SAN) INTEGRATION

	Funding Sources		
Funding	**General CIP**	**WW Capital**	**Total**
2018-2019	76,000	19,000	95,000
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	44,800	11,200	56,000
Total	**120,800**	**30,200**	**151,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		95,000		-	95,000
2019-2020			3%	-	-
2020-2021			6%	-	-
2021-2022			9%	-	-
2022-2023		50,000	12%	6,000	56,000
Subtotal		145,000		6,000	151,000
Contingency	0%	-		-	-
Totals		**145,000**		**6,000**	**151,000**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:
The City moved its entire computer network to a virtualized environment in FY 2011/12. The project established a stable and redundant backup solution to ensure business continuity in the event of a hardware or software failure.

The City accomplished this by creating a virtual partition on 2 of its physical servers using VMware software. This software allowed the two servers to support all of the city's operations virtually and provided a storage area network.

The City's increasing reliance on technology and greater storage has evolved and these two servers can no longer sustain the growing needs of the city and its various departments. Adding a physical storage area network will improve reliability and increase the life cycle of the physical servers by another one to two years.

These SANs will require an extended warranty for additional protection against hardware failures.

FUNDING SOURCES:
Primary funding for this project will be the General CIP and Wastewater Capital funds.

ESTIMATED PROJECT SCHEDULE:

Establish timeline for upgrade	Complete
Renew updated VMware	Complete
Clean up Existing VM SANs	In process
Purchase 2 SANs & Switches	May-July 2018
Configure 2 SANs & Deploy	TBD
Purchase 3rd SAN	TBD

1 Priority descriptions:
- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(NEW) CIP #53

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

CITYWIDE TECHNOLOGY UPDATES

Funding	Funding Sources: General CIP	WW Capital		Total
2018-2019	28,000	7,000		35,000
2019-2020	20,640	5,160		25,800
2020-2021	5,120	1,280		6,400
2021-2022	-	-		-
2022-2023	4,480	1,120		5,600
Total	**58,240**	**14,560**	**-**	**72,800**

Expenditures		Expenditure Categories: Estimated Project Cost	Inflation %	Inflation Escalation	Total
2018-2019		35,000		-	35,000
2019-2020		25,000	3%	800	25,800
2020-2021		6,000	6%	400	6,400
2021-2022		-	9%	-	-
2022-2023		5,000	12%	600	5,600
Subtotal		71,000		1,800	72,800
Contingency	0%	-		-	-
Totals		**71,000**		**1,800**	**72,800**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

The City standardized on Windows 7 Professional and Windows Server 2008 when it completed network updates in FY2011/12. The network update included adding a Terminal Server and replacement of city wide computer workstations. The update was accomplished slowly over a two to three year period.

Microsoft has announced that it will no longer support Office 2007, Windows Server 2008 and Windows 7 Professional after January of 2020. This means that no further security patches will be deployed and therefore using these older systems will be incompatible with updated technology but most importantly it will create vulnerabilities in our computer network to malicious attacks.

The city needs to update operating system software on workstations and servers, key software such as Office, Word Perfect, Adobe Acrobat, SQL server and our email Exchange server will need to be updated over the next 3 years. Because many of the software companies are switching to a subscription model with annual reoccurring fees, the city will focus on obtaining volume licensing while it is still available. Adobe products are already using subscription models with reoccurring usage fees.

FUNDING SOURCES:

Primary funding for this project will come from General CIP and Wastewater Capital funds.

ESTIMATED PROJECT SCHEDULE:

Create timeline	Completed
Update Servers to WS 2016	April/May 2018
Begin testing Windows 10 Pro	In process
Purchase Phase 1	End of CY 2018
Purchase Phase 2	End FY 2019
Purchase Phase 3	End CY 2019
Final software updates	February 2020
Subscription fees on-going	TBD

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #54

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

CITY WIDE PHONE REPLACEMENT

	Funding Sources		
Funding	**General CIP**	**WW Capital**	**Total**
2018-2019	155,000	38,800	193,800
2019-2020	90,100	-	90,100
2020-2021	22,500	-	22,500
2021-2022	51,200	51,100	102,300
2022-2023	-	-	-
Total	**318,800**	**89,900**	**408,700**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		155,000		-	155,000
2019-2020		70,000	3%	2,100	72,100
2020-2021		17,000	6%	1,000	18,000
2021-2022		75,000	9%	6,800	81,800
2022-2023		-	12%	-	-
Subtotal		317,000		9,900	326,900
Contingency	25%	79,300		2,500	81,800
Totals		**396,300**		**12,400**	**408,700**

PROJECT PRIORITY CATEGORY[1]: A

PROJECT DESCRIPTION:

This project is a one-time purchase to replace the City's aging phone and voice mail system. This project plan will involve the upgrade of phone cables to all city buildings, network infrastructure, new phone system (on premise or hosted) and supportive maintenance. The long-term goal of this project will be to have all city departments using one centralized phone and voice mail system.

- Presently all buildings are using different phone systems.
- The phone systems for City Hall/Police & Public Works are more than 18 years old.
- Phone cables in all buildings are more than 20 years old and are not sufficient to support future technology demands.
- The City Hall/Police phone system continues to experience failures requiring frequent restarts.
- This project will require additional network equipment to support new phone technology and cabling.
- On-going supportive maintenance will be required. Hosted phone systems supportive maintenance is included in their annual service agreement. On premise phone system licensing support cost range would be $6,000-$9,000 annually.

FUNDING SOURCES:

Primary funding source for this project is General CIP and Wastewater Capital funds. Alternate funding could come from facility impact fees to the extent funds are available.

ESTIMATED PROJECT SCHEDULE:

Prepare RFP for Phone System	Draft by August 1, 2018
Install updated cabling to CH/PD	Begin September 2018
Test & Evaluate	TBD
Select Vendor	TBD
Install updated cable to CC/SC	FY 2019/20
Install updated cable to PR	FY 2020/21
Install updated cable to WW/PW	FY 2021/22

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

(Existing) CIP #55

CIP PROJECT DESCRIPTION FOR FIVE-YEAR FINANCIAL PLAN

PUBLIC WORKS LARGE-FORMAT PRINTER

	Funding Sources		
Funding	**General CIP**	**WW Capital**	**Total**
2018-2019	5,000	5,000	10,000
2019-2020	-	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Total	**5,000**	**5,000**	**10,000**

		Expenditure Categories			
Expenditures		**Estimated Project Cost**	**Inflation %**	**Inflation Escalation**	**Total**
2018-2019		8,000		-	8,000
2019-2020		-	3%	-	-
2020-2021		-	6%	-	-
2021-2022		-	9%	-	-
2022-2023		-	12%	-	-
Subtotal		8,000		-	8,000
Contingency	25%	2,000		-	2,000
Totals		**10,000**		**-**	**10,000**

PROJECT PRIORITY CATEGORY[1]: B

PROJECT DESCRIPTION:

Purchase of 36" Dual-roll 36-inch, 6-ink integrated Multifunction Printer (print/scan/copy) to replace current printer for which replacement parts are being discontinued.

FUNDING SOURCES:

Primary funding source for this purchase will be split between General CIP Fund and Wastewater Capital Reserve Fund.

ESTIMATED PROJECT SCHEDULE:

Receive quotes	Spring 2018
Purchase	Summer 2018

1 Priority descriptions:

- Priority A – project is **essential/critical** to health and safety or legal/regulatory requirements
- Priority B – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- Priority C – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2018/19 to FY 2022/23

No.	Description	Priority	Proposed Funding Source (1)	New / Existing	Total	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Unscheduled	Classification
Wastewater												
1	Air Conditioning Unit - Wastewater Operations Building	A	WW-C	New	30,000	30,000						Equipment
2	Tanker Truck	A	WW-C	Existing	80,000	80,000						Equipment
3	Mission Communications for Lift Stations	A	WW-C	Existing	40,000	40,000						Equipment
4	Sewer System Management Plan	A	WW-C	New	375,000	375,000						CIP
5	PLC Upgrade	A	WW-C	Existing	101,500	50,000	51,500					CIP
6	Rebuild Aqua Guards	B	WW-C	Existing	250,000	250,000						CIP
7	Water Pump System Upgrade	B	WW-C	Existing	30,900		30,900					CIP
8	Electric Security Gate	B	WW-C	Existing	20,600		20,600					CIP
9	Clarifier Superstructure and Walkways	B	WW-C	Existing	255,800			255,800				CIP
10	Rotary Drum Thickener	B	WW-C	New	231,900			231,900				CIP
11	Glen Canyon Lift Station Generator	C	WW-C	Existing	59,700			59,700				CIP
12	Aeration Basin System Upgrade	B	WW-C	Existing	130,800				130,800			CIP
13	Effluent Pump	C	WW-C	Existing	272,500				272,500			CIP
14	Ultraviolet Disinfection System Evaluation	B	WW-C	New	42,000					42,000		CIP
15	Stormwater LID	C	Unidentified	Existing	231,900						231,900	CIP
	Total - Wastewater Projects				**2,152,600**	**825,000**	**103,000**	**547,400**	**403,300**	**42,000**	**231,900**	
Transportation												
16	Annual Street Maintenance/Resurfacing Program	A	GT/RMRA	Existing	1,275,000	200,000	250,000	275,000	275,000	275,000		CIP
17	Rehabilitation of Glenwood Drive	B	Meas D; RTC-RTIP; CTC-LPP	Existing	1,460,000	100,000	1,360,000					CIP
18	Sidewalk Improvements on Kings Village Road	B	Meas D; RTC-RTIP	Existing	306,000	306,000						CIP
19	Scotts Valley Drive Medians	B	TDIF	New	375,000		375,000				-	CIP
20	Pavement Rehabilitation on Bean Creek Road	A	Meas D	Existing	500,000			500,000				CIP
21	Active Transportation Plan	B	Meas D; TDIF	New	200,000					200,000		CIP
22	Sidewalk Master Plan Projects	B	Not identified	Existing	2,513,000						2,513,000	CIP
23	Bicycle Transportation Plan Projects	C	Not identified	Existing	2,858,000						2,858,000	CIP
	Total Transportation Projects				**9,487,000**	**606,000**	**1,985,000**	**775,000**	**275,000**	**475,000**	**5,371,000**	
Storm Drains												
24	Trash Amendments Compliance	A	CIP	New	500,000	100,000	100,000	100,000	100,000	100,000		CIP
25	Storm Drain Master Plan Projects	B	Not identified	Existing	184,300						184,300	
	Total Storm Drain Projects				**684,300**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**184,300**	
Parks												
26	Parks ADA Improvements - Phase 1	A	Lennar	Existing	120,000	38,800	40,000	41,200				CIP
27	Recreation Building Roof	A	CIP	New	25,000	25,000						CIP
28	Skypark Restroom Improvements	B	Parks DIF	New	60,000	60,000						CIP

Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2018/19 to FY 2022/23

No.	Description	Priority	Proposed Funding Source (1)	New / Existing	Total	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Unscheduled	Classification
29	Siltanen Family Swim Center Pool Resurfacing	B	CIP	Existing	15,000	15,000						CIP
30	Vern Hart Fishing Park Improvements	C	CalOES	New	12,000	12,000						CIP
31	Skypark Tennis Area Improvements	C	Parks DIF; Lennar	Existing	50,000	50,000						CIP
32	Vine Hill School Daycare Improvements	A	CIP	Existing	30,900		30,900					CIP
33	Play Structure Equipment - Hocus Pocus Park	B	Parks DIF	Existing	463,800			463,800				CIP
34	Brook Knoll and Vine Hill Daycare Modular Replacement	B	Parks DIF	Existing	953,800			463,750		490,050		CIP
35	Parks ADA Improvements - Phase 2	A	Lennar	Existing	107,200				53,600	53,600		CIP
36	Senior Center ADA Improvements - Phase 2	A	CIP	Existing	76,300				76,300			CIP
37	Play Structure Equipment - Skypark	B	Not identified	New	980,000						980,000	CIP
38	Glenwood Open Space Preserve East Trails	C	Meas D; CTC-LPP; CIP; Donation	New	640,000	640,000						CIP
39	Al Shugart Park Phases 1, 3 and 4 Construction	C	Not identified	Existing	2,500,000						2,500,000	CIP
	Total Parks Projects				**6,034,000**	**840,800**	**70,900**	**968,750**	**129,900**	**543,650**	**3,480,000**	
General Facilities												
40	City Facility ADA Improvements - Phase 1	A	CIP	Existing	74,850	24,200	24,900	25,750				CIP
41	Small Dump Truck 5-Yard	B	Fac DIF; WW-C	Existing	80,000	80,000						Equipment
42	Library Improvements - Sound Attenuation, Building Improvements, Parking Lot	B	Meas S	Existing	190,000		190,000					CIP
43	Library Improvements - Other	B	Meas S	Existing	2,549,000		2,549,000					CIP
44	City Facility ADA Improvements - Phase 2	A	CIP	Existing	151,500				151,500			CIP
45	Public Works Department Facility	A	Not identified	New	-						-	CIP
	Total General Facilities				**3,045,350**	**104,200**	**2,763,900**	**25,750**	**151,500**	**-**	**-**	
Police												
46	Santa Cruz Mountains (Hwy 17) Police Radio Site	A	COPS	Existing	37,500	37,500						CIP
47	Police Station Locker Room	B	PD DIF	Existing	94,000	94,000						CIP
48	Police Body Worn and In-Car Cameras	C	PD DIF	New	189,200	150,000				39,200		CIP
49	Police Hand Gun Replacement	C	COPS	Existing	15,500		15,500					CIP
50	Police Department Armory	C	PDF	Existing	66,300			66,300				CIP
51	Police Radio Simulcast - SVPD Blue	A	COPS	Existing	106,000			106,000				CIP
	Total Police Projects				**508,500**	**281,500**	**15,500**	**172,300**	**-**	**39,200**	**-**	

Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2018/19 to FY 2022/23

No.	Description	Priority	Proposed Funding Source (1)	New / Existing	Total	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Unscheduled	Classification
Information Technology												
52	Storage Area Network Integration	A	CIP; WW-C	Existing	151,000	95,000	-	-	-	56,000		Equipment
53	Citywide Technology Updates	A	CIP; WW-C	New	72,800	35,000	25,800	6,400	-	5,600		Equipment
54	Citywide Phone Replacement	A	CIP; WW-C	Existing	408,700	193,800	90,100	22,500	102,300	-		Equipment
55	Public Works Large Format Printer	B	CIP; WW-C	Existing	10,000	10,000						Equipment
	Total Information Technology Projects				**642,500**	**333,800**	**115,900**	**28,900**	**102,300**	**61,600**	**-**	
Total - All Projects					**22,554,250**	**3,091,300**	**5,154,200**	**2,618,100**	**1,162,000**	**1,261,450**	**9,267,200**	

(1) Funding Sources:

Wastewater: WWTP-C = Wastewater Capital; P1 Grant = Proposition 1 Grant Funds; TTF = Tertiary Treatment Fund

Transportation: CTC-LPP = California Transportation Commission 2018 Local Partnership Program; Meas D = Measure D sales tax funds; GT/RMRA = Gas Tax and/or SB1 Road Maintenance and Rehabilitation Account funds; RTC-RTIP = SCCRTC Regional Transporation Improvement Program; TDIF = Traffic Impact Mitigation Fees

Storm Drains: SD DIF = Storm Drain Development Impact Fees

Parks: CalOES = California OES FEMA Funds; CIP = General CIP Fund; CTC-LPP = California Transportation Commission 2018 Local Partnership Program; Lennar = Lennar Trust Funds; Meas D = Measure D sales tax funds; Parks DIF = Parks & Recreation Development Impact Fees

General Facilities: CIP = General CIP Fund; Fac DIF = Facilities Development Impact Fees; Lennar = Lennar Trust Funds; Lib DIF = Library Development Impact Fees; Meas S = Measure S Library Sales Tax Bond Financing; Parks DIF = Parks & Recreation Development Impact Fees; WWTP-C = Wastewater Capital

Police: COPS = State Citizens' Option for Public Safety Funds; HSG = Homeland Security Grants; PD DIF = Police Facilities Development Impact Fees; PDF = Police Development Fees Fund

Information Technology: CIP = General CIP Fund; WWTP-C = Wastewater Capital

Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2018/19 to FY 2022/23

Fund Availability

			General Funds		Special Revenue Funds																	Unidentified	
			01, 06	150	03	07	08	09	21	25	27	31	86	88	155	306	315	316	10, 12, 14	12	15		
No.	Description	Category	General Fund/ Equipment Replacement Fund	General CIP	Gas Tax	Drainage Construction DIF	Traffic Impact Mitigation DIF	Parks & Recreation Facilities DIF	General Facility DIF	Lennar Funds	Police Facility DIF	Transportation Grants	Library DIF	Measure S - Library Facilities Authority	Measure D - Sales Tax for Transportation	SLESF - COPS	Police Development Fees	Homeland Security Grant	Wastewater Capital	Wastewater Prop 1 Grant	Tertiary Treatment Plant	No Identified Funding Source	Totals
	Available Reserve Balance - 7/1/2018		N/A	(95,200)	(314,100)	(82,900)	601,000	654,200	85,600	492,200	286,900	27,000	253,400	43,300	(20,500)	185,600	66,200	(300)	2,219,200	-	25,900		
	Projected Revenues - 5 years		N/A	118,430	2,778,700	68,805	1,657,800	3,500,800	205,250	-	412,500	1,581,000	314,550	2,739,000	1,370,200	501,500	3,100		838,000	-	55,500		
	Projected Transfers In (Out) - 5 years (1)/(2)/(3)		(400,000)	1,560,000	(1,175,000)	15,000																	
	Available Funds for Projects		**N/A**	**1,583,230**	**1,289,600**	**905**	**2,258,800**	**4,155,000**	**290,850**	**492,200**	**699,400**	**1,608,000**	**567,950**	**2,782,300**	**1,349,700**	**687,100**	**69,300**	**(300)**	**3,057,200**	**-**	**81,400**	**-**	
	Priority A Projects																						
1	Air Conditioning Unit - Wastewater Operations Building	Wastewater																	30,000				30,000
2	Tanker Truck	Wastewater																	80,000				80,000
3	Mission Communications for Lift Stations	Wastewater																	40,000				40,000
4	Sewer System Management Plan	Wastewater																	375,000				375,000
5	PLC Upgrade	Wastewater																	101,500				101,500
16	Annual Street Maintenance/Resurfacing Program	Transportation			1,275,000																		1,275,000
20	Pavement Rehabilitation on Bean Creek Road	Transportation													500,000								500,000
24	Trash Amendments Compliance	Storm Drains		500,000																			500,000
26	Parks ADA Improvements - Phase 1	Parks								120,000													120,000
27	Recreation Building Roof	Parks		25,000																			25,000
32	Vine Hill School Daycare Improvements	Parks		30,900																			30,900
35	Parks ADA Improvements - Phase 2	Parks								107,200													107,200
36	Senior Center ADA Improvements - Phase 2	Parks		76,300																			76,300
40	City Facility ADA Improvements - Phase 1	General Facilities		74,850																			74,850
44	City Facility ADA Improvements - Phase 2	General Facilities		151,500																			151,500
45	Public Works Department Facility	General Facilities		-																		-	-
46	Santa Cruz Mountains (Hwy 17) Police Radio Site	Police														37,500							37,500
51	Police Radio Simulcast - SVPD Blue	Police														106,000							106,000
52	Storage Area Network Integration	Information Technology		120,800															30,200				151,000
53	Citywide Technology Updates	Information Technology		58,240															14,560				72,800
54	Citywide Phone Replacement	Information Technology		318,800															89,900				408,700
	Total - Priority A Projects			**1,356,390**	**1,275,000**	**-**	**-**	**-**	**-**	**227,200**	**-**	**-**	**-**	**-**	**500,000**	**143,500**	**-**	**-**	**761,160**	**-**	**-**	**-**	**4,263,250**
	Total Funds Available after Priority A Projects			**226,840**	**14,600**	**905**	**2,258,800**	**4,155,000**	**290,850**	**265,000**	**699,400**	**1,608,000**	**567,950**	**2,782,300**	**849,700**	**543,600**	**69,300**	**(300)**	**2,296,040**	**-**	**81,400**	**-**	
	Priority B Projects																						-
6	Rebuild Aqua Guards	Wastewater																	250,000				250,000
7	Water Pump System Upgrade	Wastewater																	30,900				30,900
8	Electric Security Gate	Wastewater																	20,600				20,600
9	Clarifier Superstructure and Walkways	Wastewater																	255,800				255,800
10	Rotary Drum Thickener	Wastewater																	231,900				231,900
12	Aeration Basin System Upgrade	Wastewater																	130,800				130,800
14	Ultraviolet Disinfection System Evaluation	Wastewater																			42,000		42,000
17	Rehabilitation of Glenwood Drive	Transportation										990,000			470,000								1,460,000
18	Sidewalk Improvements on Kings Village Road	Transportation										271,000			35,000								306,000
19	Scotts Valley Drive Medians	Transportation					375,000																375,000
21	Active Transportation Plan	Transportation					100,000								100,000								200,000
22	Sidewalk Master Plan Projects	Transportation																				2,513,000	2,513,000
25	Storm Drain Master Plan Projects	Storm Drains																				184,300	184,300
28	Skypark Restroom Improvements	Parks						60,000															60,000

Five-Year Capital Improvement Project and Capital Outlay Plan
FY 2018/19 to FY 2022/23

Fund Availability

			General Funds		Special Revenue Funds																	Unidentified	
			01, 06	150	03	07	08	09	21	25	27	31	86	88	155	306	315	316	10, 12, 14	12	15		
No.	Description	Category	General Fund/ Equipment Replacement Fund	General CIP	Gas Tax	Drainage Construction DIF	Traffic Impact Mitigation DIF	Parks & Recreation Facilities DIF	General Facility DIF	Lennar Funds	Police Facility DIF	Transportation Grants	Library DIF	Measure S - Library Facilities Authority	Measure D - Sales Tax for Transportation	SLESF - COPS	Police Development Fees	Homeland Security Grant	Wastewater Capital	Wastewater Prop 1 Grant	Tertiary Treatment Plant	No Identified Funding Source	Totals
29	Siltanen Family Swim Center Pool Resurfacing	Parks		15,000																			15,000
33	Play Structure Equipment - Hocus Pocus Park	Parks						463,800															463,800
34	Brook Knoll and Vine Hill Daycare Modular Replacement	Parks						953,800															953,800
37	Play Structure Equipment - Skypark	Parks																				980,000	980,000
41	Small Dump Truck 5-Yard	General Facilities							40,000										40,000				80,000
42	Library Improvements - Sound Attenuation, Building Improvements, Parking Lot	General Facilities												190,000									190,000
43	Library Improvements - Other	General Facilities												2,549,000									2,549,000
47	Police Station Locker Room	Police									94,000												94,000
55	Public Works Large Format Printer	Information Technology		5,000															5,000				10,000
	Total - Priority B Projects			**20,000**	**-**	**-**	**475,000**	**1,477,600**	**40,000**	**-**	**94,000**	**1,261,000**	**-**	**2,739,000**	**605,000**	**-**	**-**	**-**	**965,000**	**-**	**42,000**	**3,677,300**	**11,395,900**
	Total Funds Available after Priority B Projects			**206,840**	**14,600**	**905**	**1,783,800**	**2,677,400**	**250,850**	**265,000**	**605,400**	**347,000**	**567,950**	**43,300**	**244,700**	**543,600**	**69,300**	**(300)**	**1,331,040**	**-**	**39,400**	**(3,677,300)**	
Priority C Projects																							-
11	Glen Canyon Lift Station Generator	Wastewater																	59,700				59,700
13	Effluent Pump	Wastewater																	272,500				272,500
15	Stormwater LID	Wastewater																				231,900	231,900
23	Bicycle Transportation Plan Projects	Transportation																				2,858,000	2,858,000
30	Vern Hart Fishing Park Improvements	Parks		12,000																			12,000
31	Skypark Tennis Area Improvements	Parks						30,000		20,000													50,000
38	Glenwood Open Space Preserve East Trails	Parks		190,000								320,000			130,000								640,000
39	Al Shugart Park Phases 1, 3 and 4 Construction	Parks																				2,500,000	2,500,000
48	Police Body Worn and In-Car Cameras	Police									189,200												189,200
49	Police Hand Gun Replacement	Police														15,500							15,500
50	Police Department Armory	Police															66,300						66,300
	Total - Priority C Projects			**202,000**	**-**	**-**	**-**	**30,000**	**-**	**20,000**	**189,200**	**320,000**	**-**	**-**	**130,000**	**15,500**	**66,300**	**-**	**332,200**	**-**	**-**	**5,589,900**	**6,895,100**
	Total Funds Available after Priority C Projects			**4,840**	**14,600**	**905**	**1,783,800**	**2,647,400**	**250,850**	**245,000**	**416,200**	**27,000**	**567,950**	**43,300**	**114,700**	**528,100**	**3,000**	**(300)**	**998,840**	**-**	**39,400**	**(9,267,200)**	

Priority descriptions:

- **Priority A** – project is **essential/critical** to health and safety or legal/regulatory requirements
- **Priority B** – project is **important** to maintaining health and safety or maintaining quality of life, but not critical.
- **Priority C** – project is **deferrable** and would only be implemented to the extent that higher priority projects are first funded.

Footnote:

(1) - The transfer from the General CIP fund to the Measure D fund would be in the form of an advance and would be repaid by FY 2022/23 based upon projected Measure D revenue collections

(2) - The transfer from the Gas Tax fund to the General Fund represents reimbursement of Streets maintenance costs of $260,000 per year for five years

(3) - The transfer from the SLESF-COPS fund to the Homeland Security Grant fund resolves an overexpenditure in that fund from prior years that are eligible costs to have been charged against SLESF/COPS funds.