



# CITY OF CARMEL-BY-THE-SEA

## **Capital Improvement Program: Review Completed and Carry-Over Projects and First Review of Fiscal Year 2023/24 Projects**

City Council Special Meeting

April 5, 2023



# FY 2023/24 Budget Summary and 5-Yr Projections

	Fiscal Years										
	FY 18-19 Actual	FY 19-20 Actual	FY 2020-21 Actual	FY 2021-22 Projected (Unaudited)	FY 22-23 Adopted Budget	FY 22-23 Proposed Budget	FY 23-24 Projection	FY 24-25 Projection	FY 25-26 Projection	FY 26-27 Projection	FY 27-28 Projection
<b>Revenues</b>											
Property	6,496,558	6,663,614	6,822,304	7,419,963	8,299,100	8,299,100	8,465,082	8,719,034	8,937,010	9,160,436	9,343,644
Sales- Bradley Burns	2,639,607	2,143,020	1,896,796	1,977,994	3,190,300	3,638,223	3,770,186	3,807,888	3,845,967	3,884,426	3,923,271
Sales- Local	3,079,914	2,611,802	3,050,000	3,581,477	5,721,000	5,865,000	5,952,975	6,042,270	6,132,904	6,224,897	6,318,271
Transient Occupancy Tax (TOT)	6,882,015	6,477,220	2,488,198	4,000,409	6,667,000	6,733,670	6,801,007	6,869,017	6,937,707	7,007,084	7,077,155
Charges for Services	2,521,960	2,139,035	2,080,159	1,651,460	2,169,500	2,169,500	2,536,635	2,587,368	2,639,115	2,691,898	2,745,736
Other Revenues	2,441,120	2,596,158	2,442,768	2,291,616	4,284,600	4,284,600	3,105,862	3,199,038	3,295,009	3,393,859	3,495,675
<b>Revenue Total</b>	<b>24,061,174</b>	<b>22,630,849</b>	<b>18,780,225</b>	<b>20,922,919</b>	<b>30,331,500</b>	<b>30,990,093</b>	<b>30,631,747</b>	<b>31,224,615</b>	<b>31,787,712</b>	<b>32,362,600</b>	<b>32,903,751</b>
<b>Expenditures</b>											
Salaries/Benefits	9,718,662	10,156,434	9,595,869	9,188,163	13,488,692	14,399,115	14,528,127	14,963,970	15,712,169	16,497,777	17,322,666
3 Safety Police Positions						(583,470)			630,148	649,052	668,524
CalPERS Unfunded Accrued Liability Payment	1,026,968	1,351,531	1,598,574	1,598,574	2,082,464	2,165,763	2,233,300	2,387,800	2,489,900	2,585,400	2,648,700
<i>Pension Mitigation Total</i>					1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Services/Supplies	8,657,484	8,304,641	7,366,461	7,269,328	9,800,223	9,800,223	10,290,234	10,804,746	11,344,983	11,912,232	12,507,844
<b>General Fund Operating Total</b>	<b>19,403,114</b>	<b>19,812,606</b>	<b>18,560,904</b>	<b>18,056,065</b>	<b>26,371,379</b>	<b>26,781,631</b>	<b>28,051,661</b>	<b>29,156,516</b>	<b>31,177,200</b>	<b>32,644,462</b>	<b>34,147,734</b>
<b>Worker Compensation</b>					<b>148,160</b>	<b>148,160</b>	<b>151,123</b>	<b>154,146</b>	<b>157,229</b>	<b>160,373</b>	<b>163,581</b>
<b>Debt Service</b>											
Pension Bond	701,220	698,056	698,863	698,863	703,580	703,580	0	0	0	0	0
Sunset Center Bond	507,390	500,334	508,678	82,228	158,300	158,300	515,800	521,600	511,600	513,300	516,700
NGEN Radio	51,663	45,791	36,974	36,974	16,423	16,423	16,423	0	0	0	0
<b>Debt Total</b>	<b>1,260,273</b>	<b>1,244,181</b>	<b>1,244,515</b>	<b>818,065</b>	<b>878,303</b>	<b>878,303</b>	<b>532,223</b>	<b>521,600</b>	<b>511,600</b>	<b>513,300</b>	<b>516,700</b>
<b>Capital Outlay Total</b>	<b>3,778,271</b>	<b>869,596</b>	<b>0</b>	<b>140,014</b>	<b>5,972,327</b>	<b>5,972,327</b>	<b>1,650,331</b>	<b>1,092,862</b>	<b>1,112,570</b>	<b>1,132,691</b>	<b>1,151,631</b>
<b>Expenses Total</b>	<b>24,441,658</b>	<b>21,926,383</b>	<b>19,805,419</b>	<b>19,014,144</b>	<b>33,370,169</b>	<b>33,780,421</b>	<b>30,385,338</b>	<b>30,925,123</b>	<b>32,958,598</b>	<b>34,450,826</b>	<b>35,979,646</b>
<b>Surplus/(Deficit)</b>	<b>(380,484)</b>	<b>704,466</b>	<b>(1,025,194)</b>	<b>1,908,775</b>	<b>(3,038,669)</b>	<b>(2,790,328)</b>	<b>246,409</b>	<b>299,491</b>	<b>(1,170,886)</b>	<b>(2,088,226)</b>	<b>(3,075,895)</b>



# FY 2022/23 CIP Funding Starting Point

21/22 CIP Projects Carryover (8) to 23/24	\$3,067,000
22/23 CIP Projects to Carryover (17) to 23/24	\$3,609,000
	\$6,676,000

*The 5 year financial projection reflects \$6.7M for capital improvement projects for both fiscal year carry-over projects. All new capital improvement projects for FY 23/24 will be incorporated into the financial forecast after the preliminary discussion.*



# FY 2022/23 CIP – Agenda

- Review CIP definition and sources of projects
- Review 14 projects completed in FY 2022/23
- Consider projects to cancel/defer, and projects funded by others
- Review 25 carry-over projects from FY 2021/22 & FY 2022/23 (prior years reviewed twice, this year, once due to storms)
- Review initial list of 17 CIP Projects for FY 2023/24
- FY 2021/22 carry-over funding issue
- Full CIP Overview, with 5-year CIP
- CIP implementation strategies



# CIP Definition and Sources

## **CIP Definition:**

- Over \$10,000 and exceeds 10 years
- CIP Projects: Reports identifying future projects, public safety need, operational enhancement
- Not CIP Projects: Ongoing maintenance – should be included in Operating Budget

## **Sources of Projects:**

- ADA Transition Plan
- City Departments
- Climate Action/Adaptation Plans
- Council Strategic Priorities
- Facility Condition Assessments
- MTNP and North Dune Master Plans
- MTNP Stream Stability Study
- Outside Entities
- Storm Drain Master Plan & Update
- Street Saver Pavement Program
- Vehicle Replacement Schedule



# 14 Completed Projects in FY 23

No.	FY	Asset Category	Project	City Funds	External Funds
1	23	Facilities	ADA Upgrades, Year 5	\$15,000	
2	23	Fleet	2 EV Vehicles for CP&B	50,000	
3	23	Facilities	Facility Condition Inspections: CH, FS, PW, VL	85,000	
4	23	Fleet	Fire Engine (2 year delivery)	880,000	
5	22	Library	Library Master Plan	50,000	
6	22	FP&B	MTNP – 3 Drainage Improvements – Design/Env Permits	20,000	\$70,000
7	23	FP&B	North Dunes Habitat Restoration	10,000	
8	23	Fleet	Police Radios Lease, Year 2	30,000	
9	23	IT	Public Access Property Records, Ph II	67,000	
10	22	FP&B	Scenic Pathway Barrier Rails	50,000	CC Install
11	22	Environment	Stormwater Ordinance (Strategic Priority, Not CIP)	0	
12	23	Fleet	Street Sweeper	313,000	250,000
13	22	Facilities	Sunset Center HVAC Controller Replacement	50,000	
14	23	IT	Uninterrupted Power Supply	20,000	



# Projects to Cancel/Defer and By Others

No.	FY	Asset Category	Project	City Funds	External Funds
1	23	FP&B	Ocean Avenue Split Rail Fence - Withdrawn		\$55,000
2	23	Facilities	Vista Lobos Interior Remodel - Defer	\$25,000	
3	22	Streets	Wayfinding Signs - Cancel		18,500



No.	Asset Category	Project	External Funds
1	FP&B	Carmel Cares: <ul style="list-style-type: none"> <li>• Forest Theater Picnic Tables</li> <li>• Ocean Avenue Median Islands Landscaping</li> <li>• Post Office Parking Lot Landscaping</li> </ul>	tbd
2	FP&B	North Dunes – Interpretive Signage and Split Rail Fencing	\$25,000
3	Facilities	Scout House Renovation	500,000





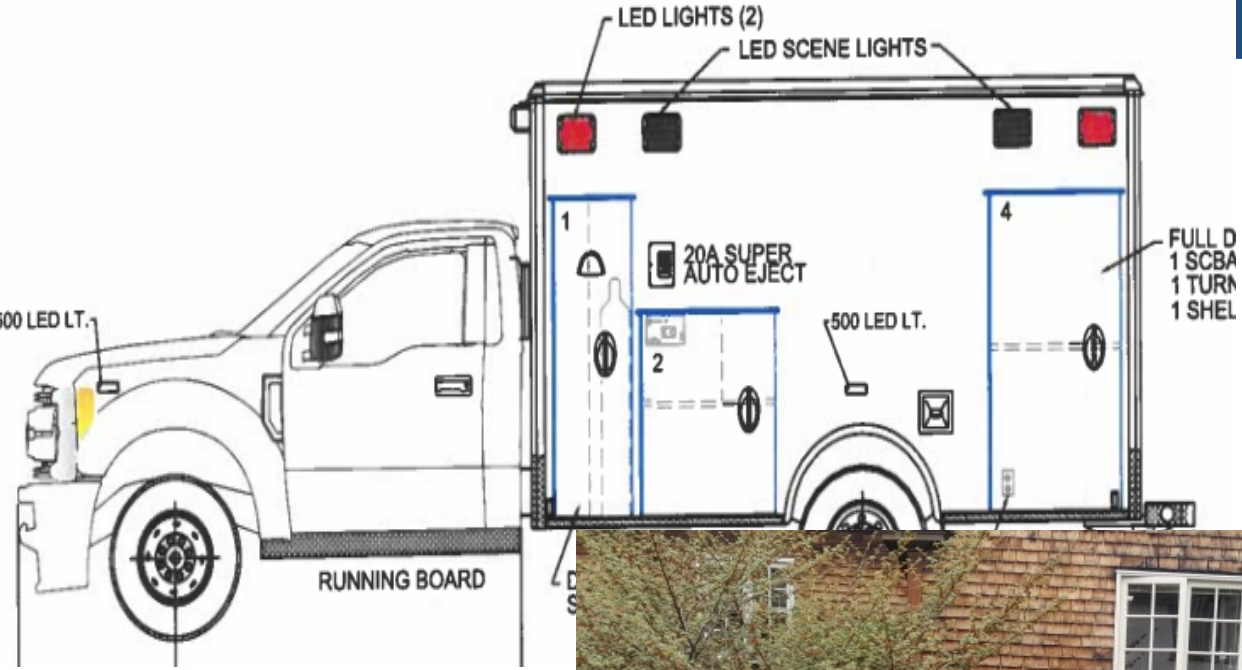
# 25 Carry-Over Projects (#1- 15)

No.	FY	Asset Category	Project	City Funds	External Funds
1-2	22, 23	Fleet	Ambulance and Equipment (2 projects)	\$275,000	\$50,000
3	23	FP&B	Beautification (Strategic Priority)	25,000	
4	23	Facilities	City Hall Retaining Wall Repair	100,000	
5-6	22, 23	Environment	Beach Sand Survey/Coastal Eng. Study (2 projects) (Strategic Priority)	175,000	
7-8	22, 23	Drainage	Drainage Repairs Design – Phases I and II (2 projects) Includes Drainage Master Plan Update for 20-year storms	600,000	
9	23	Facilities	Electrical Panel Upgrades: CH, SC, VL, PW->FS, Design	75,000	
10-15	23	Facilities	Facility Renovations: CH Roof, HML Carpet, HML Generator, HML Exterior/Interior Paint, Sunset Center: Cottage Windows, Haz Mat/Exterior Paint (6 projects)	715,000	



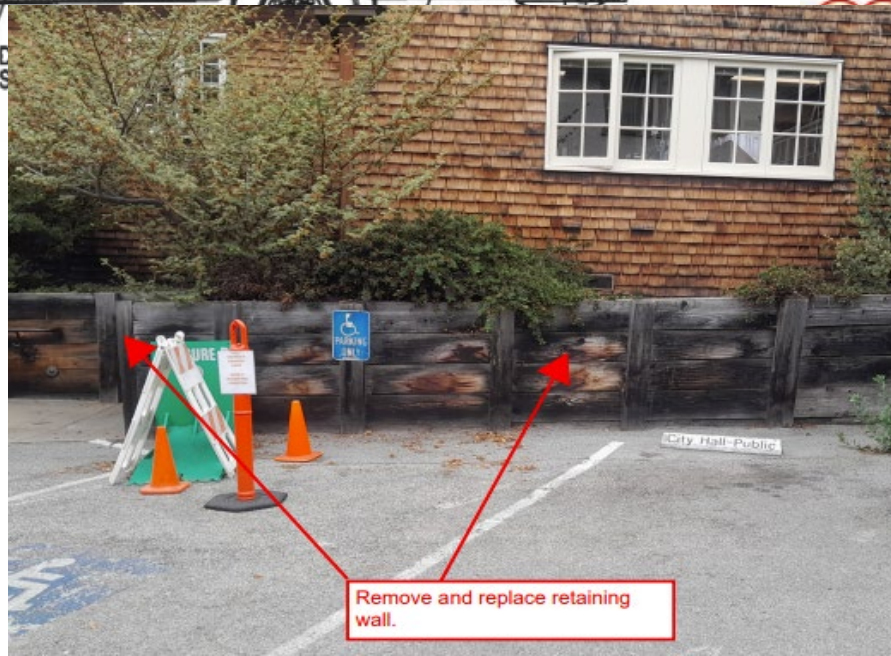


# Carry-Over Projects into FY 24



Ambulance

City Hall Retaining Wall Repair  
Budget: \$100k  
Cost: \$213k



Drainage System Repairs



# 25 Carry-Over Projects (#16- 25)

No.	FY	Asset Category	Project	City Funds	External Funds
16	23	Streets	FY 23 Concrete Street Repairs	563,700 MOE	441,300
17-18	22	Streets	FY 20 Paving Project w/San Carlos Bike Route, and Mission Street Sidewalk Repair (2 projects)	572,000 MOE	364,000
19	22	FP&B	MTNP 3 Drainage Projects – Construction	25,000	117,000
20-21	22, 23	Facilities	Police Building Renovation and Additional Scope (2 projects) (Strategic Priority)	3,300,000	
22	23	Facilities	Resilience Infrastructure Planning/Design	85,000	
23	22	FP&B	Urban Forest Master Plan (Strategic Priority)	20,000	150,000
24	22	FP&B	MTNP Water Well, Tank & Pump House Removal	150,000	
25	23	FP&B	Wildfire Risk Assessment (Strategic Priority) – Not CIP	20,000	



# Carry-Over Projects into FY 24



**San Carlos Street/Fifth Avenue  
Concrete Street Repairs**



**Police Building Renovation**



**MTNP – Well, Tank & Pump House**



# Carry-Over Funding into FY 24

Total CIP Program	No. Projects	City Funds (Balance of..)	External Funds (Balance of...)	Total
FY 2021/22 Carry-Over	8	<b>\$3,067,000*</b>	\$564,000	\$3,631,000
FY 2022/23 Carry-Over	17	\$3,609,000	\$558,000	\$4,167,000
<b>Carry-Over Total</b>	<b>25</b>	<b>\$6,676,000</b>	<b>\$1,122,000</b>	<b>\$7,798,000</b>

**\* \$2.0M Police Building, \$0.5M Paving**

**Will request Council to Carry-Over both Fiscal Year Balances with adoption of the FY 2023/24 CIP & Budget**



# 17 Potential Projects FY 23/24

No.	Asset Category	Project	City Funds	External Funds
1	Facilities	ADA Upgrades, Year 6	\$20,000	
2	Streets	Annual Paving Project, FY 24: 6 Overlays incl. Santa Lucia & Upper Ocean, Slurry Seal 17 streets, 7 Sidewalk Repairs, bikes, landscaping/trees	657,329	\$438,570
3	FP&B	Beautification Project	25,000	
4	All	CIP Contingency Fund	500,000	
5	Environment	Coastal Engineering Study, Phase 2	100,000	
6	IT	IT Servers	50,000 VEF	
7	Library	Library Master Plan – Project #1 Design	100,000	
8	FP&B	MTNP – Invasive Removal	\$15,000	
9	FP&B	North Dunes Habitat Restoration	15,000	



# 17 Potential Projects FY 23/24

No.	Asset Category	Project	City Funds	External Funds
10	Fleet	Police Radios Lease, Year 3	30,000 VEF	
11	Environment/ FP&B	Shoreline Infrastructure Repairs - Design	250,000	tbd
12	Facilities	Sunset Center – 7 Bollards	20,000	
13	Facilities	Sunset Center – Carpenter Hall Heater	45,000	
14	Facilities	Sunset Center - North Lot Electrical Panel	100,000	
15	Facilities	Sunset Center – Portico Design	40,000	
16	Facilities	Sunset Center – Retaining Wall Repairs – Design	40,000	
17	Fleet	Vehicles: Forestry Truck (2000) Forestry Truck (2002) PD Administration Vehicle (2006)	65,000 VEF 65,000 <u>45,000</u>	tbd
		<b>Totals</b>	<b>\$2,182,329</b>	<b>\$438,570</b>



# Potential Project: Shoreline Repairs Design



Coastal Infrastructure	Total Number	In Need of Repair	High Priority Repairs
Seawalls	11	2-4	1
Beach Access Stairs	11	9	3
Revetments	6	4	3



# Potential Projects



**Library Master Plan:  
Project #1**

**Sunset Center:**

**North Lot  
Electrical Panel**



**Bollards**





# Potential Projects



**Forestry Vehicles  
2000, 2002**

**Rule 20A Underground Utility District  
(No funding needed at this time)**





# Total Funding for FY 24

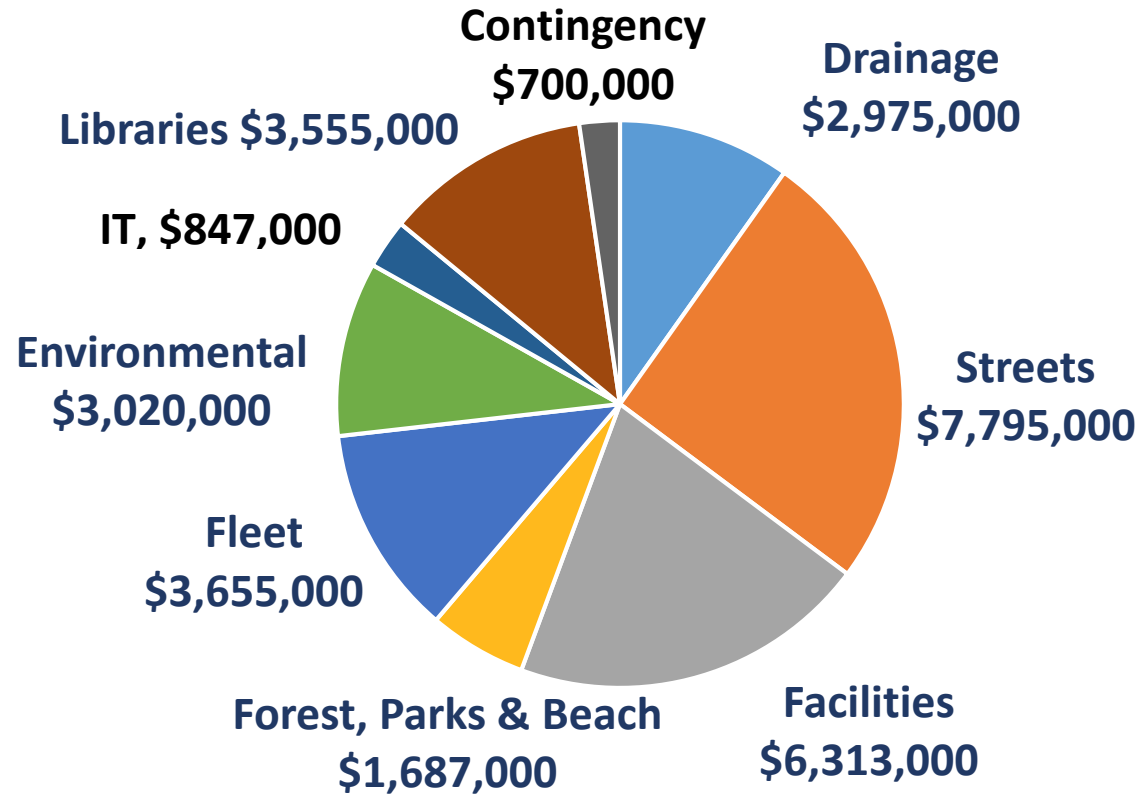
Total CIP Program	City Funds	External Funds	Total
25 Carry-Over Projects	\$6,676,000	\$1,122,000	\$7,798,000
17 New CIP Projects FY 24	<u>\$2,182,329*</u>	<u>\$438,570</u>	<u>\$2,525,000</u>
<b>42 Projects</b>	<b>\$8,858,329</b>	<b>\$1,560,570</b>	<b>\$10,323,000</b>

\* **\$1,650,331 Available**



# Full CIP: Carry-Overs, Years 1 – 5, Ext. \$30M

## Needs by Asset Category



■ Drainage

■ Forest, Parks, Beach

■ IT

■ Streets

■ Fleet

■ Libraries

■ Facilities

■ Environmental

■ Contingency



# CIP – Forecast Years 2-5

Fiscal Year	Currently Identified Needs (City Funds)	Anticipated Available Budget
FY 25	\$4,040,000	\$1,093,000
FY26	\$4,260,000	\$1,113,000
FY 27	\$2,390,000	\$1,133,000
FY 28	\$2,645,000	\$1,152,000



# CIP Implementation Strategies

- Continue to use Contract Project Management Consultants
- New in-house Project Manager
- Continue to utilize Statements of Qualifications to streamline consultant selection process
- Continue to combine Similar Projects (management, design, construction)
- Continue to have other departments manage their projects



# Recommendations/Council Direction

## **Recommendations (“One and done” unless requested to return):**

- Accept 14 FY 22 and FY 23 projects completed in FY 23
- Accept 3 projects to cancel/defer, and projects funded by others
- Accept 25 FY 22 & FY 23 carry-over projects (pending Budget Reso)

## **Council Direction (Will review in May):**

- Tentatively approve carrying over funding from both FY 22 and FY 23
- Refine initial list of 17 CIP Projects for FY 24 to meet budget
- Review draft 5-year CIP Update

# Questions?