TO: HONORABLE CITY COUNCIL

ATTENTION: FINANCE COMMITTEE

FROM: CITY MANAGER DEPARTMENT: ADMINISTRATIVE SERVICES

DATE: DECEMBER 14, 2004 CMR: 507:04

SUBJECT: 2003-04 YEAR-END CAPITAL IMPROVEMENT PROGRAM PROJECTS STATUS REPORT

This is an informational report and no Council action is required.

BACKGROUND

This report provides information on the status of the City’s Capital Improvement Program (CIP) projects as of the end of fiscal year 2003-04. In the attached matrix (Attachment A), all City departments have submitted information on their projects and commented on any issues that might cause a change in the scope or timing of the projects. Information in this report is intended to keep Council abreast of progress on all CIP projects that were open at the beginning of the 2003-04 fiscal year and on those projects that were added or completed during the same fiscal year.

DISCUSSION

The attached matrix categorizes CIP projects into minor projects (projects which can be completed within a one-year period) and multi-year projects (projects which have multi-year budgets and/or complex implementation schedules with identifiable phases). The project status portion of the matrix identifies the phase the project was in at fiscal year-end. Information on phases is intended to give Council a perspective on how much progress was made on a project. Three distinct phases are utilized, as follows:
Phase: Possible Activities:

| Pre-Design                 | o Preparation of feasibility study  
|                           | o Development of a master plan  
|                           | o Definition of a project scope  
|                           | o Environmental Review  

| Design                    | o Hiring a design consultant  
|                          | o Completion of project design  
|                          | o Soliciting bids or proposals  

| Construction              | o Acquisition of major equipment  
|                           | o Installation  
|                           | o Implementation of a project  

The comment section of the matrix provides Council with information clarifying the status of certain projects.

In the attached matrix, projects are listed by department for the General Fund and by fund for the Enterprise and Internal Service Funds. The matrix also includes information on the total budget from inception for the project, the available budget as of the beginning of the fiscal year, the fiscal year expenditures through June 2004, including commitments (encumbrances), the remaining balance in the project budget as of year-end, and the percentage of completion for the project.

The matrix does not include “continuous” projects. These projects, such as water meter replacement, have no definitive beginning or end dates and receive ongoing funding to reflect continuing replacement cycles or commitments. During fiscal year 2003-04, progress was made on all of the City’s “continuous” projects (Attachment B).

At year-end, all completed CIPs (after settlement of encumbrances) and CIPs where no activity is planned in the near future were closed and the remaining balances transferred to the Budget Stabilization Reserve for General Fund projects; to Retained Earnings for Internal Service Funds; and for Utility Fund projects, to the appropriate Rate Stabilization Reserve.

A separate analysis of all Infrastructure Management Plan (IMP) projects has been prepared. At June 30, 2004, the status of IMP projects was:
Total Adjusted Budget FY 2003/04 $18,220,405

Less:
- Actual expenditures as of 6/30/04 (6,209,114)
- Encumbered balance as of 6/30/04 (6,986,121)
- Projects in pre-design stage (75,826)
- Projects in design stage (2,725,555)
- Projects in bid award stage (173,593)
- Projects in construction stage (389,949)
- Projects completed (7,689)
- Projects that are ongoing (1,405,375)
- Project bids were too high – to be rebid (247,183)

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ATTACHMENTS
Attachment A: Year-end Capital Improvement Projects Status Matrix
Attachment B: List of Continuous Projects

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