STATEMENT OF ISSUE:
Staff has prepared the Ten-Year Capital Investment Program 2014-2024 (Ten-Year CIP) which incorporates direction provided during the Council Meeting on February 18, 2014. Staff is submitting the Ten-Year CIP to Council for approval. Staff is also submitting the CIP Policy for review and comment. City Council’s approval of the CIP Policy is requested.

RECOMMENDED ACTION:
Adopt a resolution approving the Ten-Year Capital Investment Program for 2014-2024 and approve the CIP Policy.

DISCUSSION:
Ten-Year CIP
Staff has completed the Ten-Year Capital Investment Program 2014-2024. Staff has met with the Transportation Commission, the Park Recreation and Open Space (PROS) Commission and Council to discuss the CIP Policy elements, the City’s infrastructure needs, and projects proposed by staff and the Commissions.

At the February 18, 2014 meeting, Council provided direction to finalize the Ten-Year CIP. The following are some of the major items discussed and incorporated into the Ten-Year CIP:

- Confirm the Long Term Financial Forecast commitment of an additional $1,000,000 per two-year cycle for Asset Management Projects (AMP).
- Create a new AMP category for Building / Facility Renovation and Replacement.
- Create a new AMP category for Parking Infrastructure Maintenance.
- Recognize that the revenue estimates and future funding allocations for the Downtown Parking and Enhancement Fund will be reviewed by Council separate from the Ten-Year CIP.
The Ten-Year CIP incorporates the scope and funding for the Boundary Oak Clubhouse Renovation as approved by Council on March 4, 2014.

Staff initiated one change to the CIP, expanding the scope of the Wiget / Blackstone Crosswalk Improvements Project to include crosswalk improvements at the intersection of Cedro Lane and Casa Bueno Court. The project has been renamed Pedestrian Path Improvements at Walnut Acres Elementary.

The Ten-Year CIP is a comprehensive document and includes the CIP goals, objectives, and guidelines, plus it prioritizes the programmed projects by funding cycle. With Council’s approval of the Ten-Year CIP, the first two-year cycle of the CIP will be used to inform the 2014-2016 Capital Budget that will be presented to Council in May of 2014.

**Capital Investment Program Policy**
Throughout the Council’s fiscal sustainability discussions and culminating at the November 5, 2013 meeting, Council provided staff with guidance for an updated CIP Policy (Attachment 2). The City last updated the CIP Policy 72-7 in December 1980 (Attachment 3). The proposed CIP Policy would replace Policy 72-7, Four-Year Capital Improvement Program.

The CIP Policy provides for a Ten-Year Capital Investment Program consisting of five two-year cycles. The policy distinguishes between and defines Asset Management Projects and Discretionary Projects and outlines the procedure for developing the Ten-Year CIP. Approval of this updated policy will provide program goals, objectives, and guidelines consistent with recent City practices and for use in developing future Ten-Year CIP’s.
ENVIRONMENTAL REVIEW:
The Ten-Year CIP 2014-2024 is not considered a “Project” under the California Environmental Quality Act (CEQA) and is, therefore, not subject to CEQA review, Cal. Pub. Res. Code §21065; 14 Cal. Code Regs. §15378. Individual CIP projects will, however, be subject to applicable CEQA analysis in conjunction with any future implementation.

FINANCIAL IMPACTS:
None at this time. The Ten-Year CIP 2014-2024 does not constitute an appropriation of funds to the specific projects. Projects listed in the CIP will be considered for funding by a separate City Council approval of the two-year 2014-2016 Capital Budget.

ALTERNATIVE ACTIONS:
Council can propose to add or delete projects from the proposed CIP. They can also request the proposed funding be allocated differently. Council may provide comments and direct changes to the CIP Policy.

ATTACHMENTS:
Attachment 1: Proposed Resolution adopting the Ten-Year Capital Investment Program 2014-2024
Attachment 2: Proposed Capital Investment Policy
Attachment 3: Existing CIP Policy 72-7, Four-Year Capital Improvement Program

COUNCIL ACTION RECOMMENDED:
Move to:
(1) Adopt a resolution adopting the Ten-Year Capital Investment Program 2014-2024; and
(2) Approve the Capital Investment Policy.

STAFF CONTACT: Steve Waymire, Engineering Services Manager
(925) 256-3507
waymire@walnut-creek.org
Scott Wikstrom, Senior Civil Engineer
(925) 943-5899, ext. 2246
wikstrom@walnut-creek.org