



## CITY OF LOMITA CITY COUNCIL REPORT

Item No. 12

**TO:** City Council  
**FROM:** Michael Rock, City Manager  
**PREPARED BY:** Tom Shahbazi, P.E., Acting Public Works Director/City Engineer  
**MEETING DATE:** March 17, 2014  
**SUBJECT:** Overview of the City's Capital Improvement Program (CIP)

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### RECOMMENDATION

It is recommended that City Council:

1. After staff presentation, receive public comments.
2. Provide staff direction to incorporate any revisions to the proposed 5-year CIP (FY 2014 – 2019).
3. Authorize staff to finalize the proposed 5-year CIP program and bring back to Council at a later date for adoption.

### BACKGROUND/ANALYSIS

The purpose of this staff report and associated presentation is to provide the Council and the public with an overview of the City's Capital Improvement Program (CIP).

## CIP Funding Sources

Table 1

Fund	Type	Annual Allocation	Current Available Funds (7/1/14)*	Comment
Equipment Replacement	Equipment	\$25,000	\$27,000	None.
Equipment Replacement	Other	\$25,000	\$57,000	Restricted to equipment replacement purchases.
Gas Tax	Street	\$556,766	\$0	Used to pay for expenditures in street maintenance including street sweeping, signal maintenance, salaries, tree trimming, etc.
Measure R	Street	\$180,346	\$371,000	\$50,000 earmarked for street maintenance (use with asphalt zipper and roller)
Measure R Highway	Highways	n/a	\$900,000	Funding cycle request through SBCCOG; restricted funds earmarked for 2 projects
Park Grants	Parks	Varies	\$150,000	Dependent on grants received; funds earmarked for Tom Rico Center upgrades
Park Facilities	Parks	Varies	\$248,000	Dependent on developer fees
Prop C	Street	\$239,926	\$1,200,000	Limited to street improvement on streets with fixed transit routes
Street Improvement Fund	Street	n/a	\$692,452	Council has been budgeting funds as they become available
Water Capital	Water	Varies	\$2,100,000	Under the current 5 year rates, the allocation starts at \$100,000 annually with a Year 5 allocation of \$1,000,000.

\*Fund balances prior to FY 14-15 project allocations

### How City Staff Develops and Prioritizes CIP Projects

There are a number of past actions by the Council that assist staff in developing recommendations for the annual CIP project list and the on-going 5 year CIP Program. These include:

- Adoption of the Pavement Management Program (last updated in 2011)
- Water Master Plan (2004)
- Citywide Sidewalk Survey (2010)
- Adoption of the 5 Year CIP Program (2012)

Staff uses these documents as well as criteria that would ensure the protection of infrastructure, cost/benefit analysis, availability of financing and capacity to deliver/impacts to other projects.

In addition to the above criteria, other project evaluation criteria were utilized including in-depth interviews with City maintenance staff, as well as historical maintenance records (i.e. pipeline leakage and breakage history), work order request history and other pertinent operational parameters.

### Pavement Management Plan

The Pavement Management Plan was last updated by the City Council in November 2011. The entire network of streets within the City consists of 33.2 miles of streets. The Pavement Management Plan evaluated and ranked all streets within the City based on their existing pavement conditions and developed a Pavement Condition Index (PCI) value for each street segment.

The Pavement Management Plan identifies the year, recommended treatment, estimated treatment and/or rehabilitation costs, and recommended phasing associated with the improvement of each City street. The Citywide average PCI value of the City's streets is 59.2. In order to improve this PCI number to 65 within five years, the City would need to spend \$1,350,000 annually over the five year period. Obviously this is a wish list of sorts because the City does not have this amount of funding over this five year period. Therefore, we must prioritize and staff utilizes the aforementioned documents, historical maintenance records and observed field conditions to make CIP street improvement recommendations to the Council.

As has been mentioned in the past, once a street's PCI deteriorates into the "poor" or "very poor" category it becomes extremely expensive to reconstruct the particular street section. Although the decision can be difficult, it is often more cost effective to put street improvement dollars towards improving a larger arterial or collector street in fair condition rather than a local residential street in poor or very poor condition.

### Completed CIP Projects since 2008

Since 2008, the City has completed a number of CIP projects with a heavy concentration on street improvement projects. These include the following:

- Eshelman Avenue Street and Water Improvement Project (2013)
- Crenshaw Bl. – Lomita Bl. Street Improvement Project (2013)
- Phase 1A Street and Waterline Improvement (2011)
  - Multiple street segments throughout the City
- Citywide Sidewalk Improvement Project (2011)
- Citywide Slurry Seal (2011)
  - Multiple street segments
- Citywide Slurry Seal (2008)
  - Multiple street segments

### Status of FY 2013-14 CIP Projects

Table 2 provides the status of 2013-14 CIP projects funded as part of the annual budget.

Table 2

<b>Project</b>	<b>Status</b>	<b>Adopted FY 13-14 Budget</b>	<b>Comments</b>
Eshelman Avenue Street and Water Improvement	Completed	\$1,981,000	Completed under budget
Crenshaw Bl.-Lomita Bl. Street Improvement	Completed	\$1,600,000	Completed under budget
Water Master Plan	Pending	\$60,000	Carryover to FY 14-15
Improvements to West Basin 7 & 8 Connections	Pending	\$125,000	Carryover to FY 14-15
Emergency Generator	Plans and Specs Completed	\$200,000	Carryover to FY 14-15; proposed to be phased over 2 years
Water Meter Replacement Program	Bid Package Completed	\$1,180,000	Carryover to FY 14-15; proposed to be phased over 2 years
Storm Drain Catch Basin Retrofit	Pending	\$120,460	Carryover to FY 14-15
Lomita Park (Tom Rico Center) Improvements	Pending; bid package almost complete	\$150,000	Carryover to FY 14-15
Riding Mower Purchase	April 2014 Purchase Date	\$25,000	None.

### Capital Improvement Program 2014 - 2019

The CIP is a general financial plan for identifying capital improvements and the proposed means of financing them. The FY 2014-2019 Program is segregated into several major categories of Capital Improvement Projects including Public Works (Water and Street Improvements), Parks and Recreation (Facilities Improvements), and Administrative Services. Each project or piece of equipment is identified as to the planned year of construction or acquisition, and includes justification and identification of the requesting department.

The CIP is intended to forecast a schedule of major expenditures for the City's infrastructure (e.g. street, water, parks, etc.) and for equipment acquisition over a five year period. The program is an attempt to analyze and predict when repair, reconstruction, construction and /or replacement should take place and to identify funding sources.

As such, it is recommended that the proposed CIP be utilized as a dynamic planning document that can be revised at any time depending on the City's changing priorities

and availability of funding. It is also recommended that the CIP be updated every year going forward to address the City's changing needs, priorities and funding availability.

The proposed Capital Improvement projects for fiscal year 2014-2015 are segregated into the following major categories and estimated costs:

	Total Cost
Water Improvements	\$ 1,808,714
Street Improvements	\$ 1,234,000
Parks and Recreation	\$ 450,000
Equipment Replacement/Acquisition	\$ 30,000
Administrative Services	\$ 0
Gas Tax	\$ 114,206
<b>Total</b>	<b>\$ 3,636,920</b>

Water and Street Projects whenever feasible were selected to be improved concurrently in order to efficiently use the City's available funding. The projects are separated into their respective water and street components to delineate the different sources of funding.

**Proposed Year 1 (2014-2015) Capital Improvement Projects  
Descriptions for Year 1 projects can be found in the Attachment**

**Table 3**

Project Description	Fiscal Year	Requesting Department	Equipment Replacement	Capital Fund	Measure R Highway	Park Facilities Tax	Stephenson Center Fund	Street Fund	Water Fund	Project Total
Cypress Water Production Facility Improvements	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000
Citywide Water Master Plan Update	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000
West Basin 7 & 8 Import Water Connections Rehabilitation and Upgrades	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
Water and Street Improvement- 254th St from Narbonne Ave to Feijoa Ave	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,000	\$ 98,000	\$ 222,000
Street Improvement- 241st St from Narbonne Ave to Pennsylvania Ave	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000	\$ -	\$ 210,000
Harbor Hills Tank Rehabilitation	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,000	\$ 390,000
Water Meter Replacement- Phase 1	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700,000	\$ 700,000
Lomita Park- Stephenson Center Building Upgrades (roofing and siding)	2014-2015	Parks/Rec	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Lomita Park- Play Equipment & Safety Matting	2014-2015	Parks/Rec	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Vehicle Replacement- Ford Ranger	2014-2015	Public works	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Installation of an Emergency Power Generator- City Hall*	2014-2015	Public Works	\$ -	\$ 95,902	\$ -	\$ -	\$ -	\$ -	\$ 25,410	\$ 121,312
Microsoft Office Licensing	2014-2015	Information Tech	\$ -	\$ 3,200	\$ -	\$ -	\$ -	\$ -	\$ 3,200	\$ 6,400
Server Replacement	2014-2015	Information Tech	\$ -	\$ 3,250	\$ -	\$ -	\$ -	\$ -	\$ 3,250	\$ 6,500
Copier Replacement- Phase 1	2014-2015	Information Tech	\$ -	\$ 3,854	\$ -	\$ -	\$ -	\$ -	\$ 3,854	\$ 7,708
Desktop Computers Replacement	2014-2015	Information Tech	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000
Lomita Park (Tom Rico Center) Improvements	2014-2015	Parks/Rec	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Measure R Highway Projects (PCH/Walnut & Palos Verdes Drive North)	2014-2015	Public Works	\$ -	\$ -	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000
<b>TOTAL YEAR 1: 2014-2015 PROJECTS</b>			<b>\$ 50,000</b>	<b>\$ 114,406</b>	<b>\$ 900,000</b>	<b>\$ 350,000</b>	<b>\$ 100,000</b>	<b>\$ 324,000</b>	<b>\$ 2,806,714</b>	<b>\$ 3,836,020</b>

\* The total projected cost of the emergency generator project at Lomita City Hall is approximately \$272,000. The funding shortfall of approximately \$150,000 will be made up through other as yet to-be-determined funding sources. If other sources cannot be found staff will be recommending that the one-time use of general fund reserves be used.

If the Council approves this proposed CIP program in concept, the CIP Program will be revised to incorporate these changes. It will be brought back to the City Council for final adoption after this takes place.

**OPTIONS:**

1. Accept staff's recommendations.
2. Provide alternative direction to staff.

**FISCAL IMPACT**

A summary of the funding requests is shown in Table 1 of the staff report.

**ATTACHMENTS**

1. Project Summaries for FY 14-15 Recommended CIP Projects
2. Proposed CIP Projects for FY 2015/2016 – 2018/2019

Reviewed and Prepared by:

Handwritten signature of Gary Sugano in blue ink, with the letters "FOR" written to the right of the signature.

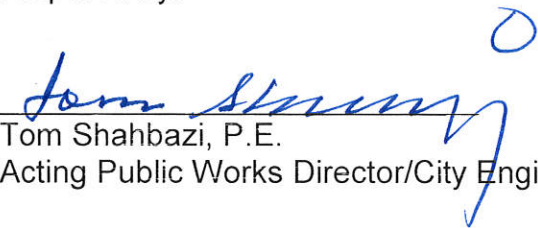
Gary Sugano  
Assistant City Manager

Approved by:

Handwritten signature of Michael Rock in blue ink.

Michael Rock  
City Manager

Prepared by:

Handwritten signature of Tom Shahbazi in blue ink, with a circled '0' above the signature.

Tom Shahbazi, P.E.  
Acting Public Works Director/City Engineer

# ATTACHMENT 1



## ATTACHMENT 1

### PROJECT SUMMARIES FOR RECOMMENDED FY 14-15 CIP PROJECTS (YEAR 1)

#### ▪ **Cypress Water Production Facility (CWPF) Improvements**

The CWPF was designed to pump well water from Well No. 5 through a greensand filtration system to primarily remove iron, manganese, and color below the Maximum Contaminant Levels. The CWPF came back online on April 2013 after being turned off shortly after construction in 2010.

The CWPF was designed to remove only the primary constituents of iron and manganese to meet primary drinking water standards. However, none of the secondary aesthetic drinking water issues currently experienced by the City of Lomita such as high Total Dissolved Solids (TDS), high hardness (total hardness as Calcium Carbonate), taste/odor issues, and methane were ever addressed. The following improvements are essential in order to help address the secondary aesthetic drinking water issues:

- Design and construction of a full-scale-blending pipeline including automatic flow control
- Design and construction of a full-scale polyphosphate chemical feed system
- Design and construction of full-scale methane blowers for the Reservoir headspace
- Supervisory Control and Data Acquisition (SCADA) and telemetry upgrades to connect the new equipment to the existing telemetry system
- Design and construction to upsize the storm drain connection

#### ▪ **Citywide Water Master Plan Updates**

This project was originally programmed for FY 2012-2013

The City's existing Water Master Plan was developed in 2004 and is outdated. A current citywide Water Master Plan is essential in order to develop a hydraulic model of the existing distribution system to optimize its effectiveness and just as importantly it is required in order to apply for any future grant funding.

Develop a citywide Water Master Plan to better optimize the distribution system, assess the current conditions of the distribution system, and update the water Capital Improvement Program.

#### ▪ **West Basin 7 and 8 Import Water Connections Rehabilitation and Upgrades**

This project was originally programmed for FY 2012-2013

West Basin 7 and 8 are the City's existing and only import water connections to West Basin Municipal Water District (WBMWD). The City's current import water

reliability and availability are dependent on the proper maintenance and upgrading of these two interconnections.

Currently the West Basin 7 import water connection vault, piping, control valves and instrumentation are aging and in need of replacement. The control valves at West Basin 7 are below grade and over 60 years old with existing piping corroded due to problems with constant flooding. The existing steel hatch on the vault has become a safety concern due to its age. Similarly, the control valves, piping and associated instrumentation at West Basin 8 are 15 years old and will need to be overhauled and rebuilt.

- **Water Project- 254<sup>th</sup> Street from Feijoa Avenue to Narbonne Avenue**

This project was originally programmed for FY 2013-2014.

Design and construct approximately 360 feet of 8-inch PVC water main to replace the existing 4-inch water main, install new water meters and service laterals, fire hydrants, valves, and associated appurtenances on 254th Street from Feijoa Avenue to Narbonne Avenue. The existing 4-inch water main was constructed in 1928.

- **Street Project- 254<sup>th</sup> Street from Feijoa Avenue to Narbonne Avenue**

This project was originally programmed for FY 2013-2014.

254th Street is a residential street showing considerable signs of distress and deterioration including cracking, roadway section failure, and the development of many potholes plague this street.

- **Street Project- 241<sup>st</sup> Street from Narbonne Avenue to Pennsylvania Avenue**

241<sup>st</sup> Street is a residential street showing considerable signs of distress and deterioration including cracking, roadway section failure, and the development of many bumps

- **Harbor Hills Tank Rehabilitation**

This project was originally programmed for FY 2013-2014.

The 2013 inspection report prepared by the Utility Service Co. Inc. revealed that the Harbor Hills tank is in need of major rehabilitation in order to comply with safety, sanitation, and security regulations of the American Water Works Association (AWWA), Society of Protective Coatings (SSPC), Occupational Safety & Health Administration (OSHA) and CA Department of Health Service's guidelines. The tank also needs to be upgraded mechanically to bring up to code. The Harbor Hills Tank is the only functional water tank (besides the Cypress Reservoir). It provides critical emergency supply and equalization storage to the distribution system. The tank is old, dilapidated, and in need of upgrading.

- **Water Meter Replacement- Phase 1**

The City will replace the entire manual read water meters in the City with new radio read meters. Phase 1 of this project is to be completed in Fiscal Year 2014-2015. Accurate flow measurements and correct meter readings are vital to maintaining the revenue from the City's water distribution system. The aging manual read water meters must be replaced with new meters that are capable of being read via radio frequency. This allows the City to capture precise measurements and readings while drastically reducing reading cycle and labor costs.

This system also has the capability of providing leak detection both within the City's water distribution system and within individual homes and businesses. The new system will ensure the City is measuring water consumption accurately and fairly for billing purposes, and will continue to promote water conservation. Apart from elimination incorrect reading, these meters would include data logging functions which will assist bill inquiries and monitor water usage patterns.

#### **Lomita Park**

- Stephenson Center Building Upgrades – Funding Source: Stephenson Center Fund (Fund No. 309)

The building is outdated and in extremely poor physical condition. The restrooms, roof, siding and flooring all need to be replaced or repaired. An alternate egress (exit) is needed upstairs because there is only one way to exit during an emergency. Upgrades to the Stephenson Center will help it meet code and be safety compliant. Furthermore, upgrades will also help attract new residents to the location. Staff would like to pay particular attention to the roofing and siding in 2014-15.

- Play Equipment and Safety Matting Upgrades- Funding Source: Park Facilities Tax Fund (Fund No. 250)

The existing playground equipment located at the east end of the park is at its life expectancy and most parts are obsolete. A modern playground will attract children and residents to the park. This will allow residents to enjoy Lomita Park in a safer manner.

## Equipment Replacement

### Vehicle #1 – Public Works

The existing 2002 Ford Ranger pickup truck is 12 years old and according to the City's equipment inventory needs to be replaced. The new vehicle must meet the latest Air Quality Management District (AQMD) and California Air Resources Board (CARB) standards.

#### ▪ **Installation of an Emergency Generator- City Hall**

It is necessary for the City to procure and install an emergency generator with the capability to power critical logistical components of City Hall during emergencies. These areas include but are not limited to the Emergency Operations Center (EOC), IT central server room, City Hall HVAC, City Council Chambers, and other critical facilities.

#### ▪ **Measure R Highway Projects**

##### Pacific Coast Highway (State Route 1) and Walnut Street

The general scope of work would consist of:

- Improving multiphase signal operations
- Employ protected-permissive left-turn phases for northbound and southbound Walnut Street at PCH.
- Employ emergency vehicle preemption.
- Other traffic control improvements consisting installation of signs and other pedestrian-related improvements

##### Western Avenue (State Route 213) and Palos Verdes Drive North

The general scope of work would consist of:

- Pedestrian safety improvements.
- Barrier striping or marker at the left-turn and right lanes approaching the intersections.
- Modification to the existing raised median island to improve safety for vehicles.

## Information Technology

- Microsoft Office Licensing
- Server Replacement for Public Works and Parks and Recreation
- Copier Replacement- Phase 1
- Desktop Computers Replacement

## ATTACHMENT 2

Attachment 2  
Proposed CIP Projects FY 2015/2016-2018/2019

Project Description	Fiscal Year	Requesting Department	Equipment Replacement	Gas Tax	General	Park Facilities Tax	Prop C	Stephenson Center Fund	Street Fund	Water Fund	Project Total
Water and Street Improvement- Oak Street from 250 <sup>th</sup> Street to Pacific Coast Hwy	2015-2016	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,128,000	\$ 986,000	\$ 2,114,000
Lomita Boulevard Resurfacing Project from Narbonne Avenue to East City Limit	2014-2015	Public Works	\$ -	\$ -	\$ -	\$ -	\$ 709,000	\$ -	\$ -	\$ -	\$ 709,000
Water Meter Replacements-Phase 2	2015-2016	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480,000	\$ 480,000
Installation of Emergency Generator- Lomita Park	2015-2016	Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,120	\$ 214,880	\$ 272,000
City Hall- Miscellaneous Improvement	2015-2016	Parks/Rec	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Railroad Museum- Miscellaneous Improvement	2015-2016	Parks/Rec	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Lomita Park- Replacement of exterior double doors in gymnasium at Lomita Park	2015-2016	Parks/Rec	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Lomita Park- Installation of Key Card System at Stephenson Center and Tom Rico Center	2015-2016	Parks/Rec	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
Lomita Park- Replacement of Bleachers	2014-2015	Parks/Rec	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Vehicle Replacement- Dodge Dakota	2014-2015	Parks/Rec	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Financial System Expansion	2015-2016	Admin Services	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Copier Replacement- Phase 2	2015-2016	Information Tech	\$ -	\$ 3,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,854	\$ 7,708
<b>TOTAL YEAR 2: 2015-2016 PROJECTS</b>											
Water and Street Improvement- Walnut St from Ebony Ln to Pacific Coast Hwy	2016-2017	Public Works	\$ 60,000	\$ 3,854	\$ 50,000	\$ 245,000	\$ 709,000	\$ -	\$ 1,185,120	\$ 1,684,734	\$ 3,937,708
Hathaway/Veterans Park- Miscellaneous Improvements	2016-2017	Parks/Rec	Park Facilities Tax			\$ 210,000			\$ 1,195,000	\$ 457,000	\$ 1,652,000
City Hall- Facilities Master Plan	2014-2015	Parks/Rec	N/A			\$ 50,000					\$ 50,000
Copier Replacement- Phase 3	2016-2017	Information Tech		\$ 38,543						\$ 3,854.52	\$ 7,708
Disaster Recovery Alternative Site Location	2016-2017	Information Tech		\$ 10,000						\$ 10,000	\$ 20,000
VoiceMail Server Replacement	2016-2017	Information Tech		\$ 3,800						\$ 3,800	\$ 7,600
<b>TOTAL Year 3: 2016-2017 Projects</b>											
Water and Street Improvement- 248th St from Oak St & Eshelman Ave	2017-2018	Public Works							\$ 86,000	\$ 243,000	\$ 329,000
Water and Street Improvement- 248th St from East City Limit to End	2017-2018	Public Works							\$ 168,000	\$ 92,000	\$ 260,000
Water and Street Improvement- 246th St from Faiena Ave to East City Limit	2017-2018	Public Works							\$ 81,000	\$ 107,000	\$ 188,000
Water and Street Improvement- 247th Pl from East City Limit to End	2017-2018	Public Works							\$ 96,000	\$ 114,000	\$ 210,000
Water and Street Improvement- Eshelman Ave from Garner St to 262nd St	2017-2018	Public Works							\$ 8,000	\$ 90,000	\$ 98,000
Water and Street Improvement- Forrester Dr. (Alley) West of Cypress St	2017-2018	Public Works							\$ 26,000	\$ 89,000	\$ 115,000
<b>SEE APPENDIX D FOR DETAIL</b>											
Water and Street Improvement- 250 <sup>th</sup> Street from Eshelman Avenue to West End	2018-2019	Public Works							\$ 674,000	\$ 1,158,000	\$ 1,832,000
<b>SEE APPENDIX E FOR DETAIL</b>											
<b>TOTAL Year 4: 2017-2018 Projects</b>											
<b>TOTAL Year 5: 2018-2019 Projects</b>											