

Memorandum

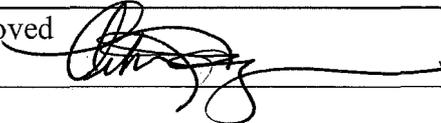
TO: RULES AND OPEN GOVERNMENT
COMMITTEE

FROM: Ed Shikada

SUBJECT: SEE BELOW

DATE: June 2, 2009

Approved



Date

6/2/09

SUBJECT: DEFERRED MAINTENANCE AND INFRASTRUCTURE BACKLOG

RECOMMENDATION

Agendize for the June 16, 2009 City Council meeting, a status report on the deferred maintenance and infrastructure backlog.

BACKGROUND

On May 27, 2009, a May 15 memo (Attachment A) from Councilmember Pete Constant was brought to the Rules and Open Government (Rules) Committee. The memo requested the Rules Committee to direct the City Manager to bring forward a memorandum on the status of the Deferred Infrastructure and Maintenance Needs for a June 9 Council discussion. The Rules Committee directed staff to bring forward to Rules on June 3, a workload assessment related to the requested information on Deferred Maintenance and Infrastructure Needs.

ANALYSIS

In response to the request from Councilmember Constant and the Rules Committee referral, staff is preparing a memorandum to facilitate a Council discussion on the status of the Deferred Maintenance and Infrastructure backlog. The staff report will address the following specific questions:

1. What effect will the Proposed 2009-2010 Budget have on the infrastructure backlog?
2. Are there specific near term actions that the City could consider in order to reduce the backlog?
3. If not already completed, what would be needed in order to complete assessments of infrastructure needs over the next ten years?

These questions have been developed in consultation with Councilmember Constant, and staff anticipates that the associated information can be compiled to facilitate a Council discussion on June 16, 2009.

RULES AND OPEN GOVERNMENT COMMITTEE

June 2, 2009

Subject: Workload Assessment for Deferred Maintenance and Infrastructure Backlog

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In addition, Attachment B provides the most recently updated estimates of the Deferred Maintenance and Infrastructure Backlog by program. This information sets the baseline figures from which the upcoming staff memorandum will report.

For questions, you can contact Deputy City Manager Ed Shikada at 535-8190.

A handwritten signature in black ink, appearing to read 'Ed Shikada', is positioned above the printed name.

ED SHIKADA
Deputy City Manager

Attachments



Memorandum

To: Rules & Open Government Committee **From:** Councilmember Pete Constant

Subject: Council Discussion on Deferred Infrastructure Maintenance Needs **Date:** May 15, 2009

Approved: 

Recommendation

I recommend that the Rules Committee direct the City Manager to prepare a memorandum outlining the City of San Jose's deferred infrastructure backlog for discussion at the June 9, 2009 council meeting. This memorandum should include an analysis of:

- How much funding would be needed to keep the backlog from growing
- How much the backlog is anticipated to increase given the \$5.9 Million annual commitment that is projected
- An analysis of the City's additional infrastructure needs in the next ten years.

Background

As the council struggles with the task of dealing with the City's 8th straight year of budget deficits, it is imperative that ongoing budget discussions include a thorough assessment of deferred infrastructure needs. This is necessary so that the council can fully understand how this year's budget decisions will impact our infrastructure needs, either positively or negatively.

We know that the 5 Year Budget Projections are predicated on an assumption of nearly \$500 Million in onetime infrastructure needs being met. This assumption is often noted in a footnote, but I believe it deserves a greater amount of analysis and discussion.

Conclusion

During the recent council discussions regarding the city's budget I have, on more than one occasion, asked for a council discussion relating to the significant infrastructure backlog and had hoped for it to be discussed in one of the budget study sessions. A detailed memorandum and council discussion on June 9, 2009 will allow the public to be fully aware of these needs and the council to make informed budget decisions.

Attachment B

UNMET/DEFERRED INFRASTRUCTURE AND MAINTENANCE NEEDS SUMMARY

	ONE-TIME **			ONGOING		
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
GENERAL FUND *						
BUILDING FACILITIES (Police, Comm., City Hall, Other)	2,900,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
TRANSPORTATION INFRASTRUCTURE**	405,800,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
TECHNOLOGY (Infrastructure)	12,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TECHNOLOGY (Software Upgrades)	35,000,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
FLEET REPLACEMENT	720,000	400,000	400,000	400,000	400,000	400,000
TOTAL GENERAL FUND UNMET/DEFERRED INFRASTRUCTURE AND MAINTENANCE NEEDS	456,920,000	29,500,000	29,500,000	29,500,000	29,500,000	29,500,000
TRANSPORTATION (SIDEWALK, CURB/GUTTER AND TREE MAINT) - CURRENTLY PROPERTY OWNER RESPONSIBLE	52,200,000	14,700,000	14,700,000	14,700,000	14,700,000	14,700,000
POTENTIAL OTHER FUNDS (EG. RDA, C&C FUNDING, SPECIAL FUNDS)						
AIRPORT	-	-	-	-	-	-
BUILDING FACILITIES (Fire, PRNS)	18,100,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
CITY FACILITIES OPERATED BY OTHERS	4,300,000	UNKNOWN				
CONVENTION CENTER AND OTHER CULTURAL FACILITIES	8,500,000	UNKNOWN				
PARKS, OPEN SPACE, AND POOLS	33,300,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
SANITARY SEWER SYSTEM	250,000,000	UNKNOWN				
SERVICE YARDS	-	-	-	-	-	-
STORM SEWER SYSTEM (for Master Plan)	3,000,000	UNKNOWN				
TECHNOLOGY (Radio/Communications)	19,000,000	UNKNOWN				
WATER POLLUTION CONTROL PLANT	34,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
WATER UTILITY SYSTEM	-	-	-	-	-	-
TOTAL POTENTIAL OTHER FUND UNMET/DEFERRED INFRASTRUCTURE AND MAINTENANCE NEEDS	368,200,000	11,500,000	11,500,000	11,500,000	11,500,000	11,500,000
TOTAL UNMET/DEFERRED INFRASTRUCTURE AND MAINTENANCE NEEDS	825,120,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000

Notes/Assumptions:

* Ongoing figures assume one-time improvements are made. To the extent one-time improvements are deferred, ongoing maintenance figures represented above may increase.

** Excludes Street Tree maintenance, sidewalk, curb and gutter repair currently the responsibility of the property owner.

Updated: 10/22/08