

City of Calistoga Staff Report

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TO: Honorable Mayor and City Council
FROM: Michael Kirn, Public Works Director/City Engineer
DATE: February 20, 2018
SUBJECT: Public Hearing – City of Calistoga’s Maintenance of Effort Amount, 5 Year Work Plan, and Master Funding Agreement with Napa Valley Transportation Authority – Tax Agency Pursuant to the Napa Countywide Road Act, Measure T

APPROVAL FOR FORWARDING:



Dylan Feik, City Manager

1
2 **ISSUE:** Consideration of Resolutions pursuant to the Measure T Program approving
3 the City’s Maintenance of Effort Amount and the City’s five-year list of projects; and
4 authorizing the City Manager to execute the Master Funding Agreement between
5 Napa Valley Transportation Authority-Tax Agency and the City of Calistoga.
6

7 **RECOMMENDATION:** Following a Public Hearing:
8

- 9 1) Adopt a resolution approving the Maintenance of Effort amount under
10 Measure T Program; and
11 2) Adopt a resolution approving five-year list of projects under Measure T
12 Program and determining that the actions authorized by this resolution are
13 exempt from CEQA;
14 3) Authorize the City Manager to execute the Master Funding Agreement
15 between Napa Valley Transportation Authority-Tax Agency and the City of
16 Calistoga.
17

18 **BACKGROUND:** During the November 6, 2012 General Election the voters of Napa
19 County approved a ½-cent sales tax increase known as Measure T (the Measure),
20 the Napa Countywide Road Maintenance Act of 2012. The Measure become
21 effective July 1, 2018 and will be implemented and administered by the Napa Valley

22 Transportation Authority – Taxing Authority (“NVRTA-TA”). Tax proceeds will be
23 allocated among all local agencies within the County under a formula-based
24 approach.

25
26 As approved by the voters the Measure revenue is for maintenance and
27 reconstruction of streets, roads, transportation infrastructure within the public right-
28 of-way, and associated administration and design costs, including but not limited to:
29 sidewalks, curb and gutters, traffic signals, curb ramps, stormwater operations,
30 lighting, traffic signage, striping, and local roadway drainage.

31
32 The Measure is intended to compliment, not replace the City’s average level of effort
33 expended in Fiscal Years 2007/08, 2008/09 and 2009/10 for transportation
34 infrastructure maintenance. The estimated Measure revenue projected for Calistoga
35 for the first five fiscal years is \$350,030, \$357,030, \$364,171, \$371,454 and
36 \$378,884.

37
38 **DISCUSSION:** Per the Measure, the City is required to do the following:

- 39
- 40 • Calculate its average Maintenance of Effort (MOE) from FY 07/08 through FY
 - 41 09/10 and maintain that level effort annually for the duration of the Measure
 - 42 • Develop and adopt a 5-year work plan funded with revenues generated by the
 - 43 Measure
 - 44 • Execute a Master Funding Agreement with the NVRTA-TA to document the
 - 45 conditions necessary for the City to receive Measure funds
- 46

47 **Maintenance of Effort:** The City of Calistoga computed its Maintenance of Effort
48 (MOE) amount by calculating average expenditures of the General Fund within the
49 funds under the Streets Program, Account Code-01-4122. The expenditure total for
50 each fund included all expenditure categories (salaries, benefits, services, materials,
51 etc.). This methodology allows us to easily track our expenditures going forward to
52 ensure that we continue to meet our MOE requirements. The MOE determination
53 does not include special or one-time funds such as impact/mitigation fees, gas tax,
54 grants, Prop 1B funds, and non-routine one-time expenditures.

55

56 The funds used within the Streets Account Code for the calculation are: Full and Part
57 Time Salaries, Employee Benefits, Over Time, Special/Stand-By Pay,
58 Materials/Supplies, Contract Services (tree trimming, sidewalk maintenance and
59 replacement, refuse collection and disposal), Tree Maintenance, Refuse Services,
60 Repair/Maintenance, Training Operations Staff, Uniforms (clothing, boots, safety
61 gear), Fuel (gas, diesel, propane) Safety/Health supplies, Weed/Pest Control,
62 Phone/Cell Phone, Training-Management, Equipment Rental, Capital Projects,
63 Internal Services and Administration.

64

65 In addition to the above monitored funds, typical expenditures may include:
66 sidewalk repair and elimination of trip hazards, curb, gutter and ADA ramps, street
67 sweeping, storm water management, street light utilities and maintenance, signing

68 (including radar signs), striping, pot-hole filling, crack seal, slurry seal, chip seal,
69 asphalt overlay, road reconstruction, utility relocation, bike lane and pathway
70 maintenance and construction, and bridge maintenance and replacement.

71

72 Calistoga's MOE has been calculated to be \$287,001. See Exhibit A of the attached
73 MOE Resolution for the MOE calculation.

74

75 **5-Year Work Plan:** The 5-year work plan (the Plan) is designed to focus
76 maintenance efforts in two primary areas: street maintenance and sidewalk
77 maintenance. In addition, the Plan has been developed assuming estimated
78 revenue from the following three sources: The Measure; SB1 (special state gas tax)
79 and the MOE. For FY 18/19 the City anticipates that \$350,030, \$325,000 and
80 \$287,001 respectively from each funding source would be available for programming
81 with an estimated total \$4.96 million available over the next five years.

82

83 Once adopted, the Plan will be submitted to the Measure T Independent Taxpayer's
84 Oversight Committee for review and recommendation for adoption by the NVTA-TA
85 Board. The Plan is required to be updated every two-years and follow the same
86 adoption process to ensure proper application of the Measure revenues.

87

88 **Street Maintenance**

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90 For street maintenance, the Plan utilizes the most current version of the City's
91 Pavement Condition Index (PCI) report and recommended repairs, treatments, and
92 schedule. The most current version of the PCI is the 2017 report prepared by
93 Capitol Asset & Pavement Services and puts Calistoga's 2017 overall PCI at 53.
94 The PCI report identifies four funding scenarios each with varying amounts of
95 expenditures and commensurate increase in the PCI. For the Plan we have utilized
96 a combination of Scenarios 1 and 2 focusing on major arterials and collector routes.
97 The recommended Plan will invest approximately \$4.86 million over the next five
98 years and will increase the PCI by approximately 17 points to 70. Exhibit A of the 5-
99 Year Plan Resolution identifies the recommended road segments and type of
100 maintenance effort.

101

102 For future years underground utility replacement will need to be factored into the
103 street repair scheduling, with streets that have water and sewer lines less than 50
104 years old being repaired first.

105

106 **Sidewalk Maintenance and Repair**

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108 In 2011 the City adopted a program for inspection and repair of sidewalk trip
109 hazards. Under the adopted program the City was divided into four Sectors as
110 shown on Exhibit B of the 5-Year Plan Resolution. The sidewalk repair plan utilizes
111 a multistep or phasing process with work activities progressing outward from Sector
112 A to Sector D. The downtown area (Sector A) was identified as the most critical area

113 based on providing the greatest public benefit and reduction of exposure to trip and
114 fall claims.

115
116 The phased approach is as follows: Step 1 is to utilize concrete cutting to remove
117 trip hazards under 1" starting in Sector A and then progress outward, with the caveat
118 that a cursory inspection is conducted in sectors previously completed and any trip
119 hazards identified abated. As part of the concrete cutting, sidewalk repairs requiring
120 removal and replacement are identified and programed for repair - Step 2.

121
122 To date concrete cutting has been completed in Sectors A-C and a portion of D, but
123 only limited removal and replacement has been completed. Staff has evaluated the
124 level of effort needed for removal and replacement in Sector A and determined that
125 the valuation is over \$200,000. It is anticipated that similar amounts, if not greater,
126 are in Sectors B-D. Therefore, it is recommended that each Sector be divided
127 roughly in half (with Washington Street being the divider) and approximately
128 \$100,000 expended annually on sidewalk removal and replacement. For example,
129 starting in Sector A the first year would focus on the north half and the second year
130 focusing on the south half. The 5-Year schedule would be as follows:

FISCAL YEAR	LOCATION	LEVEL OF INVESTMENT
FY 18/19	North Half Sector A	\$94,444
FY 19/20	South Half Sector A	\$97,222
FY 20/21	South Half Sector B	\$100,000
FY 21/22	North Half Sector B	\$102,778
FY 22/23	North Half Sector C	\$105,556

132
133 **Master Funding Agreement**

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135 In order to receive funding, NVTA-TA has requested the City to enter into a Master
136 Funding Agreement. The purpose of the agreement is to document the conditions
137 necessary for the City to receive the Measure T sales tax disbursements. There are
138 several key elements of the agreement, some of which have been discussed in
139 detail above. In summary the Master Agreement includes:

140
141 **Maintenance of Effort:** No later than March 1, 2018, the City shall determine and
142 certify to NVTA-TA the average maintenance of effort consistent with the method
143 described above. At the beginning of each fiscal year, the City must certify to NVTA-
144 TA that it will meet its Maintenance of Effort expenditures that fiscal year.

145
146 **Five Year List of Projects:** No later than March 1, 2018, and at least biennially
147 thereafter on January 1st, the City shall provide NVTA-TA its Measure T five-year list
148 of projects.

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150 **Class 1 Bicycle Facility Funding:** The County and cities, collectively, are required to
151 invest the equivalent of 6.67% of the Measure revenues in Class 1 bicycle facilities

152 identified in the adopted Countywide Bicycle Plan from non-Measure revenue
153 sources. Each jurisdiction is not responsible for a programmatic amount derived by
154 formula (i.e .0667*the annual Measure Revenue for that jurisdiction), but the NVTA-
155 TA has asked each jurisdiction to identify Class 1 facilities that they project to
156 construct or invest in to gain a level of confidence of compliance with eligibility
157 requirement.

158
159 A conservative approach for Calistoga would be to “set aside” the programmatic
160 amount on an annual basis or identify equivalent value projects the City would fund
161 after July 1, 2018. Under the formula-based approach Calistoga should “set-aside”
162 \$23,347, \$23,814, \$24,290, \$24,776, \$25,272 over the next five years.

163
164 Staff has identified two alternate projects that meet the Class 1 Facility expenditure
165 requirement:

- 166
- 167 • \$150,000 local match contribution for the construction of the Calistoga-St.
168 Helena Segment of the Vine Trail
 - 169 • The development and construction of the Vine Trail Comfort Station and
170 Parking Lot at Lincoln and Silverado Trail

171
172 A copy of the recommended Master Funding Agreement is included as Attachment 3
173 to this staff report. That agreement includes several exhibits: Exhibit A, a copy of
174 the Measure T Ordinance; Exhibit B, the Five-Year Project List Template which will
175 be populated after adoption of the 5-Year Work Plan by resolution; Exhibit C, the
176 Accounting, Reporting and Auditing Guidelines; Exhibit D, the Five-Year Work Plan
177 Resolution template; Exhibit E, a Progress Report Template to be completed in the
178 future; and Exhibit F, the Maintenance of Effort Resolution template.

179
180 The recommended approvals fulfill the City’s obligations of the Measure to receive
181 funding once the Measure becomes effective in July 2018.

182
183 **CONSISTENCY WITH CITY COUNCIL GOALS AND OBJECTIVES:** The project
184 conforms to Council Goal 3: Establish, improve and maintain City infrastructure;
185 Objectives 3 and 4 – ‘Provide for long term maintenance and repair of City
186 sidewalks’ and ‘Support efforts to fund bridge and street maintenance and repair.’

187
188 **ENVIRONMENTAL REVIEW:** The recommended actions described in this report
189 are not in-and-of-themselves a “project” pursuant to the California Environmental
190 Quality Act (CEQA) Guidelines Section 15378) since they do not result in a physical
191 change in the environment.

192
193 Furthermore, the projects contained in the Plan are exempt from CEQA pursuant to
194 CEQA Guidelines Section 15301 as repair, maintenance or minor alteration of
195 existing facilities involving no or negligible expansion of use beyond that which
196 presently exists.

197

198 **FISCAL IMPACT:** There is no immediate financial impact associated with the
199 recommended actions. Projects identified are eligible for reimbursement from the
200 Measure with the understanding that in FY 18/19, and out years, the City will need to
201 budget \$287,001 annually from the General Fund to meet our MOE obligation.
202 Additionally, as recommended - assuming expenditures and revenues are realized
203 as planned - the expenditure Plan exceeds projected revenues by \$403,000 over the
204 next five years.

205
206 Also once this measure becomes operative, in order to receive annual allocations,
207 all jurisdictions in the County must collectively demonstrate as a whole that at least
208 6.67% of the value of the Measure revenues received each year are committed to
209 Class I Bike facilities identified in the adopted Countywide Bicycle Plan through
210 funding not derived from the Measure.

211

212 **ATTACHMENTS:**

- 213 1. Resolution - MOE and Exhibit A Maintenance of Effort
214 2. Resolution - Measure T Projects and: Exhibit A, Measure T Projects
215 Resolution – 5-Year Streets Plan; Exhibit B, Measure T Projects Resolution –
216 5-Year Sidewalk Plan
217 3. Exhibits A-F – Master Funding Agreement

RESOLUTION NO. 2018-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA,
COUNTY OF NAPA, STATE OF CALIFORNIA APPROVING MAINTENANCE
OF EFFORT AMOUNT UNDER MEASURE T PROGRAM

WHEREAS, on November 6, 2012 the voters of Napa County passed the Napa Countywide Road Maintenance Act, also known as Measure T, which imposes a half cent transaction and use (sales) tax to provide supplemental funding for road maintenance as detailed in Ordinance 2012-01 of the Napa Valley Transportation Authority – Taxing Authority (the Measure T Expenditure Plan); and

WHEREAS, the Napa Valley Transportation Authority-Taxing Authority (NVTA-TA) is the designated agency that administers and oversees the Measure T revenues; and

WHEREAS, the City of Calistoga is an eligible recipient of Measure T funds; and

WHEREAS, the tax proceeds will be used to pay for the projects outlined in the Measure T Expenditure Plan allocated to the County of Napa and the cities and town within Napa County (“Local Agencies”) as set forth in Measure T Expenditure Plan; and

WHEREAS, under the Measure T Expenditure Plan, Measure T funds are provided to the Local Agencies to be used for streets and roads projects as defined in the Measure T Expenditure Plan; and

WHEREAS, the City of Calistoga intends to enter into a Master Funding Agreement with NVTA-TA that outlines procedures for Measure T expenditures, and

WHEREAS, the City of Calistoga has determined and will certify to NVTA-TA the average maintenance of effort amount for Fiscal Years 2007-08, 2008-09 and 2009-10, consistent with the criteria set forth in Section 9 of Ordinance No. 2012-01, including a memorandum detailing the supporting financial documentation and the methodology utilized to calculate the average fiscal year street and roads costs; and

WHEREAS, that amount set forth in Exhibit “A” will be deemed the “Maintenance of Effort” of the City of Calistoga, which must be maintained annually throughout the term of the Measure from the General Fund of the City of Calistoga; and

WHEREAS, by January 1st each calendar year, the City of Calistoga must certify to and provide NVTA-TA a copy of supporting documentation as well as a Resolution approved by the City of Calistoga, including backup documentation, demonstrating that the Maintenance of Effort was met the prior fiscal year; and

Exhibit A, Attachment 1

Calistoga Maintenance of Effort Work Sheet

CITY OF CALISTOGA						
General Fund Expenditures for Determining MOE Requirements for Measure T and SB 1						
Account	Description	2007/08	2008/09	2009/10	2010/11	2011/12
		Fiscal Years				
4301	FT Salaries	100,930	106,617	106,013	112,278	65,686
4308	PT Salaries				1,530	2,655
4303	Benefits	57,784	62,464	57,038	66,012	44,801
4302	OT	7,123	8,407	5,687	5,774	5,290
4309	Special Pay/Stand By	4,168	4,603	4,529	4,933	4,247
4401	Materials/Supplies	16,601	5,149	7,742	6,908	22,543
4402	Contract Servs.	23,286	25,184	17,323	76,580	29,693
	Tree Maintenance	20,200	9,387	2,700		
	Refuse Services	13,500	17,432	18,050		
4404	Repair/Maint	3,539	3,541	2,782	21,331	4,722
4405	Training Ops Staff	868	1,238	878	985	420
4408	Uniforms	707	1,207	444	658	327
4417	Fuel	6,629	6,671	5,017	2,889	6,995
4424	Safety/Health	387	915	105	581	1,951
4426	Weed/Pest Control	6,432	10,308	4,420	215	1,144
4429	Phone LD Cell	559	446	337		
4650	Training - Management	295	159	33		157
4510	Eqpmt. Rental	30,000	33,000	34,000	34,000	23,032
	Vehicle					
	Replacement					
	Capital Projects					
		619	619	619	12,309	12,309
	Pavement Maint.	596,447	25,000		6,250	
	Cedar Lilly to S. Oak	75,000				
	Bike/Ped Planning	5,400				
	Washington/Oak Inter			24,250		
	Bike Striping			2,884		
	Subtotal Expenses	\$970,474	\$322,347	\$294,851	\$353,383	\$225,972
	Off Setting Revenues					
	Fee For Services:					
	Banner Installation	1,280	2,720	3,200	4,960	2,800
	Tree Mitigation Fee	58,200	96,023	84,171	80,000	95,000
	Gas Tax					
	Grants					
	CDBG	45,000				
	Prop 1B	400,000				
	TDA 3			20,884		
	Napa County Recycle Can Grant					8,131
	Decuction for Non-Street Maintenance Activities					
	Trail SR29 Rnd. About		8,405			
	Regrade Fair Way Extension Parking Lot		2,585			
	Subtotal Auxiliary Revenues	\$504,480	\$109,733	\$112,455	\$84,960	\$105,931
	General Fund Expenses	\$465,994	\$212,614	\$182,396	\$268,423	\$120,041
	Measure T MOE 3-Yr Average 07/08, 08/09, 09/10		\$287,001			
	SB 1 MOE 3-Yr Average 09/10, 10/11, 11/12		\$190,287			
\$12,374	Bought 3/4 ton PU in 07/08, amortize over 20 years					
\$175,359	Bought Street Sweeper in 10/11, amortize over 15 yrs					