



CITY OF CALISTOGA

15

STAFF REPORT

TO: Honorable Mayor and City Council

PREPARED BY: Gloria Leon, Administrative Services Director

FROM: Michael Kirn, Acting City Manager

DATE: June 18, 2019

SUBJECT: Adoption of the City of Calistoga Fiscal Year 2019-20 Budget

Approved by:

**MICHAEL KIRN, Acting City
Manager**

DESCRIPTION: To present the Fiscal Year 2019-20 Budget.

RECOMMENDATION: Adopt the attached resolution for the City of Calistoga Fiscal Year 2019-20 Operating and Capital Budget.

BACKGROUND: The attached budget proposal reflects City Council direction to date and requires formal adoption of the Fiscal Year 2019-20 Budget.

The proposed Fiscal Year 2019-20 budget contains cuts in expenditures and Capital Improvement Projects over what was initially requested by most of the departments. However, several Capital Improvement Projects (CIP's) are recommended for funding. These are urgently needed projects that are a result of deferred maintenance. Also, the City must continue to respond to a Cease and Desist Order (CDO) from the state related to operations of the wastewater treatment plant. The high cost and accelerated schedule to address issues presents a severe challenge to the Wastewater Fund and time commitment of staff.

The City's continuous and focused efforts to improve its financial position remains strong and is only expected to improve. The City will emphasize meeting established Council Goals related to reserves including –

- Maintain General Fund reserves at a minimum of 50% of budgeted expenditures.
- Increase the Water and Wastewater Fund reserves to a minimum of 20% within two fiscal years and increase the CIP and Equipment Replacement Fund reserves to meet anticipated needs over the next three years.

As the City strategizes for appropriating fiscal resources into the future, the City Council has expressed that deferred maintenance and public infrastructure are key priorities. This budget includes continuous spending on capital infrastructure including roads, water infrastructure and wastewater system repair to replace aged utilities which have reached/surpassed useful life. More about the Capital Improvement Project list will be addressed later in this report.

The City is anticipating that several private development projects will initiate or complete construction in Fiscal Year 2019-20 and will bring development impact fees. These projects include the Silver Rose Single family residence homes, and two (2) single family residence homes. It is anticipated these projects will bring forth the following in impact fees:

Water Capital Fund	\$ 204,800
Wastewater Capital Fund	\$ 550,500
Cultural/Recreation Fund	\$ 65,000
Transportation Fund	\$ 21,800
Fire Fund	\$ 45,000
Police Fund	\$ 41,330
City Administration Fund	\$ 6,000
Grand Total	\$ 934,430

See the attached table in Attachment 1 to this staff report that shows detailed development impact fees from various projects that are anticipated in Fiscal Year 2019-20.

This proposed budget continues to maintain the existing level of service and reliability to the community through our infrastructure systems and facilities. However, as previously indicated, there are many facilities that are not receiving maintenance and replacement as they should.

General Fund

The City Council adopted goals and objectives for Fiscal Year 2019-20 which calls at a minimum for a 50% reserve in its General Fund by Fiscal year 2019-20 (or \$5,356,742). Based on staff recommendations the City will end Fiscal Year 2019-20 with a fund balance of \$5,410,600 which is 50.5% of the 50% objective. The first draft of the budget does not include any transfers to the enterprise funds, other than a \$20,000 transfer to the water operations fund to cover low-income assistance program. In addition, new budget items are shown below.

- **Recreation Programs.** The final budget includes 100% recreation program fee waiver for all residents estimated to reduce revenues by \$100,000. The Fiscal

Year 2019-20 appropriations are estimated at \$671,162 (excludes pool maintenance).

- **Pavement Maintenance.** The City will continue spending significantly to improve roads and sidewalks. The budget amount is \$1,550,000.
- **Community Support and Enrichment Grants.** The City continues to increase funding for programs which benefit youth, immigrants, seniors and members of the community. The amount for this year is \$303,671.

Water Operations

The Water Operations Enterprise Revenue Fund is anticipating an ending balance of approximately \$216,583 as of June 30, 2019. Staff is recommending a transfer of \$250,000 from the general fund to the water operations fund to be able to meet debt coverage of 1.25 in Fiscal Year 2018-19. Water rates were adopted in May 2018 for a five-year term, which means a 10% increase effective January 1, 2020. Based on activity during the fiscal year, it is anticipated that the water fund balance will end with a surplus balance of \$385,071 by June 30, 2020. Based on the anticipated water fund balance for Fiscal Year 2019-20, no general fund transfers are included other than the \$20,000 for low-income subsidies.

Water Capital

The Water Capital Fund is expected to end Fiscal Year 2018-19 with a working capital balance of \$0. The City anticipates water connection fees in the amount of \$204,800 for Fiscal Year 2019-20. Measure A will provide funds of \$50,000 for the Bypass Structure Project. The Fiscal Year 2019-20 budget shows an ending balance of \$0.

Projects in the amount of \$120,000 recommended by the Public Works Department for the Fiscal Year 2019-20 include the Automatic Meter Read Program and the Bypass Structure. The Bypass Structure project will be funded through Measure A funds. The meter read program will be funded through one-time impact fees.

City staff has pursued four Hazard Mitigation Grant Program applications and one Integrated Regional Water Management grant and is awaiting response. The total request is over \$14 million worth and projects to be implemented if successful are Kimball Intake & Drain Valve, Generator/PLC/Scada upgrades, Dunawear Pump Station relocation, and Conn Creek relocation. None of these projects are included in the Fiscal Year 2019-20 budget. When it becomes available, City staff will come back with a budget adjustment.

At its goal setting meeting in March 2019 the City Council's objective is to increase the Water Fund reserves at a minimum of 20% and increase the CIP and Equipment replacement Fund reserves to meet anticipated needs over the next three fiscal years. At the minimum 20% in reserves would mean a fund balance of \$562,193 the combination of ending fund balances for the Water Operations Fund and the Water Capital Fund at Fiscal Year 2019-20 is a balance of \$385,071, therefore not meeting the 20% objective.

Wastewater Operations

The Wastewater Operations Fund is expected to end Fiscal Year 2018-19 with a surplus balance of approximately \$944,271. The Fiscal Year 2019-20 budget shows an ending fund balance of \$686,230. Both the debt service payment and the equipment will be covered by the Wastewater Operations Fund. Wastewater rates were adopted in May 2018 for a five-year term, which means a 10% increase effective January 1, 2020.

Wastewater Capital

The Wastewater Capital Fund is expected to end Fiscal Year 2018-19 with a surplus balance of \$753,652. The City anticipates wastewater connection fees in the amount of \$550,500 for Fiscal Year 2019-20. The Wastewater Capital Fund is expected to end Fiscal Year 2019-20 with a balance of \$144,152.

Projects in the amount of \$1,160,000 have been recommended by the Public Works Department. They include Sewer System Assessment & Master, Sewer Lateral Replacement, Palisades Lift Station Repairs, Geothermal Water Meters, Recycled Water Pump and Installation, Tank Removal Air Leak repair and Riverside Ponds River Restoration. All projects will be funded through one-time impact fees and grant funds for the Riverside Pond Restoration.

City staff is pursuing a Hazardous Mitigation Grant in the amount of \$1.5 million for improvements to the emergency generator system. This project is not included in the Fiscal Year 2019 budget. If it becomes available, City staff will come back with a budget adjustment.

At its goal setting meeting in March 2019 the City Council's objective is to increase the Wastewater Fund reserves at a minimum of 20% and increase the CIP and Equipment Replacement Fund reserves to meet anticipated needs over the next three fiscal years. At the minimum 20% in reserves would mean a fund balance of \$515,188; the combination of ending fund balances for the Wastewater Operations Fund and the Wastewater Capital Fund at Fiscal Year 2019-20 is a balance of \$830,382, therefore meeting the 20% objective in reserves.

Special Revenue Funds

These are separate funds which segregate revenues and expenditures restricted for specific purposes such as a specific grant program, restrictions by City Council ordinances, special property assessments or just the need for separate budgeting and accounting of revenues for a specific purpose. The City will end the Fiscal Year 2019-20 with a combined fund balance of \$9,296,718, an increase of \$829,518 from Fiscal Year 2018-19. Part of the large increase is due to \$500,000 anticipated from the Measure D Affordable and Workforce Housing 1% Transient Occupancy Tax and \$500,000 from general fund for future unfunded retiree benefits. Most of the revenue sources for these funds will remain in the funds until projects are earmarked.

Cultural/Recreational one-time fees in the amount of \$117,000 will fund the Vine Trail Design project and the resurfacing of the tennis courts.

Equipment Replacement Fund

This fund accounts for all of the operating and maintenance costs related to the City's computer network, workstation system, maintenance and purchase of vehicles, as well as fixed and maintenance costs related to information technology that benefit all other City funds and programs.

City staff is recommending the renewal of subscriptions for Citzenserve, Auto Cad, Anti-Virus software, and iCompass. Staff is also recommending replacement of several computers, mobile data terminals for the police department, new mini-excavator, portable generator, and replacement of pumps. The General Fund will transfer \$151,943 to this fund for equipment and maintenance. This fund will have a fund balance of \$580,262 at the end of Fiscal Year 2019-20 for unanticipated expenditures and reserves.

At its goal setting meeting in March 2019 the City Council's objective is to increase the Equipment Replacement Fund reserves to meet anticipated needs over the next three fiscal years. At the minimum 20% in reserves would mean a fund balance of \$79,800; the ending fund balance for the Equipment Replacement Fund is \$580,262; therefore meeting the 20% reserve.

Capital Projects

Departments were asked to provide input on what they saw as needed projects to undertake in Fiscal Year 2019-20. You will find in the attachments what those requests were. Staff further refined the list and is recommending \$4,311,499 in capital projects and \$645,622 in equipment and information technology projects be approved for Fiscal Year 2019-20. Three of the largest projects the public works is recommending is \$1,450,000 be used for pavement maintenance; \$200,000 for Oat Hill Mine Entry Way to be funded through a Prop State 68 grant; \$600,000 for Palisades Lift Station Coating; and \$280,000 for geothermal water meters per cease and desist order (CDO). The general fund, Measure T and road maintenance SB1 will provide funding for the pavement maintenance projects. The Palisades Lift Station Coating project will be funded from one-time impact fees and Measure A will provide the funding for the Bypass Structure Project. Included in the budget is \$100,000 from the General Fund to be used for downtown beautification projects.

Balance Summary for Fiscal Year 2019-20

Attachment 2 to this staff report shows a detailed revenue and expenditure analysis for each of the major funds. The following summary table shows the list of the major funds and anticipated fund balance at the end of June 2020.

The following table shows in summary the Fiscal Year 2019-20 ending fund balances for each of the major funds of the City:

	General Fund	Water Fund	Water Capital	WWTP Fund	WWTP Capital
Revenues	11,672,185	3,378,114	204,800	3,227,624	550,500
Expenditures	10,713,434	3,341,065	-	3,345,940	-
Net Surplus/Deficit	958,751	37,049	204,800	(118,316)	550,500
Other Sources	270,000	245	50,000	-	-
Capital Projects Expenses	(2,658,000)	-	(120,000)	-	(1,160,000)
Equipment Purchases	-	(106,500)	-	(104,145)	-
Debt Payments	(373,902)	(307,306)	(134,800)	(805,580)	-
Transfers In	810,927	20,000	-	-	-
Transfers Out	(647,943)	-	-	-	-
Advance to WWTP	-	-	-	-	-
Add non-cash Depreciation	-	525,000	-	770,000	-
Total Net Chg FY 19-20	(1,640,167)	168,488	-	(258,041)	(609,500)
Beg Fund Balance 07/01/19	7,050,767	216,583	-	944,271	753,652
End Fund Balance 06/30/20	5,410,600	385,071	-	686,230	144,152

Conclusion

The City's financial outlook for Fiscal Year 2019-20 remains stable. The proposed budget meets and/or exceeds all of the City Council's established goals and policies related to finance and addresses key Council initiatives related to infrastructure, programs and community support.

There are potential demands and threats to the City finances that are not specifically addressed in this draft budget report. These include:

As aforementioned, the CDO from the state related to the wastewater treatment operations will result in several million dollars of capital improvement and a major commitment of staff time. While it is hoped that grant funds can mitigate some the cost, it represents a major threat to the viability of this fund.

ATTACHMENTS

1. Resolution to Adopt Fiscal Year 2019-20 Budget
2. Proposed Fiscal Year 2019-20 Budget
3. Development Impact Fees Anticipated Fiscal Year 2019-20
4. Major Capital Projects Budget
5. Equipment and Information Technology Projects
6. Debt Schedule
7. City Council Goals and Objectives

RESOLUTION 2019-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, ADOPTING THE OPERATING AND CAPITAL BUDGETS FOR ALL FUNDS FOR FISCAL YEAR 2019-20

WHEREAS, the Calistoga Municipal Code requires the City Manager to prepare and submit an Annual Budget to the City Council for its approval; and

WHEREAS, it is good management practice to have comprehensive Operating and Capital Improvement Budgets to implement the various policies, programs and projects of the City Council, and the City Council has established a policy to review, adopt, and provide multiple updates to Fiscal Year (FY) Budgets; and

WHEREAS, the City Council reviewed preliminary FY 2019-20 revenue, expenditure and capital budgets at one City Council workshop on May 9, 2019 and provided direction; and

WHEREAS, the City Council held a public hearing on the proposed budget on June 4, 2019 and received public comment and provided direction on the Fiscal Year 2019-20 Operating and Capital Budgets.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Calistoga does hereby adopt Operating and Capital Budgets for all funds for Fiscal Year 2019-20 as set forth in Exhibit A attached hereto.

NOW THEREFORE BE IT FURTHER RESOLVED that,

1. Funds are appropriated from various accounts for total expenditures by Department as summarized in Exhibit A, attached hereto.
2. Transfers between funds are authorized and reserve amounts are established as shown in Exhibit A, attached hereto.
3. The City Manager is authorized to approve budget changes between accounts within each Department and that any budget changes in the total budget of the Department, Capital Project or Fund requires City Council approval.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calistoga at a regular meeting held this 18th day of June 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CHRIS CANNING, Mayor

ATTEST:

IRENE CAMACHO-WERBY City Clerk

FY 19-20 Preliminary Budget

Potential Development Impact Fees - Account 3269

Project	Water CIP (Fund 12)	Wastewater CIP (Fund 13)	City Admin. (Fund 48)	Fire (Fund 49)	Police (Fund 50)	Transport. (Fund 57)	Cult./ Rec. (Fund 77)	Afford. Housing (Fund 78)
2 SFD - TBD	\$34,044	\$51,975	\$6,000	\$5,000	\$1,330	\$21,800	\$6,856	n/a
Silver Rose SFDs	\$170,756	\$498,525	n/a	\$40,000	\$40,000	n/a	\$58,144	n/a
Totals	\$204,800	\$550,500	\$6,000	\$45,000	\$41,330	\$21,800	\$65,000	\$0

Grand Total \$934,430

Fiscal Year 19-20 Budget

City of Calistoga

Major Capital Projects Summary of Proposed Projects Fiscal Years 2019-20 through 2023-24										
Dept	Funding Source	Project Name	Account #	2019-20	2020-21	2021-22	2022-23	2023-24	Total	
PW	General Fund	Pavement Maintenance	01-5402-4905-4915	985,358	-	-	-	-	985,358	
PW	Measure T	Pavement Maintenance	01-5402-4905-4915	367,000	-	-	-	-	367,000	
PW	Road Maintenance SB 1	Pavement Maintenance	01-5402-4905-4915	87,642	-	-	-	-	87,642	
PW	General Fund	Paving Corp Yard	01-5408-4915	180,000	-	-	-	-	180,000	
PW	General Fund	Sidewalk Replacement	01-5530-4915	100,000	-	-	-	-	100,000	
PW	City Administrative Fee	City Hall Remodel	01-5501-4915	15,000	-	-	-	-	15,000	
PW	General Fund	Logvy Park Improvements	01-5569-4915	100,000	-	-	-	-	100,000	
PW	Deutsch Proceeds	Community Pool Facility	01-5451-4915	70,000	-	-	-	-	70,000	
PW	General Fund	Community Pool Facility	01-5451-4915	130,000	-	-	-	-	130,000	
PW	General Fund	Pioneer Cemetery	01-5200-4915	40,000	-	-	-	-	40,000	
PW	General Fund	Railroad Tracks Repurpose	01-5562-4915	5,000	-	-	-	-	5,000	
PW	Cultural Recreational	Vine Trail	01-5564-4905	87,000	-	-	-	-	87,000	
PW	General Fund	Microgrid Concept	01-5584-4901	26,000	-	-	-	-	26,000	
PW	Prop 68 Parks and Rec	Oat Hill Mine	01-5565-4915	200,000	-	-	-	-	200,000	
PW	General Fund	Pedestrian Bridge at Gold	01-5585-4915	25,000	-	-	-	-	25,000	
PW	Cultural Recreational	Tennis Court Improvements	01-5590-4915	30,000	-	-	-	-	30,000	
PW	General Fund	Downtown Beautification	01-5591-4915	100,000	-	-	-	-	100,000	
PW	General Fund	Replace Culvert Feige Tank Access Road	01-5599-4915	100,000	-	-	-	-	100,000	
PW	General Fund	Pioneer Park Pedestrian Bridge	25-5560-4915	12,000	28,000	-	-	-	40,000	
PW	MTC Grant	Pioneer Park Pedestrian Bridge	25-5560-4915	46,000	112,000	-	-	-	160,000	
PW	Wastewater Connection Fees	Sewer Systems Assmt & Masler Plan	13-5437-4915	75,000	-	-	-	-	75,000	
PW	Wastewater Connection Fees	Sewer Lateral Replacement	13-5452-4915	5,000	-	-	-	-	5,000	
PW	Wastewater Connection Fees	Palisades Lift Station Coating	13-5514-4905	600,000	-	-	-	-	600,000	

Major Capital Projects										
Summary of Proposed Projects										
Fiscal Years 2019-20 through 2023-24										
PW	Wastewater Connection Fees	Geothermal Water Meters per CDO	13-5533-4915	280,000	-	-	-	-	-	280,000
PW	Wastewater Connection Fees	Riverside Ponds River Restoration	13-5540-4905	100,000	250,000	423,750	-	-	-	773,750
PW	HazMit Grant	Riverside Ponds River Restoration	13-5540-4905	-	750,000	1,271,250	-	-	-	2,021,250
PW	Wastewater Connection Fees	Recycled Water Pump & Installation	13-5556-4915	25,000	-	-	-	-	-	25,000
PW	Wastewater Connection Fees	Tank Removal, Air Leak Repair	13-5569-4915	75,000	-	-	-	-	-	75,000
PW	Water Connection Fees	Automatic Meter Read Program	12-5476-4915	60,000	-	-	-	-	-	60,000
PW	Measure A	Bypass Structure	12-5426-4915	50,000	-	-	-	-	-	50,000
PW	Water Connection Fees	THM/HAA5	12-5574-4915	10,000	500,000	-	-	-	-	510,000
PW	Water Connection Fees	Generator & Transfer Switch	12-5575-4915	-	125,398	-	-	-	-	125,398
PW	HazMit Grant	Generator & Transfer Switch	12-5575-4915	-	376,193	-	-	-	-	376,193
PW	Water Connection Fees	Pope St Generator Elec Upgrade	12-5577-4915	-	45,056	-	-	-	-	45,056
PW	HazMit Grant	Pope St Generator Elec Upgrade	12-5577-4915	-	135,167	-	-	-	-	135,167
PW	Water Connection Fees	Relocate Dunaweal Booster	12-5586-4915	-	800,000	2,000,000	2,000,000	1,700,000	-	6,500,000
PW	MTC Grant	Bicycle Pedestrian	25-4994-4915	175,000	-	-	-	-	-	175,000
PW	MTC Grant	Lincoln/Brannan St Crosswalks	25-5536-4915	58,701	-	-	-	-	-	58,701
PW	MTC Grant	Foothill/Petrified Forest Traffic Signal	25-5537-4915	29,918	-	-	-	-	-	29,918
PW	Traffic Impact Fee	Foothill/Petrified Forest Traffic Signal	25-5537-4915	45,062	-	-	-	-	-	45,062
PW	MTC Grant	Bicycle Education Activity	25-4994-4905	4,798	-	-	-	-	-	4,798
		TOTAL		4,311,499	3,121,812	3,695,000	2,000,000	1,700,000		14,828,311

Major Capital Projects							
Summary of Proposed Projects							
Fiscal Years 2019-20 through 2023-24							
FUNDING SOURCE	FUND #	2019-20	2020-21	2021-22	2022-23	2023-24	Total
General Fund	01	1,813,358	28,000	-	-	-	1,841,358
City Administrative Fee	48	15,000	-	-	-	-	15,000
Wastewater	13	1,160,000	250,000	423,750	-	-	1,833,750
Water	12	70,000	1,470,453	2,000,000	2,000,000	1,700,000	7,240,453
Cultural Recreational	77	117,000	-	-	-	-	117,000
Measure A	12	50,000	-	-	-	-	50,000
Measure T	01	367,000	-	-	-	-	367,000
Road Maintenance SB 1	22	87,642	-	-	-	-	87,642
Prop 68 Parks and Rec	01	200,000	-	-	-	-	200,000
Deutsch Proceeds	01	70,000	-	-	-	-	70,000
MTC Grant	25	316,417	112,000	-	-	-	428,417
HazMit Grant	12/13	-	1,261,359	1,271,250	-	-	2,532,609
Traffic Impact Fee	90	45,082	-	-	-	-	45,082
TOTAL		4,311,499	3,121,812	3,695,000	2,000,000	1,700,000	14,828,311

EQUIPMENT AND INFORMATION TECHNOLOGY PROJECTS

Summary of Proposed Projects
Fiscal Year 2019-20 through 2023-24

Proj Type	Project Name	Funding Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	TOTAL	Account #
Repl	RIMS Software	General Fund	24,000	-	-	-	-	24,000	15-4116-4402
Repl	Office 365 Cloud	Equipment Replacement Fund	15,000	-	-	-	-	15,000	15-4975-4823
New	Icompass Software (City Clerk)	General Fund	7,800	-	-	-	-	7,800	15-4975-4823
Repl	Parks and Rec Software	General Fund	6,000	-	-	-	-	6,000	15-4975-4823
Repl	GIS Services from Napa County	Equipment Replacement Fund	800	-	-	-	-	800	15-4975-4823
Repl	Citizenserve Software Annual Subscription	Equipment Replacement Fund	16,500	-	-	-	-	16,500	15-4975-4823
Repl	Bentley GEMS Software	Water	8,000	-	-	-	-	8,000	02-4131-4823
Repl	Bentley GEMS Software	Wastewater	8,000	-	-	-	-	8,000	03-4141-4823
Repl	Auto Cad Subscription for 3 years	Equipment Replacement Fund	2,205	-	-	-	-	2,205	15-4975-4823
New	GIS ARC Esri Computer	Equipment Replacement Fund	3,500	-	-	-	-	3,500	15-4975-4823
Repl	Computers	Equipment Replacement Fund	15,000	-	-	-	-	15,000	15-4975-4823
Repl	Finance Software	General Fund	50,000	-	-	-	-	50,000	15-4975-4823
Repl	Backup Batteries	Equipment Replacement Fund	600	-	-	-	-	600	15-4975-4823
New	PD Mobile Data Terminals	Police Fee	75,000	-	-	-	-	75,000	15-4970-4821
New	Mini- Excavator	General Fund	20,000	-	-	-	-	20,000	15-4970-4821
New	Mini- Excavator	Water	20,000	-	-	-	-	20,000	02-4131-4821
New	Mini- Excavator	Wastewater	20,000	-	-	-	-	20,000	03-4141-4821
New	Portable Generator	General Fund	44,143	-	-	-	-	44,143	15-4970-4821
New	Portable Generator	HMGP Grant	132,429	-	-	-	-	132,429	15-4970-4821
Repl	Turbidity Meter	Water	9,000	-	-	-	-	9,000	02-4132-4821
Repl	NBA Pump	Water	18,000	-	-	-	-	18,000	02-4132-4821
Repl	Fire Station Vehicle	Fire Fee	16,000	-	-	-	-	16,000	15-4970-4820
Repl	Rupp Pump	Water	21,500	-	-	-	-	21,500	02-4131-4821
Repl	Rupp Pump	Wastewater	21,500	-	-	-	-	21,500	03-4141-4821
Repl	Scada Computers/Software Update	Water	30,000	-	-	-	-	30,000	02-4132-4821
Repl	Scada Computers/Software Update	Wastewater	30,000	-	-	-	-	30,000	03-4142-4821

EQUIPMENT AND INFORMATION TECHNOLOGY PROJECTS

Summary of Proposed Projects

Fiscal Year 2019-20 through 2023-24

Proj Type	Project Name	Funding Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	TOTAL	Account #
Repl	Oxygen Probes (40	Wastewater	15,750	-	-	-	-	15,750	03-4142-4821
Repl	Blower	Wastewater	8,895	-	-	-	-	8,895	03-4142-4821
TOTAL			645,622	-	-	-	-	645,622	
	Equipment Replacement Fund		59,605	-	-	-	-	59,605	
	HMGP Grant		132,429	-	-	-	-	132,429	
	Water Connection Fees		106,500	-	-	-	-	106,500	
	Wastewater Connection Fees		104,145	-	-	-	-	104,145	
	Police Fee		75,000	-	-	-	-	75,000	
	Fire Fee		16,000	-	-	-	-	16,000	
	General Fund		151,943	-	-	-	-	151,943	
	TOTAL		645,622	-	-	-	-	645,622	

City of Calistoga

Fiscal Year 19-20 Budget

Debt Schedule

FY 2019-20

	Original Issue Amount	Balance 7/1/2019	Principal Pymts	Interest Pymts	Total	Principal Balance 6/30/2020
WATER FUND						
Water Revenue COP 2018 Issue Date: 05/08/2018 Principal Payments Due 10/1 2.875 % to 5.0% 'October 2044	\$ 3,905,000	\$ 3,720,000	\$ 165,000	\$ 137,306	\$ 302,306	\$ 3,555,000
USDA 2011 COP Issue Date: 08/10/2009 Principal Payments Due 07/12 2.5%/\$148,237 ** Principal varies based on drawdowns	\$ 3,750,000	\$ 2,784,852	\$ 66,000	\$ 68,796	\$ 134,796	\$ 2,718,852
TOTAL WATER DEBT	\$ 7,655,000	\$ 6,504,852	\$ 231,000	\$ 206,102	\$ 437,102	\$ 6,273,852
WWTP FUND						
Wastewater Revenue COP 2018 Issue Date: 05/08/2018 Principal Payments Due 10/1 2.875 % to 5.0% 'October 2044	\$ 5,015,000	\$ 4,725,000	\$ 270,000	\$ 171,988	\$ 441,988	\$ 4,455,000
SWRCB-SR Loan Issue Date: 01/18/2002 Payments Due 10/30 'October 30, 2023 2.6%	\$ 5,609,999	\$ 1,684,819	\$ 319,786	\$ -	\$ 319,786	\$ 1,365,033
TOTAL WWTP DEBT	\$ 10,624,999	\$ 6,409,819	\$ 589,786	\$ 171,988	\$ 761,774	\$ 5,820,033
GENERAL LONG TERM DEBT ACCOUNT GROUP						
Lease Payable-West America Pool, Fire, recreation, public works Issue Date: 05/01/2016 'February 1, 2028 2.44%	\$ 3,870,413	\$ 2,918,116	\$ 306,108	\$ 67,794	\$ 373,902	\$ 2,612,008
TOTAL LONG TERM DEBT	\$ 3,870,413	\$ 2,918,116	\$ 306,108	\$ 67,794	\$ 373,902	\$ 2,612,008
GRAND TOTAL	\$ 22,150,413	\$ 15,832,787	\$ 1,126,894	\$ 445,884	\$ 1,572,778	\$ 14,705,893

City Council Goals, Objectives & Priority Projects
Fiscal Year 2019-20
(In No Order of Ranking)

Goal 1: Maintain and enhance the economic vitality of the community and the financial stability of the City.

Objectives

1. Manage and evaluate key private development and renovation projects to maintain economic vitality in balance with the needs of the community.
2. Promote the qualities of Calistoga that are attractive to residents and visitors.
3. Increase the Water and Wastewater Fund reserves to a minimum of 20% within two fiscal years and increase the CIP and Equipment Replacement Fund reserves to meet anticipated needs over the next three fiscal years.
4. Provide optimal City services in a sustainable manner.
5. Reduce City's unfunded pension liabilities.
6. Recession proof City financial resources.

Priority Projects

1. Maintain General Fund reserves at a minimum of 50% of budgeted expenditures.
2. Promote and support existing businesses while encouraging new retail opportunities within the downtown district.
3. Develop and adopt a long-term General Fund revenue, expenditure and capital improvement projects forecast.
4. Support long-term land stewardship of the Napa County Fairgrounds.
5. Make lump-sum payments to reduce Cal PERS pension obligation.
6. Develop policies to monitor economic forecasts, develop budget reduction strategies, and "triggers" for consideration of implementation.

Goal 2: Address the community's existing and future housing needs.

Objectives

1. Expand balanced housing opportunities including workforce housing and mixed use commercial/residential housing.
2. Protect and promote special needs housing for such groups as seniors, low-income households and persons with disabilities.
3. Maintain the existing housing stock in good condition.
4. Promote and expand use of accessory dwelling units.

City Council Goals, Objectives & Priority Projects
Fiscal Year 2019-20
(In No Order of Ranking)

Priority Projects

1. Support the “Rebuilding Calistoga” housing rehabilitation efforts by Calistoga Affordable Housing and continue to implement the HOME and CDBG residential rehabilitation loan programs.
2. Consider reclassifying appropriate potential development sites to residential land use classifications or higher-density land use classifications.
3. Modify the “multi-family residential” definition to allow detached units in order to provide more design flexibility.
4. Subsidize or defer connection fees for ownership units affordable to households with incomes less than 120% of area median income.
5. Acquire suitable properties for residential development targeted to local employees and partner with developers to provide housing.
6. Negotiate Lease/Development Agreement with non-profit housing organization for construction of affordable housing at Earl/Eddy property.

Goal 3: Establish, improve and maintain City infrastructure.

Objectives

1. Maintain the high level of service and reliability of the City’s infrastructure systems and facilities.
2. Upgrade and maintain the long-term reliability of the City’s water supply.
3. Provide for long term maintenance and repair of City sidewalks.
4. Support efforts to fund bridge and street maintenance and repair.
5. Educate Calistoga citizens about the condition and cost of maintaining and repairing city streets, bridges, and the water and wastewater treatment plants.
6. Improve the safety and functioning of the City’s primary intersections and the lighting of city streets and intersections, in accordance with the City’s Dark Sky policy.
7. Improve all forms of transportation and implement the complete streets policy to improve non-motorized means of transportation, including active transportation such as walking and cycling.

City Council Goals, Objectives & Priority Projects
Fiscal Year 2019-20
(In No Order of Ranking)

8. Complete geothermal metering and riverside pond projects to address the issues with wastewater plant operations as identified in the cease and desist orders from the state.

Priority Projects

1. Complete the design of the signal and pedestrian improvements for the Foothill Boulevard/Petrified Forest Road intersection.
2. Continue the sidewalk trip hazard repair program, including the notification of utility companies and property owners of trip hazards that require sidewalk replacement where they cannot be repaired. Offer to share replacement costs with affected property owners if appropriate.
3. Complete design work for improvements to Kimball Reservoir that are necessary to meet state standards and maintain its functionality, including replacement of the intake tower and drain valves, and the installation of required gauges as necessary to implement the Interim Bypass Plan.
4. Calibrate citywide sewer model.
5. Partner with Napa County jurisdictions to prepare a Countywide Drought Contingency Plan to address potential water needs during periods of drought and alternatives on how to address them.
6. Complete installation of geothermal meters at remaining spas and begin geothermal discharge billing.
7. Develop system with end users of Fire Station Parking Lot Dumpster Enclosure for ongoing maintenance.
8. Complete A.T. & T. pathway project.
9. Complete planning and preliminary design of a project to drain and line existing ponds to reduce underground flows into the Napa River.
10. Complete Grant Street pathway from Garnett Creek Court to northern City limits.
11. Prepare Report of Waste Discharge for new NPDES Permit for Dunaweal Wastewater Treatment Plant.

City Council Goals, Objectives & Priority Projects
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(In No Order of Ranking)

Goal 4: Expand and improve recreational and community facilities.

Objectives

1. Provide Diverse and affordable recreational programs, including senior fitness. Collaborate with other agencies and groups to achieve this objective.
2. Continue efforts to create a Master Plan to develop the Sharpsteen Plaza and Community Center.
3. Support local efforts to improve Logvy Park.
4. Identify additional areas for the development of recreational facilities, including picnicking facilities.
5. Develop a plan to achieve year-round use of the Community Pool.

Priority Projects

1. Update the Logvy Park Master Plan to reflect current and projected needs. Collaborate with other agencies and groups to achieve this objective.
2. Work with Napa Valley Vine Trail and Napa County Regional Park and Open Space District to provide facilities at or near the Oat Hill Mine Trail trailhead, particularly public parking and restrooms for trail users.
3. Maximize use of the Community pool to meet the overall health and recreational needs of community.
4. Create new recreational programs and activities sponsored by the City that meet the needs of seniors in Calistoga.
5. Develop and conduct community needs survey with a focus on recreation services.
6. Enhance recreation program registration utilizing iPads at City sponsored public events such as Safety Fair Day, etc.

Goal 5: Offer excellent professional services to all customers.

Objectives

1. Continue to provide a high standard in the delivery of emergency and general municipal services.
2. Streamline and simplify processes.
3. Continue to promote and enhance communication and transparency. Implement communication practices and tools to better reflect the cultural makeup of the community.

City Council Goals, Objectives & Priority Projects
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(In No Order of Ranking)

4. Maintain focus on existing key assignments and priorities. Evaluate available time and resource demands before committing to or assigning new tasks. Evaluate and adjust staffing levels to reflect increased demands.

Priority Projects

1. Research and implement various opportunities for outside service agencies or private companies to provide routine city functions in order to free City staff for higher-level activities and special projects and reduce the need for additional employees.
2. Continue department-specific strategic planning activities including development of department business plans and goals/objectives.
3. Evaluate and adjust staffing levels if appropriate to provide optimum service and execution of approved capital projects.

Goal 6: Create an environmentally-sustainable community.

Objectives

1. Implement “green” environmental sustainability policies and initiatives.
2. Reduce greenhouse gas emissions.
3. Promote Calistoga as a walking-and-cycling-friendly city and implement complete streets policy to improve non-motorized means of transportation.

Priority Projects

1. Implement the GHG Emissions Reductions Measures included in the Climate Action Plan.
2. Work on the construction of the Calistoga segment of the Napa Valley Vine Trail to expand the active transportation network.
3. Implement the Calistoga Active Transportation Plan in order to improve and enhance walkways and bicycle trails.
4. Council Review of the Climate Action Plan.
5. Complete Phase I of micro-grid feasibility study.
6. Complete permitting and design of Pioneer Park Pedestrian Park Bridge.
7. Complete alternative analysis for pedestrian river crossing at South Oak or Gold Streets.
8. Develop plans for centralized downtown bicycle parking facility.

City Council Goals, Objectives & Priority Projects
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(In No Order of Ranking)

9. Conduct community forums and outreach on development of policy regarding on-street parking vs. Class II Bike Lanes.
10. Collect Measure "U" funds and allocate as specific opportunities arise or bank for future projects.

Goal 7: Enhance Calistoga's small-town character by making it safe and attractive.

Objectives

1. Enhance community disaster preparation, including wildfires.
2. Minimize injuries and deaths related to earthquakes.
3. Identify and develop programs to educate our youth on crime prevention and substance abuse awareness.
4. Provide a code enforcement program that is efficient, readily understandable and predictable.
5. Maintain Calistoga's small-town character through implementation of General Plan goals and policies.

Priority Projects

1. Priority focus on working with CalFire and Napa Firewise to evaluate potential wildfire impacts, educate residents on minimizing wildfire damage, and prepare for post-fire recovery.
2. Work with local schools on youth gang and substance abuse issues and support the crime intervention activities of the Boys and Girls Club.
3. Adopt updated code enforcement regulations and update nuisance abatement procedures and provide needed resources for effective and efficient code enforcement.
4. Resurrect a Calistoga Disaster Council to bring local businesses and service providers into the City's emergency response program and continue to train key City staff on their duties and responsibilities during emergencies.
5. Implement the unreinforced masonry building ordinance to abate structures that could be hazardous during an earthquake.
6. Update Emergency Management Plan and participate in update of County Wide Hazard Mitigation Plan.

City Council Goals, Objectives & Priority Projects

Fiscal Year 2019-20

(In No Order of Ranking)

7. Develop and adopt local fire codes that exceed County and State minimums, as appropriate, to protect life and property.
8. Hire consultant to develop downtown beautification plan including street scape improvements, parklets, standard façade improvements and public art opportunities.
9. Complete feasibility assessment on taking over sidewalk right-of-way on Lincoln Avenue (SRE29).