MEETING DATE: 6/18/07

AGENDA ITEM: Discussion and Presentation of Proposed Financial Options for City Council's Consideration and Authorization to Seek Professional Services to Implement the Financial Options.

ATTACHMENTS

Title: **Modernize Utility Users Tax [Option 1]**

Description:
Currently, there are a number of pending legal challenges which, depending on how they are decided, could call into question the City's ability to continue collecting the telecommunications portion of the UUT as it currently exists.

For example, like many California cities, Culver City's UUT ordinance formerly defined the telecommunications tax base as that portion of a telephone bill subject to the Federal Excise Tax (FET) on telephone communications. Until May 2006, the IRS had followed a policy of imposing the FET on telephone service charges based on either time OR distance. However, as a result of a number of legal challenges, the IRS announced that it would no longer impose the FET on telephone service charges unless those charges are based on both time AND distance. Had the City chosen to follow the new IRS approach, it would have had a significant fiscal impact as most cell phone charges, which make up approximately 75% of the City's telecommunications revenues, are based solely on time.

2006-07 Budgeted UUT Revenues:	
Electricity	$5,408,000
Gas	1,300,000
Water	876,000
Telecommunications*	5,200,000
Cable TV	596,000
TOTAL*	**$13,380,000**

*Approximately $4 million of this amount in jeopardy

Accordingly, the City amended its ordinance to clarify that it did not wish to adopt the IRS' new interpretation, but rather wished to continue to impose the UUT as it had historically been imposed. Many other cities chose to protect their UUT revenue by adopting similar amendments. Lawsuits have now been filed in a few such jurisdictions challenging the ability of local governments to continue to apply the former IRS approach.

Also, rapid changes in telecommunication technology have caused some gaps in what our UUT ordinance reaches. The definitions in the current ordinance are based upon the technology that existed at the time of adoption, which was more than 30 years ago. Current technology, billing practices and market coverage have all changed dramatically in the interim and are expected to continue to change. If the City's UUT ordinance is not amended, significant new or emerging markets may escape taxation. Consequently, in addition to a potential loss of revenue, failing to amend the current ordinance would result in newer technologies escaping taxation while older technologies fulfilling similar or identical functions continue to be taxed.

Based on these changes in technology and pending and threatening legal challenges to the continued collection of the telecommunications portion of the UUT, staff recommends that the City Council consider adopting a modernized UUT ordinance. A modernized UUT ordinance would eliminate the legal risks to our current UUT and would broaden the reach of the City's UUT by taxing modern telecommunication technologies not reached by the current UUT ordinance and eliminating the uncertainty created by the IRS' May 2006 announcement. Broadening the reach of the City's UUT may also present an opportunity to reduce the overall UUT rate while UUT collections remain the same or, perhaps, even increase.

However, due to the negative impact that the solar and sustainable cities initiatives may have on UUT revenue receipts (due to a potential decrease in energy consumption), staff does not recommend reducing the UUT tax rate at this time.

If the City Council decides to modernize the City's UUT ordinance, Prop. 218 requires that such a measure be approved by a majority of the voters (50% + 1) at a general election or, if the City Council can make a finding of emergency, at a special election.

It should be noted that, if voters do not pass a modernized UUT measure, the existing UUT would remain in place and should be preserved.

Pros:

- If measure passes, modernizes the City's current UUT ordinance to include new technology
- If measure passes, pre-empts loss of revenue and costly legal challenges
- If measure passes, confirms resident support for the current UUT

Cons:

- If no action is taken, the City may be subject to costly legal challenges and could lose revenue
- If no action is taken, the City may need to replace lost revenue with a new tax, which could be extremely difficult to get passed by voters
- If measure fails, will have the same issues as if no action is taken
- If measure fails, it would likely make future voter approval of an amendment to the UUT more difficult to obtain

Timeline:
To get this measure on the April 2008 ballot, staff needs to begin the process immediately. Prior to the December deadline to call the election, staff needs time to conduct research, analyze the existing revenue, and prepare a number of required documents.

1. December 18 – Suggested last day for Council to Call Election for Ballot Measures
2. January 1 – Suggested last day to file arguments
3. January 11 – Suggested last day to file rebuttal arguments
4. January 11 – Last day to call election for Ballot Measures
5. April 8 – Election day

Title: **Increase Transient Occupancy Tax [Option 2]**

Description:
The Culver City Municipal Code authorizes the City to levy a tax for the privilege of occupying lodgings on a transient basis. The current Transient Occupancy Tax (TOT) rate is 12%. An increase in TOT would slightly increase the taxes that area hotel customers would pay to stay in Culver City. For example, assuming an average hotel is $125 per night, not including taxes, the current 12% TOT rate adds $15 in tax. A 1% increase to the TOT would add another $1.25, for a total of $16.25 in taxes for a $125 hotel room. Many nearby cities have increased their TOT rates over the last three years, as noted below.

West Side Cities Current TOT rates:

Culver City:	12%
Beverly Hills:	14%
Los Angeles:	14%
Santa Monica:	14%
West Hollywood:	14%

Additionally, some cities share their TOT revenue with the local tourist organization or Chamber of Commerce. For example, Beverly Hills contributes approximately one seventh (1/7) of their TOT revenues to support the promotion of tourism through the Visitors Bureau, the Chamber of Commerce's Retail Council, and the Rodeo Drive Merchants Association's Walk of Style. West Hollywood also allocates 12.5% to the General Fund and 1.5% to the West Hollywood Visitors and Convention Bureau.

If the Council decides to increase the TOT and dedicate a portion of the revenues for a certain use or to a certain organization, it would require super majority (67%) approval by registered voters at a general election.

If the Council decided to increase the TOT without dedicating a portion of the revenues for a certain use or to a certain organization, it would require majority (50% + 1) approval by registered voters at a general election.

Increasing the TOT from 12% to 13% would generate an additional $180,000 to $200,000 per year in TOT revenues[1].

Pros:

- Does not directly impact residents
- Will bring Culver City in line with other West-side cities
- Will increase revenue collections from future hotel development

Cons:

- Could potentially have a negative impact on the City's hotel occupancy rate

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[1] *This estimate is based on the City's current supply of rooms. There are proposed developments in the Washington/National area that could greatly increase this estimate if the developments materialize as currently proposed.*

Attachment 2

Timeline:

To get this measure on the April 2008 ballot, staff needs to begin the process immediately. Prior to the December deadline to call the election, staff needs time to conduct research, analyze the existing revenue, and prepare a number of required documents.

1. December 18 – Suggested last day for Council to Call Election for Ballot Measures
2. January 1 – Suggested last day to file arguments
3. January 11 – Suggested last day to file rebuttal arguments
4. January 11 – Last day to call election for Ballot Measures
5. April 8 – Election day

Attachment 3

Title: **Fire Suppression Assessment District [Option 3]**

Description:
A Fire Suppression Assessment District is an assessment that is used to fund fire suppression services, including personnel and equipment costs. A Fire Suppression Assessment District *cannot* be used to fund emergency medical services or the construction and maintenance of fire facilities.

Additionally, all funds received from a Fire Suppression Assessment District must be used for fire suppression activities only and cannot be used for general purposes. However, a Fire Suppression Assessment District would create a dedicated revenue stream for Fire expenditures and could free up General Fund monies to use for other purposes. This practice has been a controversial issue for some cities as voters tend to expect that the funds provide an enhanced level of emergency services.

Voting for a Fire Suppression Assessment District is by mail-in ballot and requires approval by a majority (50% + 1) of returned ballots. All property owners within the boundaries of the district are eligible to vote.

Pros:
- Property owners determine outcome
  - Analysis identifies a direct benefit to property owners
  - Easy for property owners to understand
- Relatively Simple Election
  - Simple Majority approval
  - Mail in ballot, no general election requirement
  - Equitable tabulation of ballots: one dollar = one vote
- Provides a stable ongoing funding source
- May have positive effect on current Class 1 ISO rating
- Fire service benefits real property
  - Protect value of structures and improvements
  - Protect life and safety of intended occupants
  - Lower the cost of property fire insurance
  - Contain spread of fire incidents

Cons:
- Statutory limitations on what may be funded
- Must conduct a study to make a special benefit finding
  - General benefit may not be funded
- Annual legislative action required for most assessments

Timeline:
The total implementation time for the City-wide Fire Suppression Assessment District would take approximately **9-12 months**.

1. Determine the Districts visions/goals
    a. Assess the needs of constituents
    b. Polling
2. Conduct Feasibility Analysis/Engineering Report
    a. This is the legal basis for the assessment
    b. Determine the districts boundaries and identify all benefited parcels within the district
    c. Identify key projects/goals that will be accomplished
    d. Estimate project costs
    e. Specify the annual cost to each property
    f. Identify the benefit formula that will be used to determine each property's share of the cost (FSADs are often based on risk classification)
3. Ballot Proceeding
    a. Mail a detailed notice of public hearing and ballot no less than 45 days prior to the public hearing
    b. Hold a public hearing
    c. Returned ballots weighted according to the proportional financial obligation of the affected property ($1 = 1 vote); majority approval needed
4. Enactment Procedure
    a. Draft and adopt resolutions creating the assessment district
    b. Once assessment is formalized, County will begin to collect on the next property tax bill

Attachment 4

Title: **Community Facilities District** **[Option 4]**

Background:
At the City Council meeting of March 5, 2007, two options Council directed staff to research further were a Paramedic Assessment District and a Safety Salary Initiative Assessment District.

After talking to the City's consultants, it was determined that an assessment district would not be legally appropriate to fund either of these options; however, in the case of a Paramedic Assessment District, a Community Facilities District (CFD) may be used to achieve similar goals.

With regard to the Safety Salary Initiative, the basic idea was that whenever the salary initiative increases were higher than CPI, an assessment or tax would be levied on property owners to fund the difference. After research by staff, it was found that this would be very complicated, and therefore costly to implement. Additionally, there may be some potential legal issues with this approach unless there is a clearly identifiable benefit nexus between the salary initiative increases and service levels (i.e. as Police salaries increase, so does the service level). The consultants that staff talked with are not aware of a similar financing method in other California cities. **Therefore, staff does not recommend pursuing the salary initiative assessment option at this time.**

Description:
The Mello-Roos Community Facilities Act of 1982 allows the funding of the construction or acquisition of real or tangible property with a useful life of five years or more such as streets, sewer, etc. It also allows financing of police and fire services to accommodate the growing needs of the area.

A CFD may be used to finance police and fire protection services, including personnel costs, only to the extent that they are provided in addition to those provided in the CFD area before the CFD was created. A CFD is a special tax levied annually on each parcel.

Voting for a CFD is done by mail-in ballot and requires approval by a super majority (67%) of returned ballots. All registered voters within the boundaries of the district are eligible to vote.

Pros:

- Limited restrictions on election timing
- Flexible tax classes and tax structure
- Can fund a wider array of public safety service costs

Cons:

- Additional tax burden to property owners
- Need super majority approval

Attachment 4

Timeline:

Total time to implement: **9-12 months**

1. Adopt goals and policies
2. Petition to form district
3. Determine needs (maintenance & service costs, cash flow, etc.)
4. Develop Special Tax Methodology
    - Tax rates and classes, triggers and timing
    - Annual inflator, exemptions, discounts
    - Appeals process, sunset or term clauses
5. Resolution of Intention
    - Describes boundaries, name, facilities, services
    - Set time and place for public hearing
    - Establish voting procedures
6. Prepare CFD report
    - Describe facilities/services and cost
    - Include RMA and map
7. Hold public hearing to consider formation of CFD
8. Resolution of Formation
    - Authorizes levy of special tax
    - Approves facilities and services
    - Sets election
9. Hold election
    - Two-thirds vote required
10. Certify election results
11. Enact ordinance to levy tax
12. Record notice of special tax lien
13. Annual district administration

Attachment 5

Title: **Landscape, Lighting and Tree Maintenance District** **[Option 5]**

Description:
A Landscape, Lighting, and Tree Maintenance Assessment District is an assessment that could fund landscape, parks and median maintenance throughout the City; maintenance and potential installation of new streetlights; and increase the City's tree-trimming schedule from five to four years.

The 1972 Act - Landscaping and Lighting District allows for the formation of this type of assessment district. Some items allowed to be financed under this Act are installation and/or maintenance and servicing of any combination of the following:

- The installation or planting of landscaping
- Statuary, fountains, and other ornamental structures
- Public lighting facilities including traffic signals
- Park and recreation facilities
- Open space
- Community center, auditorium or hall (Streets & Highways Code Section 22525)

Voting for a Landscape and Lighting District is by mail-in ballot and requires approval by a majority (50% + 1) of returned ballots. All property owners within the boundaries of the district are eligible to vote.

Pros:
- Property owners determine outcome
  - Analysis identifies a direct benefit to property owners
  - Easy for property owners to understand
- Relatively Simple Election
  - Simple Majority approval
  - Mail in ballot, no general election requirement
  - Equitable tabulation of ballots: one dollar = one vote
- Provides a stable ongoing funding source

Cons:
- Statutory limitations on what may be funded
- Must conduct a study to make a special benefit finding
  - General benefit may not be funded
- Annual legislative action required for most assessments

Timeline:
The total implementation time for a City-wide assessment district would take approximately **9-12 months**.

1. Determine the District's visions/goals
    a. Assess the needs of constituents
    b. Polling
2. Conduct Feasibility Analysis/Engineering Report
    a. This is the legal basis for the assessment
    b. Determine the district's boundaries and identify all parcels within the district
    c. Identify key projects/goals that will be accomplished
    d. Estimate project costs
    e. Specify the annual cost to each property
    f. Identify the benefit formula that will be used to determine each property's share of the cost
3. Ballot Proceeding
    a. Mail a detailed notice of public hearing and ballot no less than 45 days prior to the public hearing
    b. Hold a public hearing
    c. Returned ballots weighted according to the proportional financial obligation of the affected property ($1 = 1 vote); majority approval needed
4. Enactment Procedure
    a. Draft and adopt resolutions creating the assessment district
    b. Once assessment is formalized, County will begin to collect on the next property tax bill

Title: **Street Assessment District** **[Option 6]**

Description:
A Street Assessment District is an assessment that would be used to fund street paving, repair and maintenance. The Municipal Improvement Act of 1913 (Streets and Highways Code Section 10000) allows for the formation of this type of assessment district. The Improvement Act of 1915 (Streets and Highways Code Section 8500), in conjunction with the 1913 Act, allows for the issuance of bonds to fund street paving or repaving, grading or regrading.

The assessment district would fund street repaving by issuing a bond, with the properties in the assessment district responsible for funding the debt service on an annual basis.

Voting for a Street Assessment District is by mail-in ballot and requires approval by a majority (50% + 1) of returned ballots. All property owners within the boundaries of the district are eligible to vote.

Pros:
- Property owners determine outcome
  - Analysis identifies a direct benefit to property owners
  - Easy for property owners to understand
- Relatively Simple Election
  - Simple Majority approval
  - Mail in ballot, no general election requirement
  - Equitable tabulation of ballots: one dollar = one vote
- Provides a stable ongoing funding source

Cons:
- Statutory limitations on what may be funded
- Must conduct a study to make a special benefit finding
  - General benefit may not be funded
- Annual legislative action required for most assessments
- Reorganization of Public Works would be needed to free up staff to work on paving projects

Attachment 6

Timeline:
The total implementation time for a City-wide assessment district would take approximately **9-12 months**.

1. Determine the Districts visions/goals
    a. Assess the needs of constituents
    b. Polling
2. If polling determines support for Street Assessment District, and City Council gives direction to proceed, begin process to issue Bonds
    a. Process would take approximate 60 – 90 days
    b. Will run concurrently with process of Assessment District
3. Conduct Feasibility Analysis/Engineering Report
    a. This is the legal basis for the assessment
    b. Determine the districts boundaries and identify all parcels within the district
    c. Identify key projects/goals that will be accomplished
    d. Estimate project costs
    e. Specify the annual cost to each property
    f. Identify the benefit formula that will be used to determine each property's share of the cost
4. Ballot Proceeding
    a. Mail a detailed notice of public hearing and ballot no less than 45 days prior to the public hearing
    b. Hold a public hearing
    c. Returned ballots weighted according to the proportional financial obligation of the affected property ($1 = 1 vote); majority approval needed
5. Enactment Procedure
    a. Draft and adopt resolutions creating the assessment district
    b. Once assessment is formalized, County will begin to collect on the next property tax bill

Attachment 7

Title: **City-wide Parking Strategy** **[Option 7]**

Description:
Currently, the Redevelopment Agency is conducting a study on parking meter rates and parking structures to develop a comprehensive parking strategy in downtown Culver City.

The proposed Phase Two of this project is to further discuss and research parking as an economic development tool. This citywide strategy may include increasing parking meter rates in other areas of the City (beyond downtown) and researching options such as the installation of additional electronic meters which make data collection and analysis much simpler. These meters download information into a device which can then be uploaded to a computer to develop reports. This will enable staff to make more informed decisions, and analyze parking trends, etc.

Pros
- Takes an action of City Council only to increase parking meter rates
  - Done by Resolution
  - Currently very low rate compared to surrounding cities
- Increasing rate not governed by Prop 218
- Analysis and collection of revenues would be easier with new parking meter heads

Cons
- Rate increase could discourage people from shopping in Culver City
- Not a significant increase of revenue

Timeline
Replacement of parking meters would most likely be done in phases and take between 8 to 12 months to complete entire City. Increase in Parking Meter Rate could be implemented 30 days from City Council action.

Attachment 8

Title: **Healthcare Cost Containment Solutions [Option 8]**

Description:
Medical insurance costs are projected to continue to increase for the next couple of years at least. To address this, the City needs to either find a steady revenue source to fund the increasing cost or find a solution to contain the cost. It is recommended that the City creates a dedicated team (Healthcare Benefits Committee) to focus on the issue and explore all feasible resolutions. This Healthcare Benefits Committee should include the Personnel Director, Chief Financial Officer, and one representative from each bargaining group.

The goal of the committee is to research and share information regarding various feasible options of affordable and flexible healthcare coverage for City employees through a joint collaborative effort. The anticipated timeline for this process is six to nine months. The findings and recommended solutions will be presented to the City Council for consideration. It is hoped that this inclusive process will provide solutions to the health care cost issues and any agreed upon solutions can be incorporated into the next MOU negotiations, which start in June 2008. Some possible options include, but are not limited to:

- Implementation of a two-tier employee benefit system (i.e. cafeteria plan that is not precluded by CalPers);
- Explore the possibility of leaving CalPERS for another comparable healthcare provider;
- Implement a cap on the dollar amount that the City will pay; and/or
- Increase the employee's share of the cost.

Pros:

- The goal is to come up with viable options for the City to continue to provide its employees competitive healthcare benefit and maintain financial stability.

Cons:

- The implementation of this program will require further research, analysis and cooperation with our six (6) bargaining groups.

Timeline:
The City will be creating a task force in July/August 2007 to explore these options and others.

Title: **Photovoltaic/Solar Energy Initiative [Option 9]**

Description:
Photovoltaic (PV) energy is a solar power technology that uses solar cells or solar photovoltaic arrays to convert energy from the sun into electricity. Solar powered pocket calculators are an example of a common everyday use of this technology.

Solar arrays are increasingly incorporated into new domestic and industrial buildings as a principal or ancillary source of electrical power. Typically, an array is incorporated into the roof or walls of a new building or can be retrofitted into existing buildings. An array can also be located separately from the building and connected by cable to supply power for the building.

To date, staff has taken a number of steps to encourage "green" development and inform the public on "green" initiatives. Voluntary green building guides have been added to the handout bins in the Building & Safety division; a green building report was presented to City Council in February 2005; a solar presentation was given to the Planning Commission in June 2005; and a solar discussion was brought to City Council in February 2006.

The Building & Safety division is currently working to develop a Solar Initiative for City Council's consideration, which would require a one kilowatt solar photovoltaic system per 10,000 square feet of new multifamily or commercial construction (existing buildings and remodels would be exempt from this requirement). Additionally, Community Development and Public Works staff will be touring the City of Santa Monica's solar projects and begin exploring possible uses for solar energy on City facilities and City owned property.

The proposed 2007-08 Capital Projects budget includes a request for $30,000 to fund a study to identify potential opportunities to use solar power on City facilities and property as well as initial investment and capital costs, and financing possibilities associated with each opportunity. Please note that the Solar Initiative can move forward without the need for a consultant. The consultant is only to assess opportunities on City facilities and properties.

Pros:
- City will continue to be a leader in environmentally friendly policies
- Solar power is a long lasting source of energy that can be used almost anywhere and creates no pollution

Cons:
- Costly initial investment as most types of solar cells require a large area to achieve average efficiency
- An increase in use of solar energy in the community would result in a decrease in the City's UUT revenues

Attachment 9

Timeline:

If money is approved in the 2007-08 CIP budget to retain the services of a consultant, staff will need 2-4 months go through the RFP process and secure a qualified firm. The time to complete the study will need to be determined based on the responses to the RFP.

Attachment 10

Municipal Elections
General Municipal Election
April 8, 2008

Laws in effect in 2007

(Calendar laws updated 10/9/2006)

Date(s)		E minus	to E minus	Action
October 19		-172		Suggested Last Day to File Petitions Regarding Measure
December 3		-127		Suggested Last Day for Council to Adopt Resolutions
December 3	to December 17	-127	-113	Election Official to Publish Notice of Election - Candidates
December 10		-120		Last Day to Adopt Regulations for Candidates Statements
December 17	to January 11	-113	-88	Filing Period for Nomination Papers and Candidate's Statements
	or *January 14*		*-85*	*(if city is closed on Friday)*
December 18		-112		Suggested Last Day to Call Election For Ballot Measures
December 19		-111		Suggested Last Day to Post Notice of Deadline for Filing Arguments
January 1		-98		Suggested Last Day to File Arguments / Must Be 14 days after Council calls Election
January 11		-88		Suggested Last Day to File Rebuttal Arguments / 10 Days after Arguments
January 11		-88		Last Day to Call Election For Ballot Measures
January 11	or January 14	-88	-85	Last Day to File Nomination Papers
January 16		-83		Last Day to File Nomination Papers – Extended Filing Period
January 16		-83		Last Day to Withdraw Measure(s) from Ballot
January 17		-82		Secretary of State to Determine Order of Names on Ballot
January 24		-75		Time to Cancel Election – Insufficient Candidates
January 31		semi-annual		Last Day to File Campaign Expenditure Statements - Semi-Annual Statement
February 7		-61		Last Day to Submit Precinct Consolidations to County
February 7		-61		Suggested Last Day to Designate Polling Places
February 7		-61		Suggested Last Day To Request Postage Check for Mailing of Sample Ballot Pamphlets
February 11	to March 25	-57	-14	Filing Period for Write–in Candidate
February 28		-40		Last Day to File Campaign Expenditure Statements - 1st Pre-election Statement
January 31				Last Day to File Campaign Expenditure Statements - Semi-Annual Statement
March 10		-29		Last Day to Designate Polling Places & Appoint Precinct Board Members
March 10		-29		First Day to Mail out Permanent Absent Voter Ballots
March 10	to April 1	-29	-7	Voters May Request Absentee/Vote by Mail Ballots with Regular Applications
March 18		-21		Last Day to Mail Sample Ballots and Polling Place Notices
March 24		-15		Last Day to Register to Vote
March 25		-14		Last Day to File for Write–in Candidate
March 25		-14		Last Day to Prepare List of Precincts with Multi-lingual Precinct Board Members
March 27		-12		Last Day to File Campaign Expenditure Statements - 2nd Pre-election Statement
March 28		-11		Suggested Last Day to Post Notice – Absentee Canvass
March 29		-10		Publish Notice of Central Counting Place
March 29		-10		First Day to Process Returned/Voted Absent Voter Ballots
April 1				Last Day to Submit Report on Measures to Secretary of State
April 1		-7		Last Day for Election Official to Publish Notice of Nominees
April 1		-7		Last Day to Publish Notice of Polling Places
April 1		-7		Last Day to Post Notice of Polling Places & Precinct Board Members
April 2	to April 8	-6		Emergency/Late Absent Voting Period
April 7		-1		Last Day for Council to Adopt Procedures to Resolve Tie Vote
April 8		0		**ELECTION DAY**
April 8		0		Last Day to Receive Absent Voter Ballots
April 8		0		Election Official to Canvass Absent Voter Ballots
No Later Than	May 2	24		Election Official to Canvass the Returns & Conduct Manual Tally
No Later Than	May 2	24		Declaration of the Results
April 14	to May 2	*(At same meeting as Declaration of Results and Installation)*		Reorganize Council and Choose Mayor and Mayor Pro Tem
No Later Than	May 6	28		Last Day to Post Notice of Precinct Board Members
May 14	to June 1	*(30 days after Assuming Office)*		Last Day to File Statement of Economic Interests
July 31				Last Day to File Campaign Expenditure Statements - Semi-Annual Statement

18

SUMMARY OF FACILITY ASSESSMENT REPORTS-*DRAFT*

FACILITY	ROUTINE COSTS	IMMEDIATE REPAIR COSTS	RESERVE COST ESTIMATE*	REPLACEMENT COST ESTIMATE
City Hall	$ 26,700	$ 936,600	$ 45,150	$ 30,590,000
Public Works Maintenance Yard	$ 21,000	$ 22,800	$ 63,500	$ 5,030,000
Fire Station 1	$ 33,500	$ 123,175	$ 14,470	$ 5,800,000
Fire Station 2	$ 19,000	$ 434,100	$ 2,500	$ 4,170,000
Fire Training Yard	$ 14,500	$ 2,500	$ 4,525	$ 900,000
Police Facility	$ 20,300	$ 145,975	$ 29,793	$ 9,030,000
Transportation	$ 44,200	$ 603,300	$ 56,075	$ 19,640,000
Ince Parking Structure	$ 15,800	$ -	$ 50,019	$ 21,110,000
Cardiff Parking Structure	$ 14,960	$ 500	$ 29,000	$ 9,930,000
Watseka Parking Structure	$ 14,780	$ -	$ 60,583	$ 8,610,000
Ivy Sub Station	$ 13,300	$ 12,800	$ 24,870	$ 2,120,000
Veteran's Memorial Building	$ 23,300	$ 1,705,000	$ 18,900	$ 25,760,000
Senior Center	$ 17,750	$ -	$ 10,050	$ 8,180,000
Teen Center	$ 17,750	$ 5,000	$ 19,220	$ 2,060,000
Municipal Plunge	$ 12,300	$ 4,000	$ 13,640	$ 3,720,000
Transfer Station	$ 20,800	$ 6,075	$ 5,337	$ 1,340,000
Braddock Pump Station	$ 6,400	$ 3,000	$ 4,638	$ -
Bristol Pump Station	$ 5,650	$ 5,000	$ 3,911	$ -
Fox Hills Pump Station	$ 7,150	$ -	$ 3,661	$ -
Hayden Pump Station	$ 4,450	$ -	$ 6,600	$ -
Jasmine Pump Station	$ 7,150	$ -	$ 3,265	$ -
Mesmer Pump Station	$ 8,650	$ -	$ 4,689	$ -
Overland Pump Station	$ 8,650	$ 2,000	$ 3,868	$ -
TOTAL	***$ 378,040***	***$ 4,011,825***	***$ 478,264***	***$ 157,990,000***

*Uninflated Average Reserve Requirement Per Year

Attachment 11

LONG TERM REPLACEMENT FORECAST COST-*DRAFT*

FACILITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
City Hall	$ -	$ -	$ 130,000	$ -	$ 115,250	$ 11,250	$ -	$ 175,000	$ 20,000	$ -	**$ 451,500**
Public Works Maintenance Yard	$ -	$ 69,450	$ 60,000	$ -	$ 462,750	$ -	$ -	$ -	$ 7,800	$ 35,000	**$ 635,000**
Fire Station 1	$ -	$ 50,000	$ 8,900	$ -	$ -	$ 52,000	$ -	$ -	$ -	$ 33,800	**$ 144,700**
Fire Station 2	$ 19,500	$ -	$ -	$ -	$ 1,000	$ -	$ -	$ -	$ -	$ 4,500	**$ 25,000**
Fire Training Yard	$ 3,750	$ 8,500	$ 5,050	$ 8,000	$ 7,450	$ -	$ -	$ -	$ -	$ 12,500	**$ 45,250**
Police Facility	$ -	$ 32,400	$ 4,050	$ -	$ 38,275	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 123,200	**$ 297,925**
Transportation	$ -	$ 18,000	$ 84,000	$ -	$ 72,250	$ 158,500	$ -	$ 15,000	$ 3,000	$ 210,000	**$ 560,750**
Ince Parking Structure	$ -	$ -	$ -	$ 3,945	$ -	$ 492,300	$ -	$ -	$ -	$ 3,945	**$ 500,190**
Cardiff Parking Structure	$ 2,000	$ -	$ 283,500	$ -	$ -	$ -	$ 2,000	$ -	$ -	$ 2,500	**$ 290,000**
Watseka Parking Structure	$ 1,665	$ 300,000	$ -	$ 2,500	$ -	$ -	$ 1,665	$ -	$ -	$ 300,000	**$ 605,830**
Ivy Sub Station	$ -	$ 5,100	$ 12,500	$ -	$ 231,100	$ -	$ -	$ -	$ -	$ -	**$ 248,700**
Veteran's Memorial Building	$ -	$ -	$ 6,000	$ -	$ 50,000	$ -	$ -	$ -	$ -	$ 133,000	**$ 189,000**
Senior Center	$ -	$ -	$ -	$ -	$ 15,000	$ 85,500	$ -	$ -	$ -	$ -	**$ 100,500**
Teen Center	$ -	$ -	$ 69,000	$ -	$ -	$ -	$ 93,200	$ -	$ -	$ 30,000	**$ 192,200**
Municipal Plunge	$ -	$ -	$ -	$ -	$ 14,800	$ -	$ -	$ 93,600	$ -	$ 28,000	**$ 136,400**
Transfer Station	$ -	$ 40,225	$ 7,500	$ 4,750	$ 900	$ -	$ -	$ -	$ -	$ -	**$ 53,375**
Braddock Pump Station	$ -	$ -	$ -	$ 2,380	$ 2,500	$ 2,500	$ 13,000	$ 13,000	$ 13,000	$ -	**$ 46,380**
Bristol Pump Station	$ -	$ -	$ 2,500	$ 5,610	$ 2,500	$ 2,500	$ -	$ 13,000	$ 13,000	$ -	**$ 39,110**
Fox Hills Pump Station	$ -	$ -	$ -	$ 5,610	$ 2,500	$ 2,500	$ -	$ 13,000	$ 13,000	$ -	**$ 36,610**
Hayden Pump Station	$ -	$ 35,000	$ -	$ -	$ 2,500	$ 2,500	$ -	$ 13,000	$ 13,000	$ -	**$ 66,000**
Jasmine Pump Station	$ -	$ -	$ -	$ 1,650	$ 2,500	$ 2,500	$ -	$ 13,000	$ 13,000	$ -	**$ 32,650**
Mesmer Pump Station	$ -	$ -	$ -	$ 15,890	$ 15,500	$ 15,500	$ -	$ -	$ -	$ -	**$ 46,890**
Overland Pump Station	$ -	$ -	$ -	$ 20,680	$ 2,500	$ 15,500	$ -	$ -	$ -	$ -	**$ 38,680**
Annual Reserve Requirement (uninflated)	***$ 26,915***	***$ 558,675***	***$ 673,000***	***$ 71,015***	***$ 1,039,275***	***$ 868,050***	***$ 134,865***	***$ 373,600***	***$ 120,800***	***$ 916,445***	$ 4,782,640
Inflation Rate Factor (5.0%)	*1.0000*	*1.0500*	*1.1025*	*1.1576*	*1.2155*	*1.2763*	*1.3401*	*1.4071*	*1.4775*	*1.5514*	
Annual Reserve Requirement (inflated-5.0%)	***$ 26,915***	***$ 586,609***	***$ 741,983***	***$ 82,207***	***$ 1,263,239***	***$ 1,107,892***	***$ 180,733***	***$ 525,693***	***$ 178,482***	***$ 1,421,773***	$ 6,115,524
Average Annual Reserve Requirement (uninflated)	***$ 478,264***										
Average Annual Reserve Requirement (inflated)	***$ 611,552***										

Attachment 11

Attachment 12

PARKS, RECREATION, AND COMMUNITY SERVICES DEPARTMENT

SUMMARY OF FACILITY ASSESSMENT REPORTS

Park	Routine Costs	Immediate Repair Costs	Replacement Reserve Cost	Insurance Replacement Cost *
Blair Hills- Option 1	$10,426	$35,058	$8,067	$81,700
Blair Hills- Option 2	-	$137,275	$7,039	-
Blanco	$14,769	$39,422	$10,672	$141,300
Carlson	$4,509	$4,224	$0	$114,000
Culver City Park	$50,345	$113,903	$1,267	$393,960
Culver West Alexander	$13,083	$15,065	$2,868	$774,860
El Marino- Option 1	$22,957	$120,379	$1,745	$244,380
El Marino- Option 2	-	$213,304	$1,323	-
Fox Hills	$23,535	$55,191	$2,266	$263,100
Syd Kronenthal- Short Term	$29,302	$78,141	$23,906	$811,500
Syd Kronenthal- Long Term	-	-		-
Lindberg	$25,110	$178,105	$9,010	$443,800
Tellefson	$2,033	$21,119	$2,745	$106,700
Veterans Memorial **	$4,065	$11,968	$27,455	$276,200
TOTALS	**$200,134**	**$1,023,154**	**$98,363**	**$3,651,500**

* Without Depreciation Factor

** These numbers may change substantially after the two conceptual master plans are completed.

(June 2007)

Attachment 13

Pavement Summary System Budget Needs Most Cost Effective – June 2007			
Type of work	Total projects	Total cost	Center lane miles
2 inch Grind and Overlay	214	$9,400,000	27.2 miles
Reconstruction	11	$1,190,000	1.0 miles
Slurry Seal	62	$400,000	7.5 miles
Concrete Streets (spot repairs)	27	$7,100,000	1.9 miles
Crack seal, spot repair, patching	283	$2,400,000	38 miles
Total	597	$20,500,000	75.6 miles

120.7 center lane miles in the City.

Concrete – 30 years design life is industry standard however it can last much longer if heavy traffic loads are not allowed on it.

Pavement – 20 years design life is industry standard however it can vary and depends on traffic loads, utility cuts, and wet weather.

Concrete is rated differently than asphalt. PCI of 83 is considered average.

PCI of 75 is the threshold for replacement.

Current Network Pavement Condition Index is 72 for concrete and asphalt.

System requires minimum $2,700,000 to maintain backlog of $20,500,000.

Assumption: If no backlog, within 5 years, 15 to 20% of streets will need a slurry seal.

Attachment 14

Culver CITY

INTEROFFICE MEMORANDUM

DATE: 6/13/2007

TO: Marlee Chang, City Controller

FROM: Charles Herbertson, Public Works Director/City Engineer

SUBJECT: Street Light Coversion and On-going Maintenance Costs

Currently there are a total of 3,162 street lights in the City inventory. Of this amount, 2099 have been coverted to multiple circuits and 1063 (33%) are still on the high voltage series circuits. The cost to covert these remaining 1,063 series lights to multiple circuits is calculated as follows:

1,063 lights X $10,000/light = $10,630,000

Currently the annual cost of maintaining the overall street light system is estimated as follows:

Energy Costs:	$ 410,000
Maintenance Costs:	$ 454,000
Total Annual Costs:	$ 864,000

9770 CULVER BOULEVARD CULVER CITY, CA 90232-0507