



	<b>Superior Customer Service</b> <ul style="list-style-type: none"><li>• Develop the knowledge and skills, and secure the resources and tools to provide superior services to the community</li><li>• Be innovative and open to change</li><li>• Seek out efficiencies and streamlining efforts</li><li>• Stay current and adopt best practices</li></ul>
	<b>Open Communication</b> <ul style="list-style-type: none"><li>• Listen openly and speak candidly when interacting with others</li><li>• Promote two-way communication at all levels of the organization, between management and staff, across departments, and with the community</li><li>• Ensure that employees are informed and have access to important information</li></ul>
	<b>Trust &amp; Respect</b> <ul style="list-style-type: none"><li>• Be honest, ethical, and transparent when dealing with others</li><li>• Take responsibility and be accountable for your actions</li><li>• Establish expectations and adhere to standards of conduct for yourself and others</li></ul>
	<b>Integrity &amp; Accountability</b> <ul style="list-style-type: none"><li>• Treat everyone fairly</li><li>• Foster mutual respect at all levels of the organization</li><li>• Embrace diverse views and experiences</li></ul>
	<b>Recognition &amp; Celebration</b> <ul style="list-style-type: none"><li>• Acknowledge contributions</li><li>• Celebrate accomplishments</li><li>• Make Milpitas an enjoyable and fun place to work</li><li>• Show support and care for all employees</li></ul>



# *Proposed Operating Budget & CIP Adoption May 17, 2016*

# Public Meetings

<b>Date</b>	<b>Description</b>	<b>Time</b>
<b>3/7/16</b>	<b>Review Draft Parks projects in the CIP budget (PRCRC)</b>	<b>7PM</b>
<b>3/16/16</b>	<b>Review Draft CIP (Finance Subcommittee)</b>	<b>4PM</b>
<b>3/23/16</b>	<b>Review Draft CIP (Planning Commission)</b>	<b>7PM</b>
<b>3/28/16</b>	<b>Review Draft CIP (Planning Commission)</b>	<b>6:30PM</b>
<b>4/25/16</b>	<b>Review Draft Operating &amp; CIP (City Council)</b>	<b>4PM</b>
<b>5/17/16</b>	<b>Public Hearing for Budget and CIP *</b>	<b>7PM</b>

# Community Vision

## Community Vision

Preserve a close-knit & diverse community  
Support sustainable growth  
Ensure public safety  
Enhance the environment  
Nurture families and connections

## Organizational Mission

The City of Milpitas is committed to accomplishing the community's vision by providing fiscally sound, superior services



### Superior Customer Service

- Develop the knowledge and skills, and secure the resources and tools to provide superior services to the community
- Be innovative and open to change
- Seek out efficiencies and streamlining efforts
- Stay current and adopt best practices

### Open Communication

- Listen openly and speak candidly when interacting with others
- Promote two-way communication at all levels of the organization, between management and staff, across departments, and with the community
- Ensure that employees are informed and have access to important information



### Trust & Respect

- Be honest, ethical, and transparent when dealing with others
- Take responsibility and be accountable for your actions
- Establish expectations and adhere to standards of conduct for yourself and others

### Integrity & Accountability

- Treat everyone fairly
- Foster mutual respect at all levels of the organization
- Embrace diverse views and experiences



### Recognition & Celebration

- Acknowledge contributions
- Celebrate accomplishments
- Make Milpitas an enjoyable and fun place to work
- Show support and care for all employees

# Meeting Purpose

Open and close a public hearing and adopt resolutions to:

- Approve the Final Operating and Capital Budget for FY 16-17
- Approve the 2016-21 Capital Improvement Program (CIP)
- Adopt the state required Appropriations Limit
- Amend the Classification Plan for FY 2016-17

Review proposed administrative update to Building & Safety fees

# Discussion Items

- Highlight the Budget following the April study session
- Department Presentations:
  - Accomplishments - Goals – Budget Changes
- Address questions raised at the study session
- Capital Improvement Program (CIP) update
- Building fees subject to administrative updates
- Public Input and Q&A

# Budget Highlights

## General Fund

- Balanced Operating Fund
- Reserves maintained
- Focus on - Safety - Infrastructure - Development
- Compensation & pension the bulk of cost increases
- Reflects staffing augmentation in key service areas
- Labor cost projections included
- Revenue increases in: Prop Tax - Sales Tax- Dev. Revenue
- Development activity plays a significant role

# Budget Highlights (cont.)

## Staffing Total of 339.25

- 11 Overall Increase in Funded FTEs from 15-16:
  - 1 Police Officer ( CFD)
  - 1 Police Dispatcher (CFD)
  - 1 Fire Inspector/Investigator (CFD & Fee)
  - 1 Engineering Assoc. Civil Engineer (Enterprise)
  - 1 Public Works Asst. Water Operator (Enterprise)
  - 1 Public Works Maintenance Worker II (Enterprise)
  - 2 Public Works Maintenance Worker II (Gen)
  - 1 Economic Development Specialist (Gen) \*
  - 1 Finance Senior Accountant (Gen) \*
  - 1 Information Systems Administrator (Gen) \*

\* Remaining “decision point” items recommended by staff

# Budget Highlights (cont.)

## Staffing Reclassifications

- 4 Police Title Changes (Evidence Tech. & Captains)
- 1 Public Works Manager \*
- 4 Public Works Leads \*
- 1 Engineering Senior Inspector \*

\* Position defunding/deletions offset most of the cost impact

\* Assistant CM position defunded

# Equipment

<b>Dept.</b>	<b>Request</b>	<b>Cost</b>	<b>Cost Savings/ Offset</b>	<b>Net GF Fiscal Impact</b>
Police	3 Patrol Vehicles	\$110,000	Funded mostly by replacement & Asset Seizure funds	\$8,000
Recreation	4 items of Gym Exercise Equipment	\$27,000	Funded fully by replacement fund	-0-
Fire	4 Defibrillators	\$145,000	Funded fully by replacement fund	-0-
Fire	1 Ford F350 – Batt Chief	\$100,000	Funded mostly by replacement fund	-0-

# Equipment

<b>Dept.</b>	<b>Request</b>	<b>Cost</b>	<b>Cost Savings/ Offset</b>	<b>Net GF Fiscal Impact</b>
Building	1 Ford Escape Hybrid	\$28,000	<b>New Vehicle</b>	\$28,000
Public Works	1 Backhoe Tractor	\$150,000	<b>Replacement - Funded 100% by Utility operations</b>	-0-
Public Works	1 Ford F350	\$30,000	<b>New Vehicle- Funded 100% by Utility operations</b>	-0-

# What Did Not Make the Cut

12 Staff  
Positions \$2  
Million

\$730K in  
equipment  
requests

Several  
Reclassification  
Requests

# Budget Highlights (cont.)

## Other Areas

- Significant Infrastructure Investment - \$43.8M
- Proposes fortifying pension reserves & phased use
- 5 Year Forecast urges us to stay paced & cautious
- Challenges remain on the Horizon

# Proposed General Fund Summary

## Estimated Revenues

Property Tax

Sales Tax

TOT & Other taxes

Other Revenue

Net Operating Transfers

**Total Estimated Revenues**

## Estimated Expenditures

Personnel Services

Contractual Services & Supplies

**Total Estimated Expenditures**

**Revenue over Expenses**



(in thousands)

\$ 26,716

22,019

13,341

15,651

5,115

**\$ 82,842**

\$ 66,281

16,367

**\$ 82,648**

**\$ 194**

# Strengthening of PERS Reserve

- \$5.4 million currently in the PERS Rate Stabilization Reserve
- Use \$2.8 million of a one-time 16-17 sales tax State adjustment to **strengthen PERS reserves to \$8.2 Million**
- To be used to offset expected hikes in pension rates
- Goal is to mitigate the impact of these seemingly certain cost increases

# Key Reserves

	<b>General Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>
Restricted	18.0 M	-	-
Restricted for CIP	-	17.8 M	25.6 M
Committed for PERS	5.4 M	-	-
Assigned	2.8 M	-	-
Policy Reserves	12.5 M	6.1 M	13.7 M
<b>TOTAL</b>	<b>38.8 M</b>	<b>23.9 M</b>	<b>39.3 M</b>

<b>Expenditures</b>	<b>82.6 M</b>	<b>21.8 M</b>	<b>9.3 M</b>
<b>Policy Reserves %</b>	<b>15%</b>	<b>28%</b>	<b>147%</b>

# Five Year Forecast

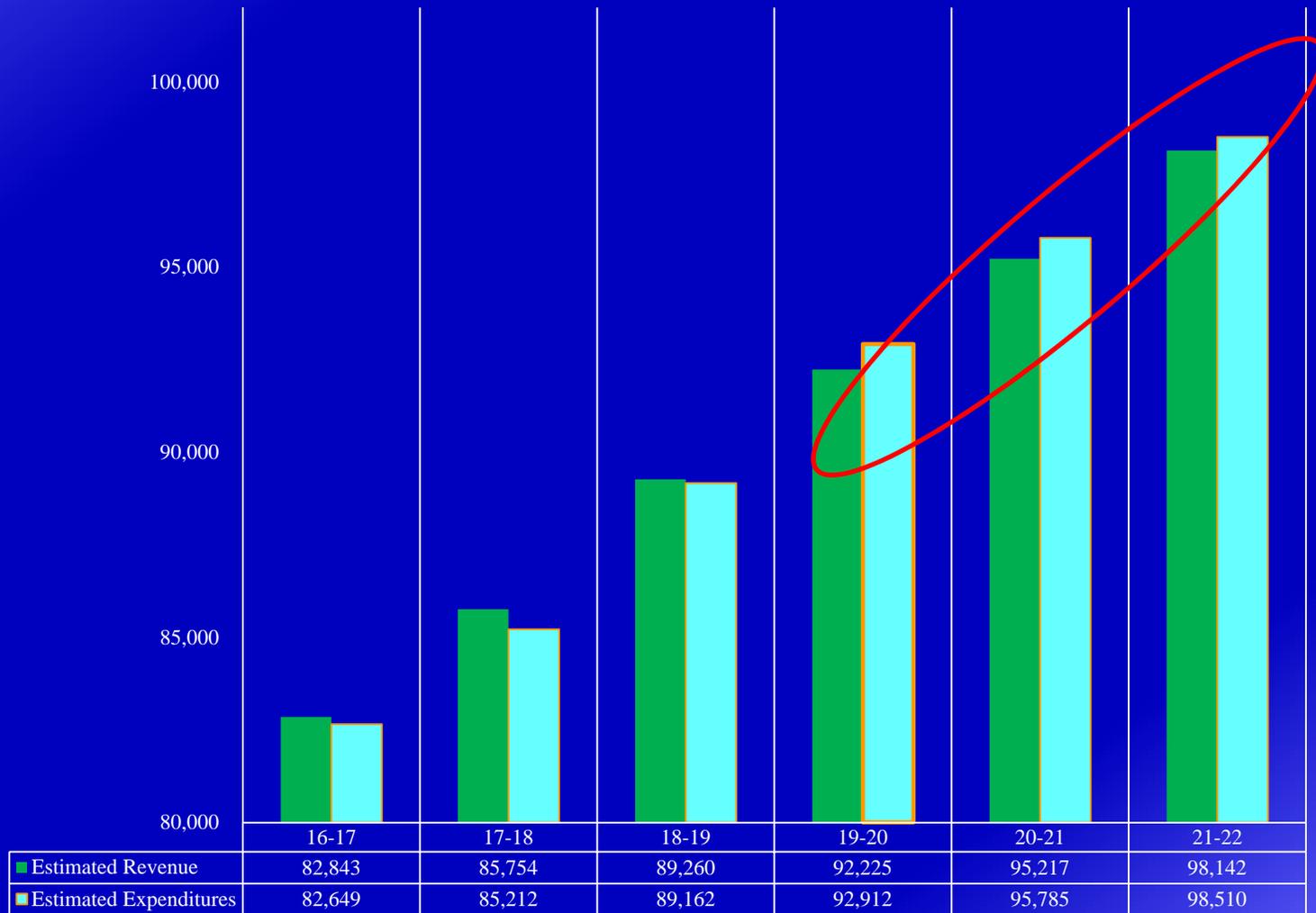
	16-17	17-18	18-19	19-20	20-21	21-22
<b>Estimated Revenue</b>	82,843	85,754	89,260	92,225	95,217	98,142
<b>Estimated Expenditures</b>	<u>82,649</u>	<u>85,212</u>	<u>89,162</u>	<u>92,912</u>	<u>95,785</u>	<u>98,510</u>
<b>Revenue Over Exp.</b>	194	542	98	(687)	(568)	(368)
PERS Reserve (Replenish)/Use	<u>(194)</u>	<u>(542)</u>	<u>(98)</u>	<u>687</u>	<u>568</u>	<u>368</u>
<b>Net After PERS Reserve</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Proposed  
Restored  
positions  
included in  
forecast

Signals us to  
Proceed With  
Caution

Includes the use of Fortified Pension  
Stabilization Reserves established in 16-17 and  
used as needed

# Five Year Forecast





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## *Department Presentation*

# City Manager

## FY15-16 Accomplishments:

- ✓ Implemented City Council's priorities for FY 15-16
- ✓ Maintained "AAA" credit rating
- ✓ Citywide Strategic Planning Process
- ✓ Implemented fiscal & organizational strategies for cost effectiveness
- ✓ Continued to improve the economic base of the City

(Thousands)	<b>FY 15-16 <u>Approved</u></b>	<b>FY 16-17 <u>Proposed</u></b>	<b>% <u>Change</u></b>
<b>Personnel</b>	<b>\$ 1,084</b>	<b>\$ 954</b>	<b>-12%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>184</u></b>	<b><u>360</u></b>	<b>96%</b>
<b>Total</b>	<b>\$ 1,268</b>	<b>\$ 1,314</b>	<b>4%</b>

Funded FT Positions: 4

# City Manager

## **FY16-17 Goals:**

- ✓ Implement City Council priorities for fiscal year 2016-17
- ✓ Continue to improve service delivery, permit streamlining and customer satisfaction
- ✓ Provide leadership to municipal organization
- ✓ Implement financial strategies that ensure cost effective service delivery
- ✓ Continue to improve the economic base and fiscal health of the City
- ✓ Implement Citywide Strategic Planning Process

# Economic Development

## **FY15-16 Accomplishments:**

- ✓ Outreached to small and large businesses. Contacted over 1,600 by mail and over 120 in person.
- ✓ Facilitated development and permitting process for industrial projects and retail and Commercial. Most notable are Cisco, Westport Development, Tasman Tech Park, and The District.
- ✓ Developed stronger ties with regional and local organizations.
- ✓ Promote retail and business opportunities to regional and national brokers and businesses.
- ✓ Developed and implement a plan to maximize exposure and activity in Milpitas during the Super Bowl 50. Net result was positive media exposure, increase in business sales and TOT rates. #ShopMilpitas50 reached over 27,000 social media users.
- ✓ Implemented and launched the first City-wide Newsletter.

# Economic Development

## **FY 16-17 Goals:**

- ✓ Develop the Economic Development Marketing and Branding Plan
- ✓ Begin the Economic Development Element of the General Plan
- ✓ Explore revenue generating programs, policies, and sources
- ✓ Complete a study for a City-wide Shuttle Programs
- ✓ Launch the Main Street BID / Assessment District
- ✓ Develop new media and internet-based tools to attract and retain businesses
- ✓ Attract businesses to 180,000 square feet of newly available commercial spaces
- ✓ Continue to build on FY 15-16 accomplishments

# City Clerk

## FY15-16 Accomplishments:

- ✓ Prepared 22 regular City Council meeting agendas & packets
- ✓ Continued active Passport Application Acceptance program
- ✓ Collected FPPC filings and submitted appropriate forms to State
- ✓ Implemented Records Retention Schedule
- ✓ Assisted proponents with Ballot Measure filings

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	\$ 355	\$ 367	3%
<b>Services &amp; Supplies</b>	<u>33</u>	<u>228</u>	591%
<b>Total</b>	\$ 388	\$ 595	53%

Funded FT Positions: 2

# City Clerk

## **FY16-17 Goals:**

- ✓ Prepare, distribute and post all regular and special City Council meeting agendas and materials
- ✓ Administer all procedures for Municipal Election on Nov 8, 2016 for candidates and ballot measure(s)
- ✓ Continue Passport Application Acceptance program by appointment only
- ✓ Receive, review and file all required FPPC forms (for conflict of interest & campaigns)

# City Attorney

## FY15-16 Accomplishments:

- ✓ Advised/prepared documents for numerous Planning projects
- ✓ Handled/supervised numerous administrative and court actions
- ✓ Advised on solid waste process/reviewed agreements for same
- ✓ Advised on ordinances, including Special Events, Single Use Plastic Bags, Water Rates Adjustment, Medical Marijuana Cultivation, and Administrative Citation Process ordinances

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	\$ 723	\$ 159	-78%
<b>Services &amp; Supplies</b>	<u>129</u>	<u>565</u>	338%
<b>Total</b>	\$ 852	\$ 724	-15%

Funded FT Positions: 1

# City Attorney

## **FY16-17 Goals:**

- ✓ Provide superior, affordable, timely legal advice and service
- ✓ Provide legal guidance through continuing RDA wind-down
- ✓ Provide ongoing legal training to staff, commissions, etc.
- ✓ Provide advice and direction re: odor mitigation project
- ✓ Provide ongoing advice re: TASP, including BART project, and future development projects
- ✓ Complete City Council Handbook update
- ✓ Update various Municipal Code sections, as authorized

# Building and Safety

## FY15-16 Accomplishments:

- ✓ Continued to improve automation of inspection reporting
- ✓ Continued to utilize same plan checker and inspector from project start to finish
- ✓ Continued cross-training of staff to improve consistency and efficiency
- ✓ Increased the range of project types available for online plan submittal

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	<b>\$3,403</b>	<b>\$3,860</b>	<b>13%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>145</u></b>	<b><u>214</u></b>	<b>48%</b>
<b>Total</b>	<b>\$ 3,548</b>	<b>\$4,074</b>	<b>18%</b>

Funded Positions: 18 Full Time + 5 Temporary

# Building and Safety

## **FY16-17 Goals:**

- ✓ Continue to improve efficiency and automation of inspection reporting
- ✓ Improve coordination and efficiency with other departments
- ✓ Continue to improve online plan submittal and plan review
- ✓ Continue to utilize same plan checker and inspector from project start to finish
- ✓ Continue to cross-train staff to improve consistency and efficiency
- ✓ Adopt new State Building Codes and train staff
- ✓ Maintain same turn around time for plan check and inspection services

# Information Services

## FY15-16 Accomplishments:

- ✓ Completed CAD (Computer Aided Dispatch) System Upgrade
- ✓ Completed Business Listing App for Super Community Events
- ✓ Completed Office 2013/Office 2016 Upgrade
- ✓ Completed New Website
- ✓ Completed Upgrade to Firewalls for enhanced security (ransomware)
- ✓ 24/7 Support with 30 minutes response

(Thousands)	<b>FY 15-16</b> <b><u>Approved</u></b>	<b>FY 16-17</b> <b><u>Proposed</u></b>	<b>%</b> <b><u>Change</u></b>
<b>Personnel</b>	<b>\$ 1,627</b>	<b>\$ 1,846</b>	<b>14%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>1,364</u></b>	<b><u>1,334</u></b>	<b>-2%</b>
<b>Total</b>	<b>\$ 2,991</b>	<b>\$ 3,180</b>	<b>6%</b>

Funded FT Positions: 10

# Information Services

## **FY16-17 Goals:**

- ✓ Collaborate with Police to replace the Record Management System (RMS)
- ✓ Complete Ring Down System replacement
- ✓ Complete Upgrade to Application Xtender Document Management System
- ✓ Complete Upgrade to Tritech Cad System for combined mapping
- ✓ Upgrade / Replace current Budgeting Application

# Human Resources

## FY15-16 Accomplishments:

- ✓ Updated City’s Harassment Prevention Policy and Anti-Discrimination/Harassment Training materials.
- ✓ Developed policy and implemented AB1522, Paid Sick Leave.
- ✓ Increased social media advertising on LinkedIn and Twitter.
- ✓ Successfully completed 59 recruitments. Hired 33 new full-time employees and 71 part-time employees, promoted 26 employees.
- ✓ Increased City-wide Training to support strategic plan values.

(Thousands)	<b>FY 15-16 <u>Approved</u></b>	<b>FY 16-17 <u>Proposed</u></b>	<b>% <u>Change</u></b>
<b>Personnel</b>	<b>\$ 724</b>	<b>\$ 739</b>	<b>2%</b>
<b>Services &amp; Supplies</b>	<b><u>448</u></b>	<b><u>474</u></b>	<b>6%</b>
<b>Total</b>	<b>\$ 1,172</b>	<b>\$ 1,213</b>	<b>4%</b>

Funded FT Positions: 4

# Human Resources

## **FY16-17 Goals:**

- ✓ Continue to offer and enhance citywide training program to support strategic plan values.
- ✓ Review, streamline, and update Human Resources policies and practices.
- ✓ Improve the Performance Appraisal Review (PAR) forms to effectively evaluate employee performance.
- ✓ Negotiate successor MOUs for bargaining groups.
- ✓ Implement job analyses for new and updated job descriptions.
- ✓ Implement on-line requisition tracking system.
- ✓ Administer Personnel Action Form (PAF) process for routine items to increase efficiencies and timely data entry.

# Recreation

## FY15-16 Accomplishments:

- ✓ Expanded the After the Bell after school program to include Spangler Elementary School.
- ✓ Promoted Recreation's Registration System, ActiveNet, and as a result increased online enrollment from 8% to 28%.
- ✓ Increased registration in Pre-K Enrichment classes by 60%.
- ✓ Increased the Adopt-A-Spot program participation from one, to four parks having a local organization/business sponsor.

(Thousands)	<b>FY 15-16</b> <b><u>Approved</u></b>	<b>FY 16-17</b> <b><u>Proposed</u></b>	<b>%</b> <b><u>Change</u></b>
<b>Personnel</b>	<b>\$ 2,704</b>	<b>\$ 2,999</b>	<b>11%</b>
<b>Services &amp; Supplies</b>	<b><u>1,196</u></b>	<b><u>1,225</u></b>	<b>2%</b>
<b>Total</b>	<b>\$ 3,900</b>	<b>\$ 4,224</b>	<b>8%</b>

Funded FT Positions: 15.75

# Recreation

## FY16-17 Goals:

- ✓ Diversify Senior Center programming and membership by including 6 new classes, programs and/or events.
- ✓ Offer a web based training/workshop through the Milpitas Volunteer Partner Program on Emergency Volunteer Centers to be better prepared for City-wide emergencies.
- ✓ Provide two new non-traditional youth sports classes/camps such as futsal, lacrosse and cricket, in response to community input.
- ✓ Increase participation in the summer swim programs by 15%.
- ✓ Continue to host the Milpitas GeoTour, the first ever in the State of California.

# Public Works

## FY15-16 Accomplishments:

- ✓ Repaired storm pump stations in preparation for El Niño
- ✓ Addressed over 3,500 customer service requests received via phone, e-mail, and drop-in
- ✓ Maintained 203 miles of water, 173 miles of sewer, 99 miles of storm, 11 miles of recycled water, 138 miles of streets and sidewalks and 15,445 trees throughout the City
- ✓ Experienced 20% water reduction, exceeding the 12% target mandated by the State, and coordinated drought emergency response and public outreach
- ✓ Began implementation of departmental organization restructuring, succession planning, and training program

(Thousands)	<b>FY 15-16 <u>Approved</u></b>	<b>FY 16-17 <u>Proposed</u></b>	<b>% <u>Change</u></b>
<b>Personnel</b>	<b>\$ 6,112</b>	<b>\$ 7,118</b>	<b>17%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>5,783</u></b>	<b><u>6,132</u></b>	<b>6%</b>
<b>Total</b>	<b>\$ 11,895</b>	<b>\$ 13,250</b>	<b>11%</b>

Funded FT Positions: 46

# Public Works

## **FY16-17 Goals:**

- ✓ Implement technology applications and seek out efficiencies in order to streamline and improve customer service response
- ✓ Resolve backlog of facilities repairs and proactively address sidewalks, trees, and weeds issues
- ✓ Complete sewer utility rate study in order to enhance sewer collection system maintenance and management
- ✓ Complete implementation of the Parks Playground Safety Program and associated CIP project
- ✓ Provide ongoing safety, technical, and professional training to employees to develop the knowledge and skills to deliver superior customer service

# Engineering

## FY15-16 Accomplishments:

- ✓ Completed construction of Milpitas Sports Center Fields and Swimming Pools.
- ✓ Completed McCarthy Blvd LLMD rehabilitation project.
- ✓ Completed reconstruction of South Main Street, Abel Street and overlay of Curtis Avenue.
- ✓ Continued efforts to update solid waste disposal and collection services.

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	<b>\$ 3,420</b>	<b>\$ 4,056</b>	<b>19%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>1,623</u></b>	<b><u>2,014</u></b>	<b>24%</b>
<b>Total</b>	<b>\$ 5,043</b>	<b>\$ 6,070</b>	<b>20%</b>

Funded FT Positions: 25

# Engineering

## **FY16-17 Goals:**

- ✓ Design recycled water pipeline extensions.
- ✓ Complete Library parking garage fire door conversion and EV Station installations.
- ✓ Continue the installation of the Automated Water Meter Replacement Project.
- ✓ Complete construction of 2017 Road Rehabilitation Project and Higuera Adobe Park improvements.
- ✓ Update Standard Design Details and Engineering SOP's
- ✓ Complete the paving reconstruction on 10 City bridges.
- ✓ Implement Phase 2 of LED Streetlight Improvement Project.

# Planning & Neigh. Services

## FY15-16 Accomplishments:

### *Current Planning:*

- ✓ Entitled 4,056 new residential units
- ✓ 173,000 sq. ft. of new retail space
- ✓ 800,000 sq. ft. of new industrial space
- ✓ 175 new hotel rooms

### *Long-Range Planning:*

- ✓ Streamlined the Special Events Ordinance.
- ✓ Began preparation of Development Handbook.
- ✓ Began General Plan Update process.

(Thousands)	<b>FY 15-16</b> <b><u>Approved</u></b>	<b>FY 16-17</b> <b><u>Proposed</u></b>	<b>%</b> <b><u>Change</u></b>
<b>Personnel</b>	<b>\$ 1,942</b>	<b>\$ 1,928</b>	<b>-1%</b>
<b>Services &amp; Supplies</b>	<b><u>1,450</u></b>	<b><u>1,730</u></b>	<b>19%</b>
<b>Total</b>	<b>\$ 3,392</b>	<b>\$ 3,658</b>	<b>8%</b>

Funded FT Positions: 11

# Planning & Neigh. Services

## **FY16-17 Goals:**

- ✓ Begin General Plan Update by Completing Technical Studies and Initiating Community Outreach Efforts
- ✓ Complete Development Handbook
- ✓ Update the Transit Area Specific Plan
- ✓ Update the Midtown Specific Plan
- ✓ Update Various Ordinances (Zoning Ordinance, Tree Ordinance, Sign Ordinance)
- ✓ Continue to provide quality, timely customer service for all applicants and to support TASP buildout.

# Police

## FY15-16 Accomplishments:

- ✓ Ensured response time to emergency calls remained under 3:00 (2:45 in 2015).
- ✓ Reduced residential burglaries by 18% in 2015.
- ✓ Reduced auto theft by 19% in 2015.
- ✓ Reduced UCR Part 1 Crimes by 6% in 2015.
- ✓ Actively using social media platforms for public outreach.

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	<b>\$ 25,280</b>	<b>\$ 26,708</b>	<b>6%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>1,554</u></b>	<b><u>1,457</u></b>	<b>-6%</b>
<b>Total</b>	<b>\$ 26,834</b>	<b>\$ 28,165</b>	<b>5%</b>

Funded FT Positions: 111

# Police

## **FY16-17 Goals:**

- ✓ Ensure average response times to emergency calls remain at 3:00 or under
- ✓ Ensure 100% registration by known sex offenders
- ✓ Implement Police and Community Education Seminar (PACES).
- ✓ Ensure all patrol personnel deploy a body worn camera.
- ✓ Replace Police Records Management System.
- ✓ Reduce UCR Part 1 Crimes by 3%.

# Fire

## FY15-16 Accomplishments:

- ✓ Responded to 5,100\* emergency incidents with an average response time of 4:24. (\*estimation based on a 10 month average)
- ✓ Responded to over 400 cardiac distress events with an average response time of 4:16.
- ✓ Fire Prevention Division conducted 900 plan reviews and performed over 4,750 inspections.

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	<b>\$ 15,107</b>	<b>\$ 15,923</b>	<b>5.4%</b>
<b>Services, Supplies &amp; Capital Outlay</b>	<b><u>1,839</u></b>	<b><u>1,955</u></b>	<b>6.3%</b>
<b>Total</b>	<b>\$ 16,946</b>	<b>\$ 17,879</b>	<b>5.5%</b>

Funded FT Positions: 63

# Fire

## **FY16-17 Goals:**

- ✓ Continue average response time of 4:30 minutes or less, 90% of calls.
- ✓ Maintain plan review/inspection target turn-around time at 98% or higher.
- ✓ Maintain service delivery to meet all major project and construction schedules.
- ✓ Continue to work on NIMS certifications for City EOC staff, and increase EOC drill frequency and public education outreach.
- ✓ Increase engagement in training opportunities, such as technical rescue, hazardous materials training, wild land fire and high rise drills.

# Finance

## FY15-16 Accomplishments:

- ✓ Implemented and distributed required Affordable Care Act Forms to employees
- ✓ Received awards for “Distinguished Budget Presentation” and “Excellence in Financial Reporting”
- ✓ Completed another “clean opinion audit” for FY 14-15 & Successfully navigated the FY 15-16 Budget

(Thousands)	<u>FY 15-16 Approved</u>	<u>FY 16-17 Proposed</u>	<u>% Change</u>
<b>Personnel</b>	\$ 3,174	\$ 3,390	7%
<b>Services, Supplies, and Capital Outlay</b>	<u>382</u>	<u>484</u>	27%
<b>Total</b>	\$ 3,556	\$ 3,874	9%

Funded FT Positions: 23.5

# Finance

## **FY16-17 Goals:**

- ✓ Review and update finance related Standard Operating Procedures
- ✓ Review existing finance processes for areas of operational efficiency
- ✓ Begin Automated Water Meter replacement project to provide real time consumption amounts to consumers
- ✓ In conjunction with I.S. - study and explore enterprise wide fiscal management technology models/platforms to enhance reporting tools and accessibility
- ✓ Develop training and succession planning within Finance
- ✓ Work with City Council and stakeholders to replace lost RDA revenue for capital improvement projects



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*April 25<sup>th</sup> Follow Up Questions*

# General Fund Uses by Service Areas

General Fund Uses by Service Area							(%)
City	Milpitas	Sunnyvale	Mnt View	Redwd City	S San Fran	Average	
-----Population	72,600	147,500	74,100	76,800	66,200	87,440	
-----FTEs	339	877	590	559	449	563	
-----Gen Fund	82,600,000	169,000,000	110,000,000	104,000,000	84,600,000	110,040,000	
Profile Notes	In House Police- Fire						
Police	34%	23%	31%	35%	30%	31%	
Fire	22%	23%	20%	25%	26%	23%	
Recreation	5%	10%	14%	14%	16%	12%	
Public Works/ Engineering	11%	19%	10%	8%	12%	12%	
Admin	10%	10%	13%	8%	8%	10%	
Other	18%	15%	12%	10%	8%	13%	
TOTAL	100%	100%	100%	100%	100%	100%	
Operating \$ Per Capita	\$ 1,137.74	\$ 1,145.76	\$ 1,484.48	\$ 1,354.17	\$ 1,277.95	\$ 1,280.02	
FTEs Per 1000 Capita	4.67	5.95	7.96	7.28	6.78		
Rank (1 to 5 - from lowest to highest)	1	2	5	4	3		

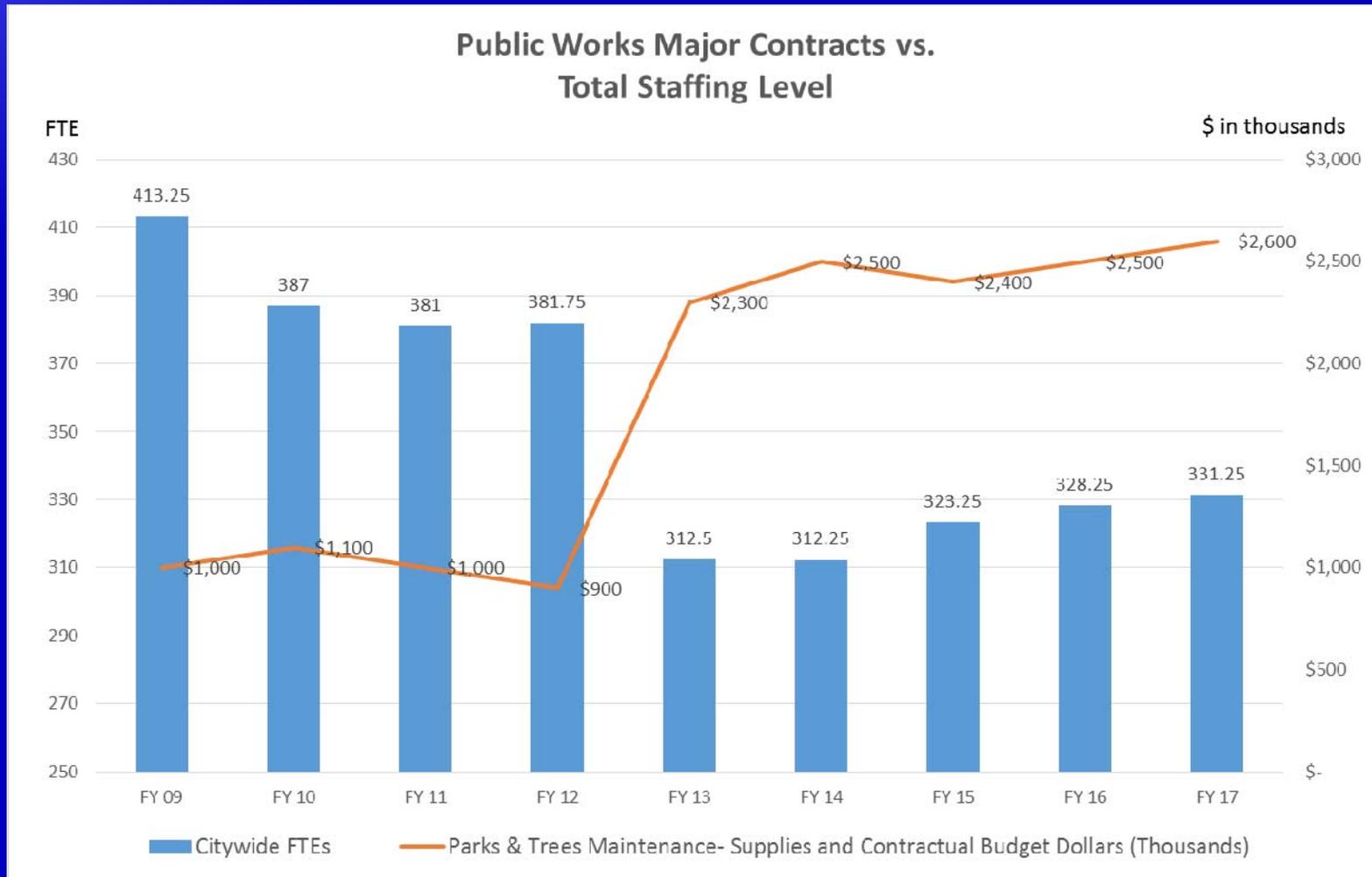
# General Fund Uses by Category

General Fund Uses by Category							(%)
City	Milpitas	Sunnyvale	Mnt View	Redwd City	S San Fran		
-----Population	72,600	147,500	74,066	76,800	66,200		
-----FTEs	339	877	590	559	449	<b>Average</b>	
<b>Salaries</b>	48%	82%	52%	80%	48%		
<b>Benefits</b>	32%		28%		30%		
<b>- Subtotal</b>	<b>80%</b>	<b>82%</b>	<b>80%</b>	<b>80%</b>	<b>78%</b>	<b>80%</b>	
<b>Contractual Svcs &amp; Supplies</b>	20%	18%	20%	20%	22%	20%	
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

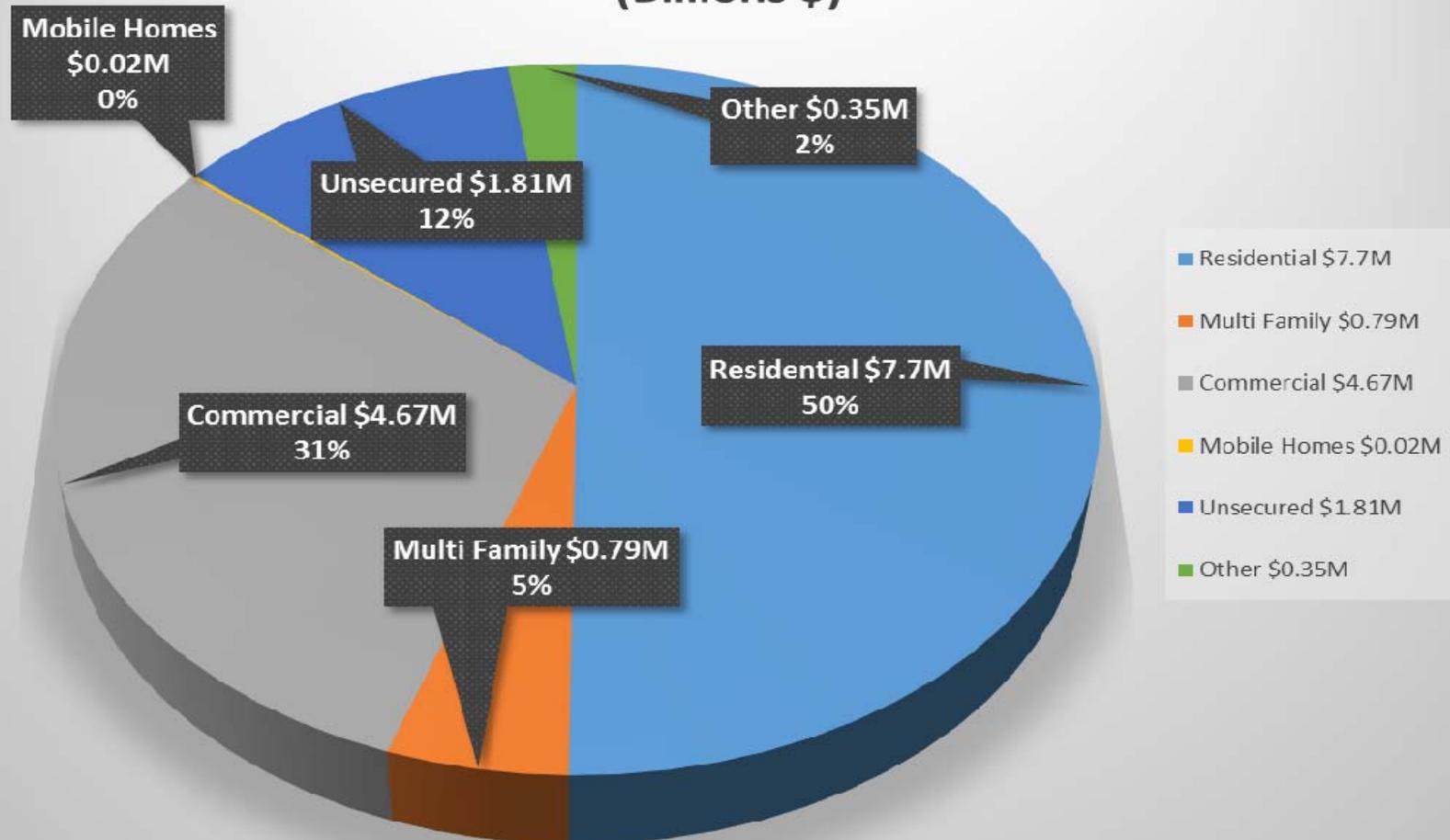
# *Benefits as a % of Salary*

Benefits as a % of Salary		(%)					
City	Milpitas	Sunnyvale	Mnt View	Redwd City	S San Fran	Average	
-----Population	72,606	147,500	74,066	76,800	66,200		
-----FTEs	339	877	590	559	449		
Salaries (\$)	\$ 36	\$ 100	\$ 55	N/A	\$ 41	N/A	
Benefits (\$)	\$ 30	\$ 64	\$ 28	N/A	\$ 25	N/A	
Benefits as a % of Salary	82%	64%	51%	N/A	61%	N/A	

# FTE vs. Contract Costs



## Property Tax By Type (Billions \$)





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## *Building & Safety Fees*

# Building & Safety Fees



## CITY OF MILPITAS

### BUILDING AND SAFETY DEPARTMENT

455 East Calaveras Boulevard, Milpitas, CA 95035-5479 – Tel. 408.586.3240, Fax 408.586.3285

[www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov)

#### Proposed increase in Building & Safety Department fees to be effective July 1, 2016

##### Background:

- Current fee schedule was adopted July 19, 2014.
- Fees are based on the average time required for plan check and inspection of various size and type of projects.
- No fee increases are proposed for the following fees:
  - Replacing residential water heater
  - Replacing residential furnace or air conditioner
  - Photovoltaic solar panels installation

##### Proposed rate increase:

	<u>Current</u>	<u>New Rates*</u>	<u>Proposed Increase</u>
Permit Technician	\$113/hr	\$114.89/hr	1.672566%
Inspector	\$148/hr	\$150.33/hr	1.574324%
Plan Checker	\$148/hr	\$150.33/hr	1.574324%
Plan Check Engineer	\$173/hr	\$173.04/hr	0%

\*Fully loaded rates are provided by the Finance Department.

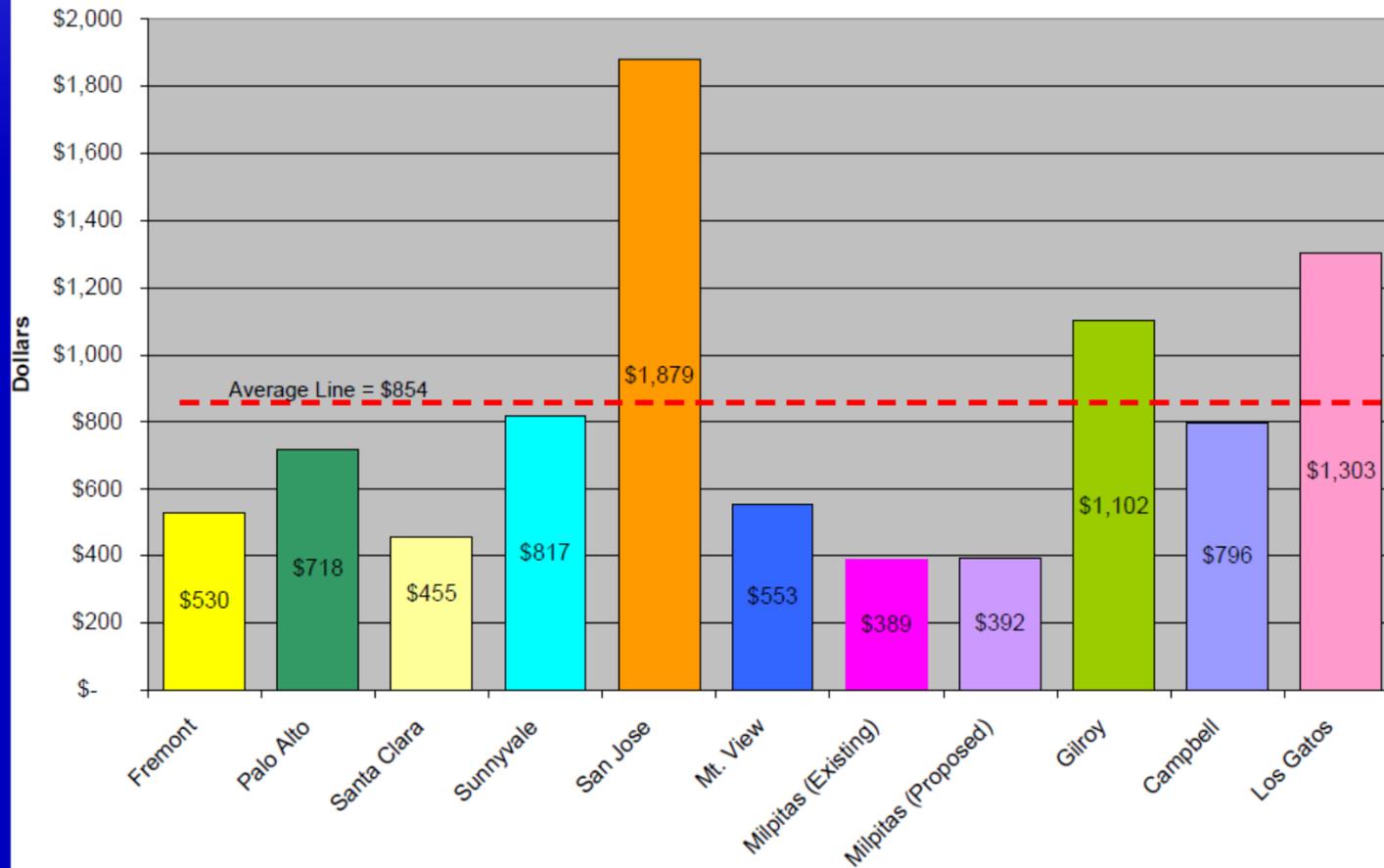
As a result of this hourly increase in cost, the Building and Safety Department proposes the changes in the attached Fee Schedule. Changes shown in red are the proposed new fees and text, and changes shown with a strikethrough are the existing fees and text proposed to be removed.

# Building & Safety Fees

CITY OF MILPITAS

BUILDING PERMIT FEE COMPARISON SURVEY  
May 5, 2016

Case I - Addition to Single-Family Dwelling, 1 Story, 100 sf  
Construction Valuation \$12,500



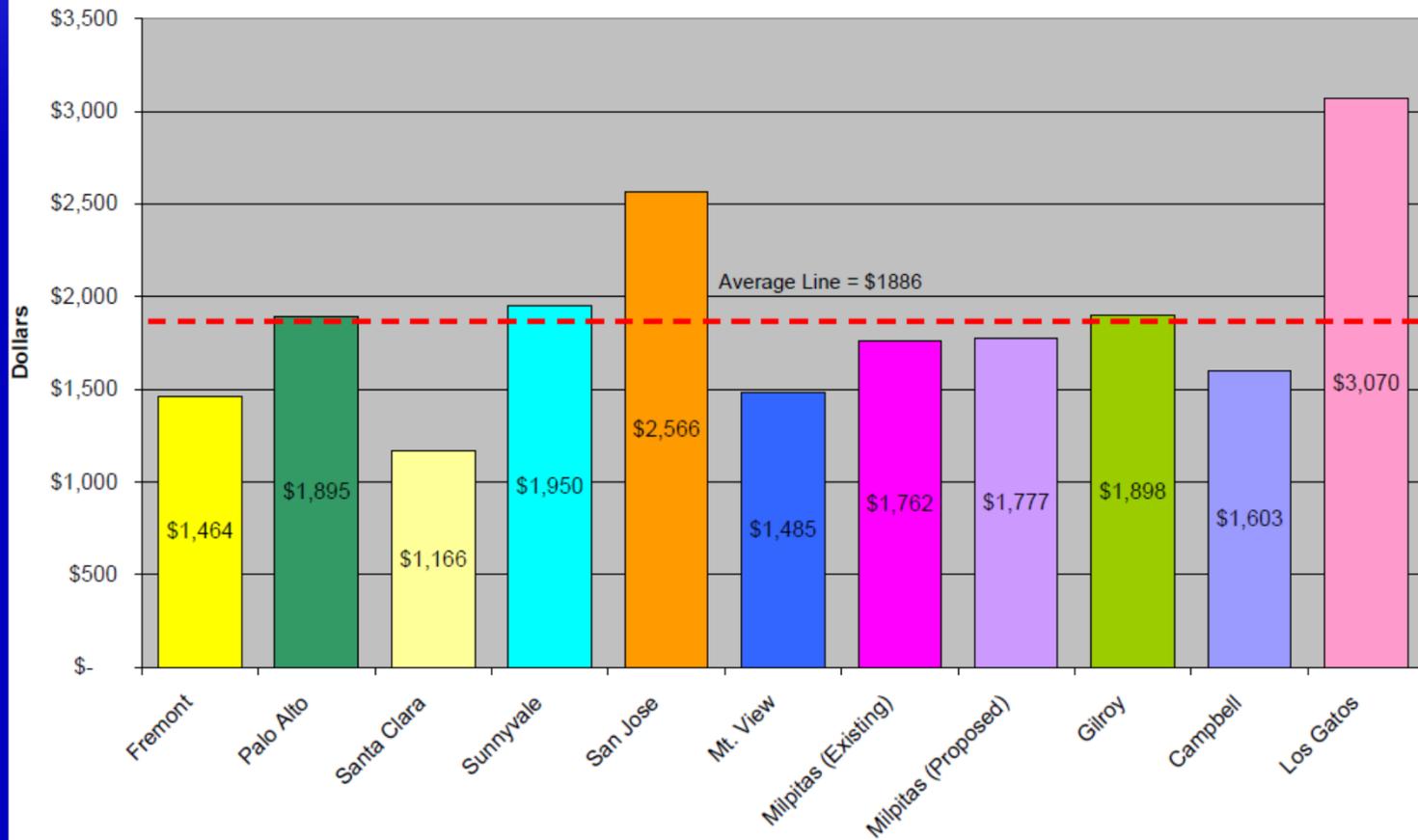
# Building & Safety Fees

CITY OF MILPITAS

BUILDING PERMIT FEE COMPARISON SURVEY

May 5, 2016

Case II - Addition to Single-Family Dwelling, 1 Story, 350 sf  
Construction Valuation \$43,750



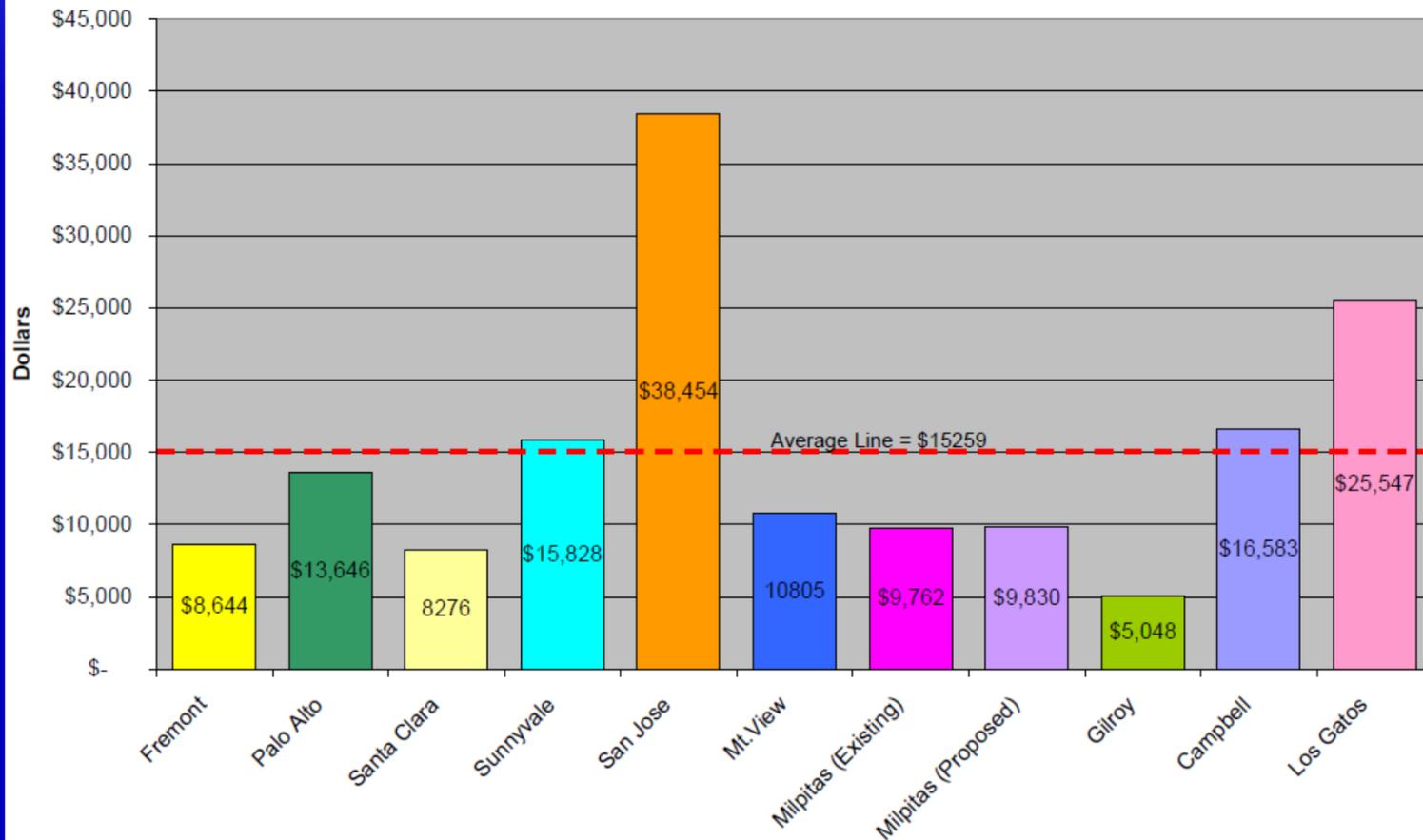
# Building & Safety Fees

CITY OF MILPITAS

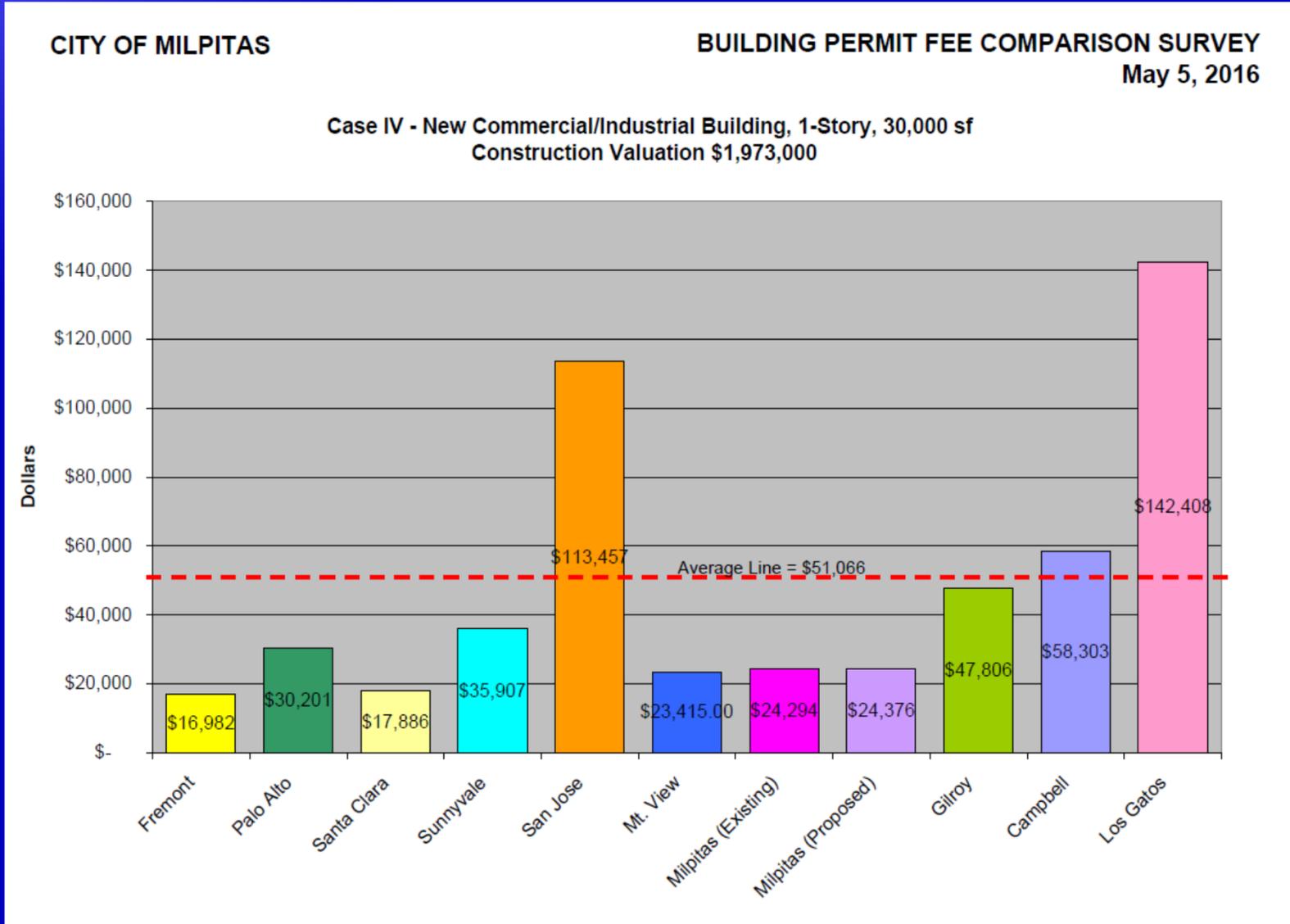
BUILDING PERMIT FEE COMPARISON SURVEY

May 5, 2016

Case III - Tenant Improvement in Existing Commercial Building, 15,000 sf  
Construction Valuation \$709,000



# Building & Safety Fees

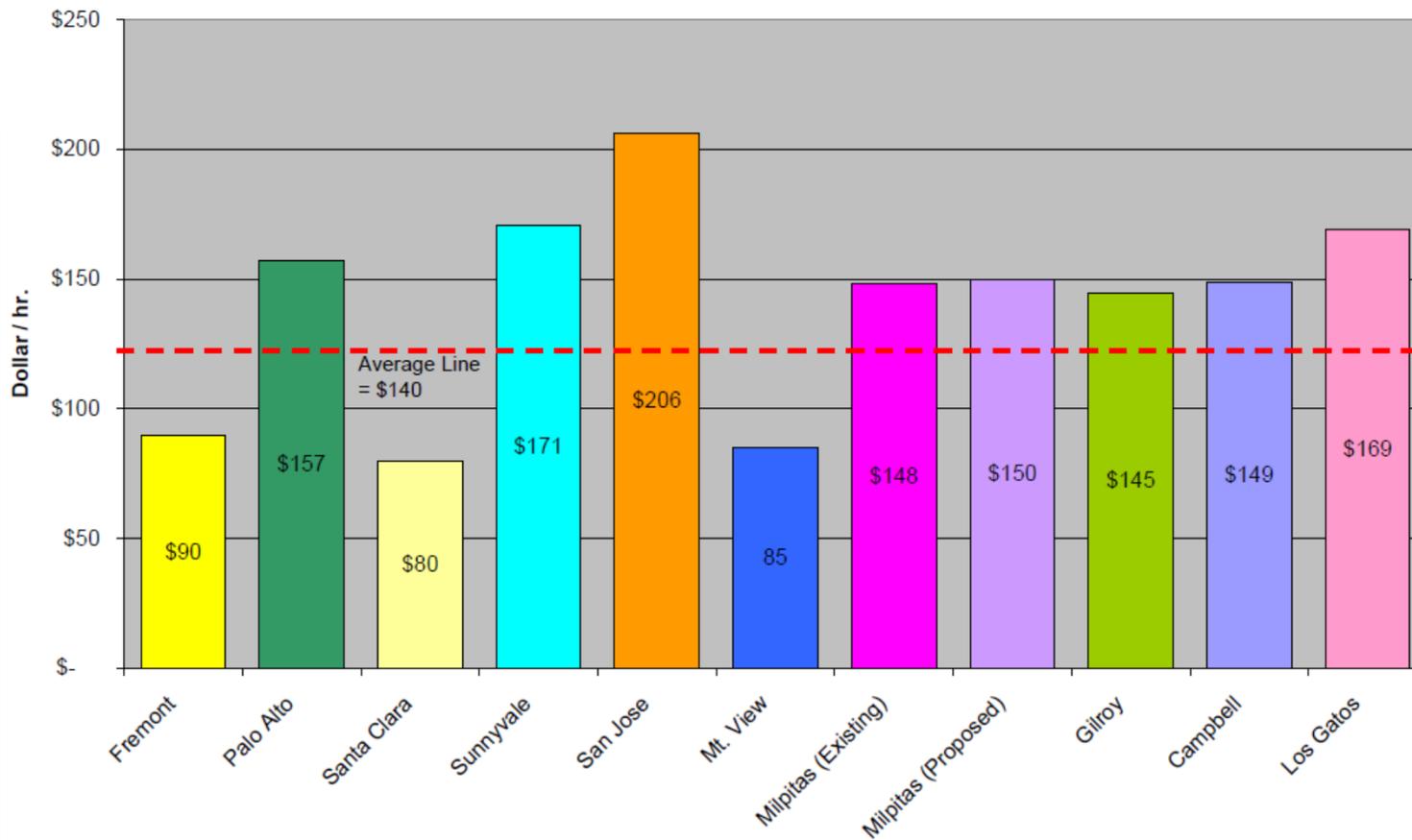


# Building & Safety Fees

CITY OF MILPITAS

BUILDING PERMIT FEE COMPARISON SURVEY  
May 5, 2016

Hourly Inspection Fee



# City Council Meeting



FY 2016-2021 Capital Improvement Program

May 17, 2016

Prepared by: Engineering Division

# CIP Project Amendments from the Study Session

1. City Gateway Tree Planting (Community Improvement, pg 15)
2. Feasibility & Location for Performing Arts Theater (Community Improvement, pg 17)
3. Shuttle Study (Community Improvement, pg 25)
4. Alviso Adobe Renovation (Parks, pg 44)
5. Higuera Adobe Park Caretaker's Cottage Renovation (Parks, pg 47)
6. Weller House Acquisition (Parks, pg 49)
7. Midtown Street Light Project (Streets, pg 80)
8. International Park (Prev. Funded, pg 213)

<b>CIP PROJECTS</b>	<b>FUNDING</b>	<b>START YEAR</b>	<b>COMMENTS</b>
1. City Gateway Tree Planting, pg 15	\$350,000 Development Contribution	FY 17-18	Project in conceptual phase.
2. Feasibility/Location for Performing Arts Theater, pg 17	\$20,000 General Govt. CIP	FY 16-17	Evaluate reuse and renovation of existing buildings to house facility.
3. Shuttle Study, pg 25	\$60,000 General Govt. CIP	FY 16-17	Study to explore city-wide shuttle service, routes, locations, budget, partnerships.
4. Alviso Adobe Renovation, pg 44	\$50,000 Park Fund	FY 16-17	Project Architect to assess and complete final design and drawings.

CIP PROJECTS	FUNDING	START YEAR	COMMENTS
5. Higuera Adobe Park Caretaker's Cottage Renovation, pg 47	\$20,000 Grants/Reimb. Developer Fees	FY17-18	Initial assessment to rebuild the historic cottage. Funding from Santa Clara County Open Space Authority.
6. Weller House Acquisition, pg 49	\$25,000 Park Fund	FY 16-17	Explore acquisition of the Weller House
7. Midtown Street Light Project, pg 80	\$100,000 Grants/Reimb. Developers Fees	FY16-17	Undergrounding is required between Corning and Curtis. Estimated project cost is \$6.1 M.
8. International Park, pg 213	\$452,000 Midtown Park Fund	FY 16-17	Sufficient funding is available for the design, drawings and specifications.

# 2016-21 CIP Funding Summary

	2016-17 Funding Year	2017-18	2018-19	2019-20	2020-21
<b>Community Improvements</b>	\$4,145,000	\$6,345,000	\$1,140,000	\$10,325,000	\$7,450,000
<b>Parks</b>	2,175,000	2,245,000	2,850,000	7,625,000	8,600,000
<b>Streets</b>	6,603,256	10,150,680	16,563,502	10,676,734	10,290,389
<b>Water</b>	23,110,000	13,440,000	16,395,000	24,810,000	12,995,000
<b>Sewer</b>	6,440,000	17,355,000	13,815,000	7,350,000	6,100,000
<b>Storm Drain</b>	1,365,000	3,190,000	2,570,000	7,395,000	6,870,000
<b>Total</b>	<b>\$43,838,256</b>	<b>\$52,725,680</b>	<b>\$53,333,502</b>	<b>\$68,181,734</b>	<b>\$52,305,389</b>

# Study Session Follow Up Item

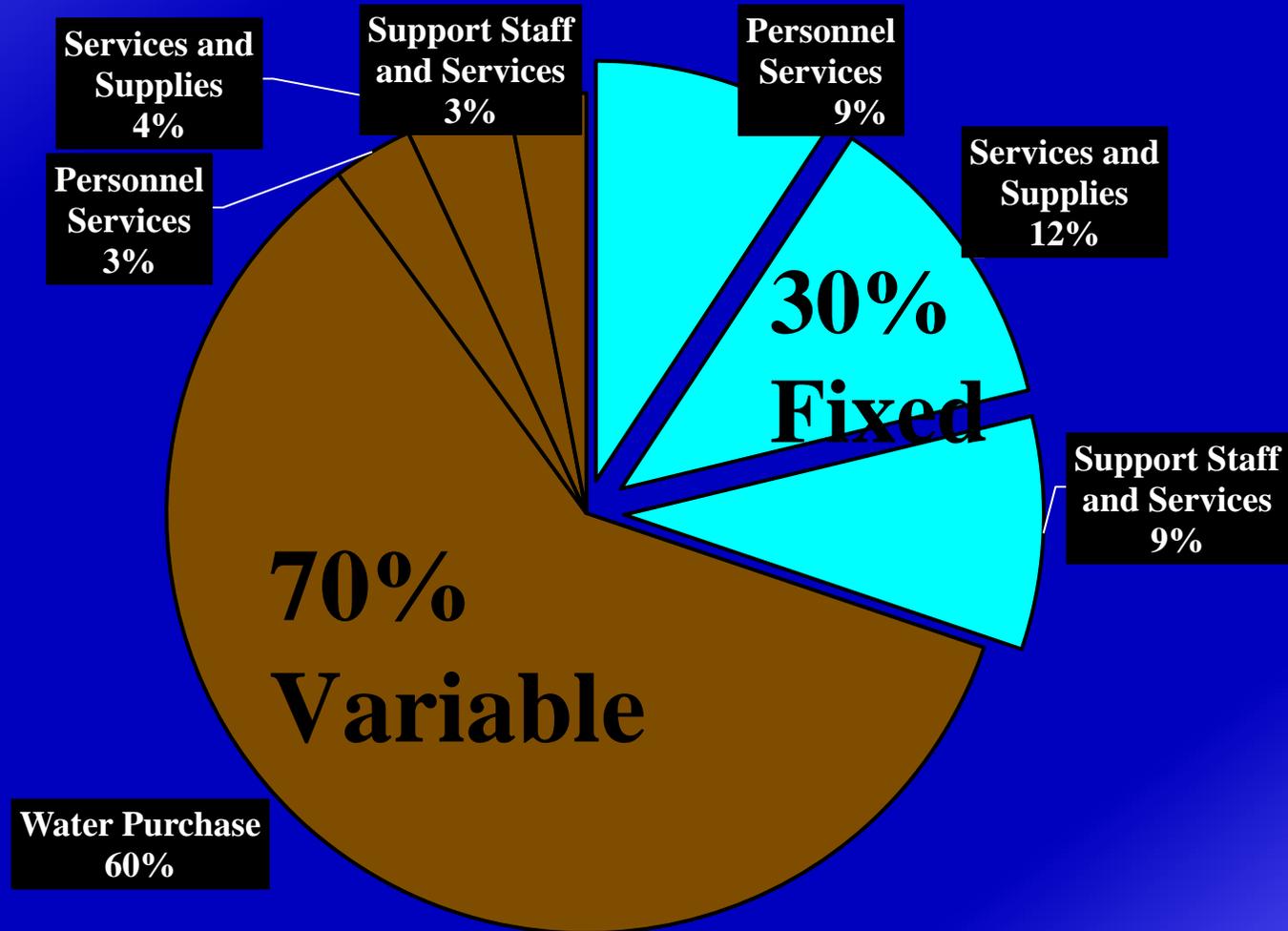
## Developer-constructed Infrastructure

Description	TASP Allocation*
Traverse Park	\$14 million
Recycled water extensions	\$4 million
Falcon Drive eastern sidewalk	\$500,000
Future Penitencia Creek Bridge	\$3.5 million**
Newbury Street	Developer funded
Garden Street	Developer funded
South Milpitas Boulevard West Leg Extension	Developer funded

\* Based upon 2014 values

\*\* To be updated after design is completed

# Study Session Follow Up Item



Proposed SFPUC rates for FY 16-17 - 10% increase  
Proposed SCVWD rates for FY 16-17 - 20% increase

# Cost of Water

	FY95-96	FY00-01	FY05-06	FY10-11	FY15-16	FY16-17
SCVWD (\$/hcf)	\$0.71	\$0.87	\$1.17	\$1.42	\$2.28	\$2.69
		22.5%	34.5%	21.4%	60.6%	18.0%
SFPUC (\$/hcf)	\$0.69	\$0.86	\$1.02	\$1.90	\$3.75	\$4.10
		24.6%	18.6%	86.3%	97.4%	9.3%
58.9% of Milpitas Tier 1 (\$/hcf)	\$0.41	\$0.52	\$0.82	\$1.04	\$2.80	\$3.79
Milpitas Tier 1 (\$/hcf)	\$0.70	\$0.88	\$1.40	\$1.77	\$4.75	\$6.43
		25.7%	59.1%	26.4%	168.4%	35.4%

## Cost of Water (cont'd)

- 748 gallons = 1 hcf
- \$3.79 = cost to City to buy 1 hcf
- \$6.43 = cost to customer to buy 1 hcf
- \$0.009 = cost to customer to buy 1 gallon
- 17 hcf = average residential customer use over 60 days = 12,716 total gallons
- \$2.64/hcf = cost to provide City O&M and capital
  - ✓ weekly water quality testing
  - ✓ maintain 245 miles of pipeline, 5 reservoirs, 5 pump stations
  - ✓ regulatory reports
  - ✓ annual inspections
  - ✓ regional coordination
  - ✓ capital program

# Recommendations

- Open and close the public hearing
- Adopt a Joint Resolution approving the Final Operating and Capital Budget for FY 16-17
- Adopt a Resolution approving the FY16-17 Appropriations Limit
- Adopt a Resolution to amend the Classification Plan for FY 16-17 to reflect new or re-titled positions
- Adopt a Resolution to amend the Classification Plan for Budgetary Reclassifications and Position Authorizations