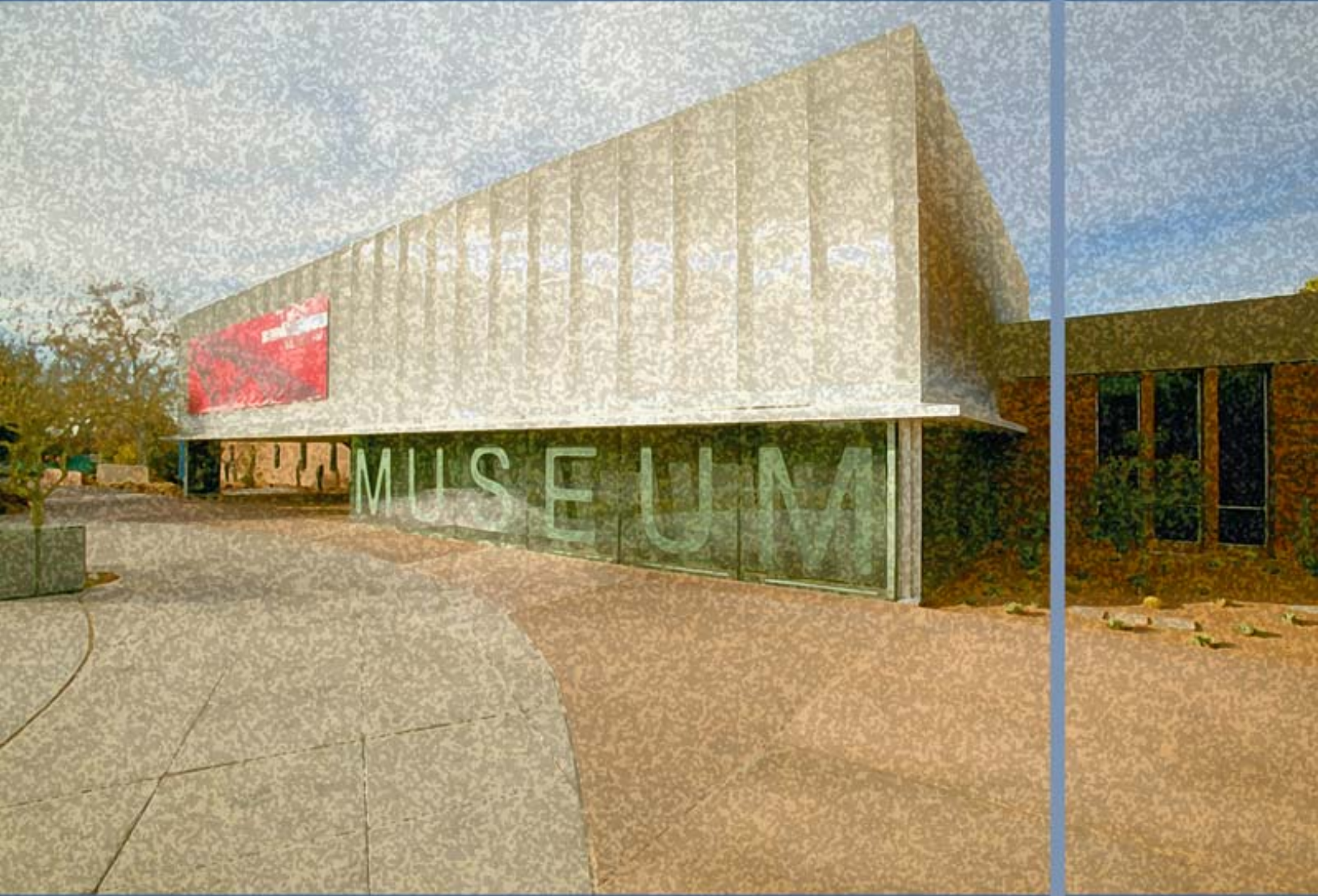


Capital Improvements Program Budget

Fiscal Year 2010-11



Tempe Mayor & City Council



Hugh Hallman
Mayor



Shana Ellis
Vice Mayor



P. Ben Arredondo
Council Member



Mark Mitchell
Council Member



Joel Navarro
Council Member



Onnie Shekerjian
Council Member



Corey Woods
Council Member



Capital Improvements Program Budget FY 2010-11



Charles W. Meyer
City Manager

Jerry Hart
Financial Services Manager

Cecilia Velasco-Robles
Deputy Financial Services Manager

Tom Mikesell
Lead Budget and Finance Analyst

Mark Day
Senior Budget and Finance Analyst

Adam Williams
Senior Budget and Finance Analyst

Natalie Winger
Accounting Supervisor

Anita Erspamer
Executive Assistant

About the cover:

Photo: Newly Renovated Tempe History Museum

The Tempe History Museum was founded by the Tempe Historical Society and opened to the public in 1972. In 1984, the museum became a division of the City of Tempe's Community Services Department. In 2006, Tempe voters approved a bond issuance that would fund a major renovation of the museum. The new "Tempe History Museum" opened to the public in February 2010.



	Page
Introduction	
CIP Message	1
Resolution of Adoption	4
Capital Budget Incremental Impact on FY 2010-11 Operating Budget.....	5
Capital Budget Strategic Focus.....	6
Capital Improvements Projects Map	7
Schedules and Summaries	
2010-15 Capital Improvements Program Summary	8
2010-15 Capital Improvements Program Source of Funds	9
2010-11 Capital Improvements Program Fund Balances.....	10
Remaining General Obligation Bond Authorizations & Long-Term Outstanding Debt.....	11
Legal Bonded Debt Limits	12
City Capital Budget and Debt Policies	13
Ten Year Historical Trends	14
Enterprise	15
Water	16
Wastewater	25
Special Purpose	29
Transit.....	30
Rio Salado	34
General Purpose	37
Police Protection	38
Fire Protection.....	40
Park Improvements / Recreation.....	42
General Governmental	44
Transportation	51
Transportation and R.O.W. Improvements.....	52
Traffic Signals/Street Lighting	55
Office of Management and Budget Staff	57



June 30, 2010

To the Honorable Mayor and Members of the City Council:

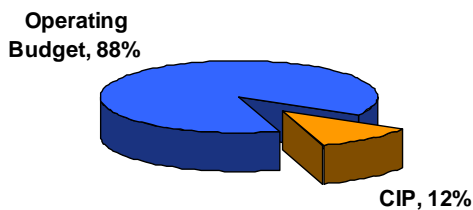
Pursuant to the Tempe City Charter, the City Manager prepares and submits a Capital Improvements Program (CIP) annually to the Council. The CIP is a five-year financial plan for the acquisition, construction, expansion, or rehabilitation of infrastructure and capital assets. Capital Projects typically have one or more of the following characteristics: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) a systematic acquisition over an extended period of time, and; (4) scheduled replacement or maintenance of specific elements of physical assets.

Although capital projects are scheduled throughout the five-year plan, only those projects during the first year of the plan are adopted as part of the City's annual budget. The first year of the CIP constitutes the Capital Budget. The remaining years within the CIP serve as a guide for future planning and are subject to annual review and modification in subsequent years.

ANNUAL BUDGET PROGRAM SUMMARY

As shown in the following chart, the City of Tempe's Financial Program for fiscal year (FY) 2010-11 totals \$418 million. Of this amount, approximately \$48 million is for projects included in the Capital Budget.

FY 2010-11 Total Financial Program	
Operating Budget	\$371.4
Capital Budget	\$48.3
Total (\$ millions)	\$419.7



CIP PROCESS

In September 2009, the CIP process began with the CIP Coordinating Committee meeting to review and discuss guidelines, budget request forms, and availability of funds. This Committee consisted of City department heads, departmental capital project managers, and Financial Services staff. Based on guidance provided at this meeting, City departments submitted requests for projects to be included in the Capital Improvements Program.

After all project submissions were received, a follow-up 'discovery' meeting was held in early December 2009 to discuss changes to previously approved projects and to review new project requests. Through meetings with department managers and other key department representatives held over the ensuing months, the total requested program was extensively reduced to meet the available resources. Based on these meetings, a balanced five-year capital program was recommended to the City Manager.

On March 25, 2010, the City Council held a public Special Budget Session to examine the capital program including funding sources, debt service implications, operating budget impacts, and project priorities. Recognizing severely limited City revenues and financing options produced by the economic downturn, the City Council held several subsequent meetings in April and May to further evaluate CIP project priorities. The process culminated with Council adoption of the Capital Improvements Program on June 10th 2010.

CAPITAL BUDGET OVERVIEW

The Capital Budget consists of the following program areas: Enterprise, General Purpose, Special Purpose, and Transportation projects. The Enterprise program totals \$43.6 million and includes Water and Wastewater projects, which as shown in the table on the following page, account for 90% of the total Capital Budget in FY 2010-11. The General Purpose program includes Police, Fire, Parks, and General Governmental projects and totals \$3.6 million.



FY 2010-11 CIP by Program		
	\$ Millions	% of Total
Enterprise	43.6	90%
General Purpose	3.6	7%
Special Purpose	.8	2%
Transportation	.3	1%
Total	\$48.3	

The Special Purpose program includes Transit and Rio Salado projects, and represents \$800 thousand or 2%, of funded projects in FY 2010-11. The Transportation program traditionally includes new funding for a variety of street and sidewalk construction, traffic signals, and lighting projects; however, due to reduced financing capacity (as discussed below), the FY 2010-11 program includes only one (1) project which amounts to less than 1% of the Capital Budget.

CAPITAL BUDGET HIGHLIGHTS

Following are highlights from the Capital Budget for FY 2010-11:

Enterprise Program

City Water system projects (\$31 million) including:

- Continued bond funding for required water quality improvements to meet current and future water quality regulations at the South Tempe Water Treatment Plant (STWTP) (\$18.7 million)
- Continued bond funding for the design and construction of a new Environmental Laboratory Facility (\$5 million).

City Wastewater system projects (\$12.6 million) including:

- Continued bond funding for 91st Avenue Wastewater Treatment Plant capacity expansion (\$12.5 million)

General Purpose Program

Funding for the City’s Police and Fire Protection Programs (\$1.5 million) including:

- Continued bond funding for the Police / City Radio System Replacement (\$890 thousand)
- Continued bond funding for the Fire Departments federally mandated radio conversion to 800 Megahertz. (\$600 thousand)

Funding for the General Governmental Program (\$1.9 million) including:

- Continued bond funding to complete the Tempe Public Library renovation (\$115 thousand)

- Continued pay-as-you go funding for the Municipal Arts Program (\$440 thousand)
- Continued pay-as-you go funding for the repair, replacement and maintenance of various City facilities (\$510 thousand)
- New federal grant funding to enhance the City’s Energy Conservation Program (\$375 thousand)

Special Purpose Program

Funding for the Transit program (\$446 thousand) including:

- New federal grant funding for the design and construction of a new section of the Tempe Rio Salado multi-use path system (\$446 thousand)

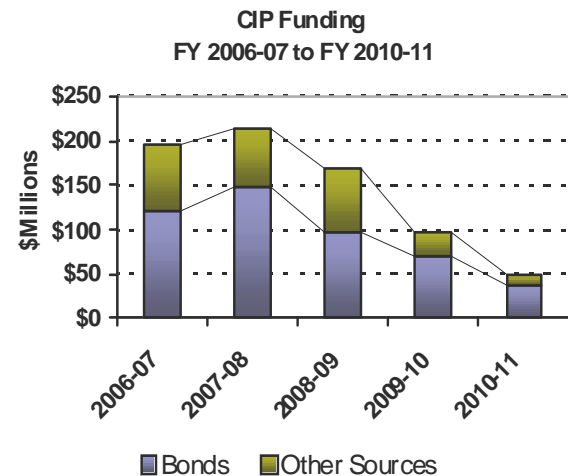
Funding for the Rio Salado Program (\$327 thousand) including:

- Continued funding to complete repairs to the Town Lake’s downstream dam area as required by Arizona Department of Water Resources (\$227 thousand).

CAPITAL IMPROVEMENTS PROGRAM FINANCING

As shown in the chart below, Tempe’s capital program has historically been funded through a combination of bonds and other sources, including pay-as-you-go financing, outside revenues, grants and capital project fund balances.

The availability of these various revenue sources and the capacity to use them are principal factors in determining the overall size of each annual Capital Budget and has contributed to the decreasing size of the Capital Budget over the past three years for various reasons.



Because FY 2008-09 included the final phase of large appropriations of City transit tax and federal grants as the main funding sources for the completion of the City’s share of the metropolitan Light Rail system, CIP funding sources other than bonds saw a sharp decline between FY 2008-09 and 2009-10.



Bond appropriations between the same two years also decreased as a result of project progress and completions in the Enterprise Program which translated into declining funding requirements.

The most significant factor decreasing FY 2010-11 capital funding availability, and the overall size of the Capital Budget, is the steep decline in local property values that resulted from the economic downturn. The City is projecting an estimated 35% decline in property values within the City which will negatively effect property tax revenue collections from FY 2010-11 through 2012-13.

Since the majority of property tax revenue the City collects is the source of funding used to pay debt service on bonds, the City's ability to bond finance new projects under the General Governmental and Transportation Programs in FY 2010-11 is critically diminished. This is the primary reason the FY 2010-11 Capital Budget is 50% smaller than the Capital Budget in FY 2009-10

In contrast, the City maintains the capacity to issue bonds to finance ongoing and new projects under the Enterprise Program because the funding source used to pay these bonds is revenue collected from user fees for water and wastewater services; not property tax revenue. In the FY 2010-11 Source of Funds table below, only \$1.6 million of the \$38.4 million in general obligation bonds is appropriated to finance projects under the General Governmental Program; the remainder is for water and wastewater projects.

FY 2010-11 Sources of Funds		
	\$ Millions	% of Total
General Obligation Bonds	\$38.4	79%
Capital Projects Fund Balance	7.8	16%
Outside Revenue	1.7	4%
Pay-as-You-Go Financing	.4	1%
Total	\$48.3	

FY 2010-11 Capital Budget funding sources other than bonds total \$10 million which is approximately 60% less than were appropriated in FY 2009-10. This year over year decrease is almost solely attributable to reduced receipts and associated appropriations of federal grants and other outside revenue. Due to tremendous economy related Operating Budget problems faced over the last two years, pay-as-you-go financing has remained anemic.

The FY 2010-11 funding sources are described in further detail in the Capital Improvements Program Source of Funds table in the Schedules and Summaries section, as well as in the individual project descriptions.

DEBT MANAGEMENT PLAN

In addition to the management of existing debt and associated reserves, the City also forecasts future debt within a framework of policy priorities and financial capacity. Current and anticipated capital improvement objectives, available operating revenue, tax base fluctuations, and reserve levels are all evaluated on an

ongoing basis to estimate the extent to which the City may issue additional tax supported debt.

This active debt management ensures the City can efficiently analyze information such as declining property tax revenues and assess the long term implications for our debt portfolio in order to make proactive decisions about how much new debt capacity is available today.

Debt management led to the decision to dramatically reduce the FY 2010-11 Capital Budget as projections indicated our current debt portfolio does not have the capacity to sustain new property tax supported debt service. Moreover, in accordance with the City's debt management projections, the five year Capital Improvements Program allows for only \$5.8 million of new property tax supported debt through FY 2014-15. The City will continue to monitor this condition as the economy improves.

Debt management is also a key financial practice contributing to the maintenance of the City's favorable bond ratings. Tempe's current G.O. bond ratings are shown below.

Notable is the recent May 2010 upgrade in Moody's rating of the City's creditworthiness from Aa1 to Aaa. The AAA rating from each rating agency is the highest credit rating possible and is a testament to the City's prudent financial management practices.

Fitch	AAA
Moody's	Aaa
Standard & Poor's	AAA

CONCLUSION

The five-year capital program serves as an excellent guide for future planning. In combination with the debt management plan, the capital program will ensure the City's capital needs are met in a timely fashion with no impact to the City's continued financial stability.

In closing, the completion of a budget requires the effort of many people. To the Mayor, City Council, City Manager, departmental managers and staff, and to the Budget Division whose efforts provided invaluable assistance to me in its preparation, I express my sincere appreciation.

Respectfully Submitted,

Jerry Hart, C.P.A.
Financial Services Manager

RESOLUTION 2010.52
A RESOLUTION DETERMINING AND ADOPTING FINAL ESTIMATES OF
PROPOSED EXPENDITURES OF THE CITY COUNCIL OF THE CITY OF TEMPE,
MARICOPA COUNTY, ARIZONA ADOPTING A FIVE-YEAR CAPITAL
IMPROVEMENTS PROGRAM FOR THE
PERIOD JULY 1, 2010 THROUGH JUNE 30, 2015

WHEREAS, Section 5.06 of the Tempe City Charter requires the Manager to prepare and submit to the City Council a five-year Capital Improvements Program, and

WHEREAS, the Manager has prepared and submitted said five-year Capital Improvements Program to the City Council for its consideration and adoption, and

WHEREAS, the Council has duly considered the contents of said Capital Improvements Program and finds it to be in the best interest of the City of Tempe;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF TEMPE AS FOLLOWS:

That the program summary entitled "2010-11 Capital Improvements Program Summary" on file in the office of the City Clerk (also attached hereto), is hereby approved and adopted as a planning guide to use in the scheduling and development of capital facilities for the ensuing five-year period.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA THIS
10th DAY OF June, 2010.



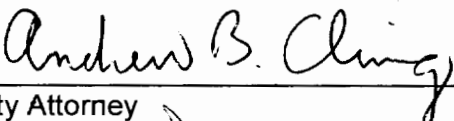
Mayor

Attest:



City Clerk

Approved as to Form:



City Attorney

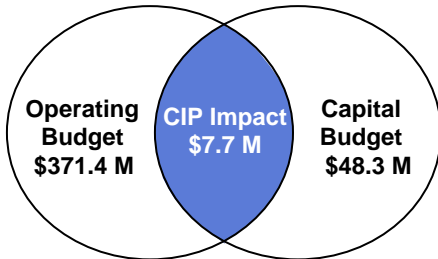


Financial Services Manager

Capital Budget Incremental Impact on FY 2010-11 Operating Budget



Although the City of Tempe prepares a Capital Budget separate from the Operating Budget, the two budgets are linked. These links include operating and maintenance costs associated with new facilities, debt service payments for new debt financed projects, new capital outlay appropriations, and pay-as-you-go financing from operating revenues. As shown in the diagram and table below, these incremental impacts total \$7.7 million in FY 2010-11.



The table below lists the two projects in the Enterprise Program with identified operating impacts, and includes the projected fiscal impact on the FY 2010-11 operating budget in the Water Fund.

FY 2010-11 Detailed Operating and Maintenance Impacts of Capital Improvements		
Program / Project	\$Amount	Fund
Enterprise		
JGMWTP Water Quality Upgrades	\$110,000	Water
STWTP Improvements	50,000	Water
Total Operating Impacts	\$160,000	

Between the two projects, \$75,000 is attributable to additional electricity costs from the two plant expansions, and \$85,000 is associated with new equipment maintenance and waste disposal costs.

Incremental Impact of Capital Budget on Operating Budget - All Funds	
	FY 2010-11
New Debt Service	
Enterprise	\$2,940,600
General Purpose	128,870
Capital Outlay	4,060,742
New Operations and Maintenance	160,000
Water / Wastewater Fund	
Pay-As-You-Go Financing	436,463
Total	\$7,726,675

As part of the Capital Improvements Program, departments are asked to identify those capital projects that have an impact on the operating budget, and quantify the impact in terms of operation and maintenance.

Due to the severe adverse impact the economy has had on the City's Operating Budget, the City continued to engage in extensive Operating Budget balancing efforts throughout FY 2009-10. This process not only coincided with the Capital Budget development process, but had a direct influence on the extent to which additional operating budget impacts from capital projects could be considered. This translated into whether or not a particular capital project could / would be approved based on whether or not it entailed additional operating budget impacts.

Ironically, it was the negative effect the economy had on property tax revenues (as discussed on the preceding page), which had a more powerful influence over which projects could be approved. The combination of the stress the economic downturn caused to the City's Operating Budget, along with dramatically reduced property tax revenue projections, eliminated the approval of any FY 2010-11 operating budget impacts except to the Water Fund.



The City establishes strategic issues, goals, and objectives to provide long range focus for resource allocation choices. The strategic issues, goals, and objectives are aligned to Council and community committees as follows:

- Community Sustainability
- Education Partnerships
- Housing
- Mill & Lake District
- Neighborhood Parks Rehabilitation & Maintenance
- Quality of Life
- Sports, Recreation, Arts & Cultural Development
- Technology, Economic & Community Development
- Transportation

The objective of each strategic team is to delineate long-range goals, formulate a cohesive strategy for each of the defined areas, and develop action plans to advance the City towards those strategic goals.

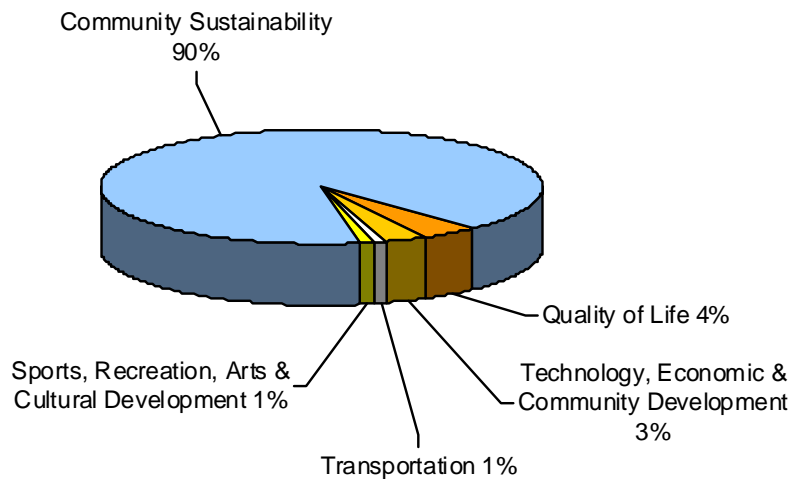
The FY 2010-11 Capital Program organized by strategic issue is shown in the chart.

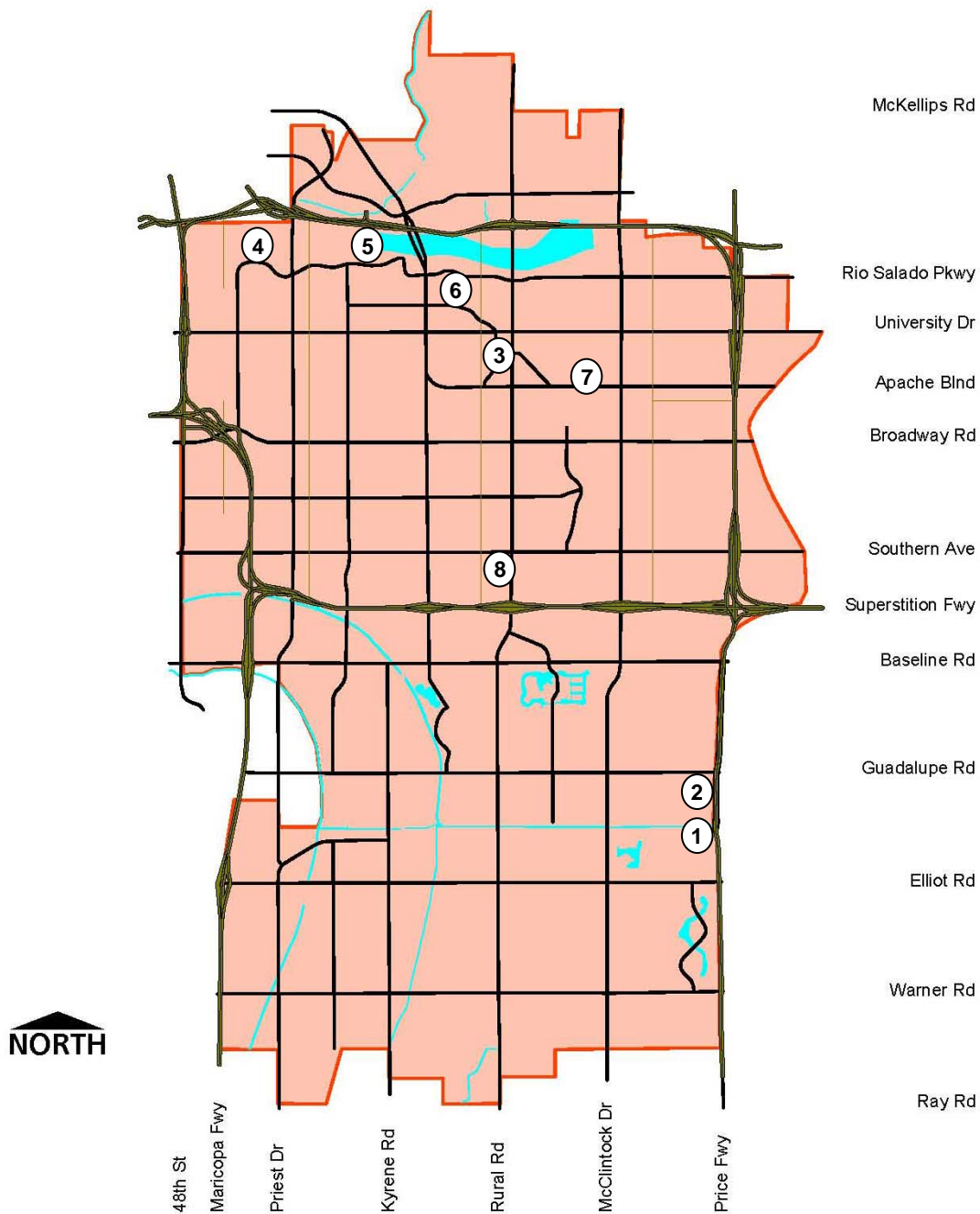
Because of the limiting effect the economy has had on the City's capital finance options other than in the Enterprise Program, the FY 2010-11 Capital Budget is almost entirely centered on water and wastewater projects.

Water and wastewater projects fall under the strategic area of Community Sustainability, and as such they dominate all CIP projects by strategic concentration. This is representative of the City's continuing reinvestment in water and sewer infrastructure to support new and existing development.

The Quality of Life strategic area is mainly represented by projects under the General Governmental Program that address the maintenance and appearance of City facilities and neighborhoods.

Continued capital investment in the Police and Fire Departments' radio systems contribute to the Technology, Economic & Community Development strategic area; and continued pay-as-you-go funding for the Municipal Arts program supports the City's focus on Sports, Recreation, Arts & Cultural Development.





Location	Project Description
1.	South Tempe Water Treatment Plant Improvements
2.	Environmental Laboratory Facility
3.	Water Line Upgrade / Replacement on Rural Rd. (University - Apache)
4.	Rio Salado Multi-use Path: Tempe – Phoenix (Priest Drive to SR 143)
5.	Town Lake Downstream Dam Repairs - ADWR
6.	Police / City Radio System Replacement
7.	Fire Radio Replacement for Conversion to 800 MHZ
8.	Tempe Public Library Renovation

2010-11 Capital Improvements Program Summary



Program	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
		2011-12	2012-13	2013-14	2014-15	
Enterprise Program						
Water	31,046,338	8,255,001	11,114,001	7,218,000	6,687,000	64,320,340
Wastewater	12,600,000	15,234,000	25,300,000	12,250,000	17,417,800	82,801,800
Total Enterprise	43,646,338	23,489,001	36,414,001	19,468,000	24,104,800	147,122,140
Special Purpose Program						
Transit	446,000	530,000	1,220,000	2,462,000	-	4,658,000
Rio Salado	327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000
Total Special Purpose	773,000	5,010,000	2,180,000	29,502,000	7,520,000	44,985,000
General Purpose Program						
Police	890,954	1,053,267	879,604	861,316	900,000	4,585,141
Fire	600,000	-	-	-	-	600,000
Park Improvements	150,000	-	-	-	-	150,000
Community Relations	250,000	-	-	-	-	250,000
Community Services	551,463	234,890	364,140	194,680	241,048	1,586,221
Community Development	-	-	-	200,000	1,323,000	1,523,000
Public Works	1,028,000	535,828	-	-	-	1,563,828
Water Utilities	100,000	-	-	-	-	100,000
Total General Purpose	3,570,417	1,823,985	1,243,744	1,255,996	2,464,048	10,358,190
Transportation Program						
Transportation and R.O.W.	275,000	-	-	1,582,400	-	1,857,400
Traffic Signals / Street Lighting	-	425,000	350,000	-	-	775,000
Total Transportation	275,000	425,000	350,000	1,582,400	-	2,632,400
Total General / Transportation	3,845,417	2,248,985	1,593,744	2,838,396	2,464,048	12,990,590
TOTAL PROGRAM	48,264,755	30,747,986	40,187,745	51,808,396	34,088,848	205,097,730

2010-11 Capital Improvements Program Source of Funds



Program	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
		2011-12	2012-13	2013-14	2014-15	
Enterprise Supported						
Water/Wastewater						
General Obligation Bonds	36,646,338	22,197,001	2,400,000	-	-	61,243,339
Excise Tax Bonds	-	-	27,464,001	18,468,000	23,104,800	69,036,801
Capital Projects Fund Balance	6,000,000	-	-	-	-	6,000,000
Development Fees	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
City of Mesa	-	292,000	5,550,000	-	-	5,842,000
Total Enterprise Supported	43,646,338	23,489,001	36,414,001	19,468,000	24,104,800	147,122,140
Special Purpose						
Transit						
Capital Project Fund Balance	46,000	-	-	-	-	46,000
Federal Grants	400,000	287,000	1,100,000	2,394,000	-	4,181,000
Transit Tax Revenues	-	243,000	120,000	68,000	-	431,000
Total Transit	446,000	530,000	1,220,000	2,462,000	-	4,658,000
Rio Salado						
Capital Improvements Reserve	327,000	-	-	-	-	327,000
Mondrian Agreement	-	2,000,000	960,000	7,040,000	-	10,000,000
Federal Grants	-	2,480,000	-	20,000,000	7,520,000	30,000,000
Total Rio Salado	327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000
Total Special Purpose	773,000	5,010,000	2,180,000	29,502,000	7,520,000	44,985,000
General Purpose & Transportation						
General Obligation Bonds	1,605,954	1,173,267	916,604	90,197	-	3,786,022
Unauthorized G.O. Bonds	-	-	70,000	1,061,316	900,000	2,031,316
Capital Projects Fund Balance	425,000	-	-	-	-	425,000
Capital Improvements Reserve	1,038,500	196,328	-	-	-	1,234,828
WWW Fund	436,463	234,890	364,140	194,680	241,048	1,471,221
Federal Grants	339,500	644,500	243,000	1,492,203	1,323,000	4,042,203
Total General / Transportation	3,845,417	2,248,985	1,593,744	2,838,396	2,464,048	12,990,590
TOTAL PROGRAM	48,264,755	30,747,986	40,187,745	51,808,396	34,088,848	205,097,730

Capital Improvements Program Fund Balances



Program	Estimated Fund Bal. 06-30-10	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Bal. 06-30-11
Enterprise						
Water/Wastewater	9,650,700		1,000,000	36,646,338	43,646,338	3,650,700
Subtotal Enterprise	9,650,700	0	1,000,000	36,646,338	43,646,338	3,650,700
Special Purpose						
Transit	140,500		400,000		446,000	94,500
Rio Salado	(40,300)	327,000			327,000	(40,300)
Subtotal Special Purpose		327,000	400,000	0	773,000	(46,000)
General Purpose						
Police Protection	36,490			890,954	890,954	36,490
Fire Protection				600,000	600,000	0
Park Improvements	156,000				150,000	6,000
General Governmental	(472,450)	1,474,963	339,500	115,000	1,929,463	(472,450)
Subtotal General Purpose		1,474,963	339,500	1,605,954	3,570,417	(150,000)
Transportation						
Transp. & R.O.W. Improvements	421,300				275,000	146,300
Traffic Signals/Street Lighting	18,500					18,500
Subtotal Transportation	439,800	0	0	0	275,000	164,800
Total Program	\$10,090,500	\$1,801,963	\$1,739,500	\$38,252,292	\$48,264,755	\$3,619,500

Remaining General Obligation Bond Authorizations



	Original Authorization	Prior Issues	2010-11 Issue	Remaining Authorization
2006 Program				
Water / Wastewater	172,000,000	172,000,000		0
Police Protection	14,000,000	14,000,000		0
Fire Protection	2,500,000	1,620,000	600,000	280,000
Community Services / Park Improvements / Library	14,000,000	14,000,000		0
Streets / Transportation	8,000,000	7,765,000		235,000
Subtotal	210,500,000	209,385,000	600,000	515,000
2008 Program				
Water / Wastewater	113,300,000	52,025,302	36,646,338	24,628,360
Police Protection	10,900,000	5,855,000	890,954	4,154,046
Fire Protection	21,110,000			21,110,000
Community Services / Park Improvements / Library	51,800,000	14,910,000	115,000	36,775,000
Streets / Transportation / Storm Drains	44,200,000	75,000		44,125,000
Subtotal	241,310,000	72,865,302	37,652,292	130,792,406
TOTAL	\$451,810,000	\$282,250,302	\$38,252,292	\$131,307,406

Long-Term Outstanding Debt Summary

	June 30			
	2007	2008	2009	2010
General Obligation Bonds				
Water / Wastewater	\$243,265,000	\$282,520,000	\$285,735,000	\$305,177,545
Police Protection	29,255,000	32,085,000	43,675,000	49,120,000
Fire Protection	8,855,000	8,695,000	11,010,000	10,785,000
Storm Drains	3,970,000	3,775,000	3,600,000	3,495,000
Park Improvements	25,665,000	27,575,000	32,960,000	36,688,500
Library/Museum	1,455,000	1,395,000	4,940,000	11,721,500
Streets/Transportation	47,300,000	51,550,000	60,080,000	60,855,000
Total G.O. Debt Outstanding	359,765,000	407,595,000	442,000,000	477,842,545
Tempe Sports Authority Corp. Bonds / COP				
Certificates of Participation (COP)	1,220,000	625,000		
Total Tempe Sports Authority Corp. Bonds/COP	1,220,000	625,000	0	0
Excise Tax Bonds				
Water / Wastewater	0	0	16,720,000	16,175,000
Performing Arts	50,895,000	47,340,000	43,640,000	39,780,000
Transit	109,785,000	138,065,000	135,480,000	132,745,000
Rio Salado	33,810,000	32,320,000	30,760,000	29,130,000
General Governmental	23,990,000	23,400,000	29,680,000	28,815,000
Cemetery Enterprise	2,130,000	2,050,000	1,965,000	1,875,000
Total Long-Term Outstanding Debt	\$581,595,000	\$651,395,000	\$700,245,000	\$726,362,545



Under Article 9, Section 8 of the Arizona State Constitution, cities may issue general obligation bonds for purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds and recreational facilities, public safety, law enforcement, fire and emergency services facilities and streets and transportation facilities up to an amount not exceeding 20% of the secondary assessed value.

Cities may also issue general obligation bonds for any purpose up to an amount not exceeding 6% of the secondary assessed value. Bonds issued under the 20% limit are subject to authorization by a majority vote at a city bond election.

FY 2010-11 Bonded Debt Limits July 1, 2010

	FY 2010-11	
	6%	20%
Bond Limit ⁽¹⁾	\$150,779,728	\$502,599,094
Outstanding Bonded Debt-Previously Issued	(8,215,000)	(469,627,545)
Proposed Bonds to be Sold in FY 2010-11		
Water/Wastewater	36,646,338	
Park Improvements		
Public Safety / Law Enforcement		890,954
Fire and Emergency Services		600,000
Transportation		
Community Services	115,000	
Debt Margin Available	\$105,803,390	\$31,480,595

⁽¹⁾ The FY 2010-11 Bond Limit is based upon an estimated secondary assessed value of \$2,512,995,468 compared to the FY 2009-10 secondary assessed value of \$2,767,488,865.



Capital Budget Policy

- Estimated costs, potential revenue and funding sources shall be identified prior to any project being submitted for Council approval. A department which anticipates a capital project exceeding its adopted budget shall submit a plan to Council addressing the issue for its prior approval.
- A five-year capital improvements program, as required by City Charter, will be developed and updated annually including anticipated funding sources. In addition, a prior year capital project status report shall be presented to the Council for information purposes when the capital improvement budget is considered.
- The annual operating budget will provide for the adequate maintenance and the orderly replacement of the capital plant and equipment from current revenue where possible.
- Capital improvement operating budget impacts will be coordinated with the development of the Operating Budget. Future operating, maintenance, and replacement costs will be forecast as part of the City's annual long range financial capacity study.
- The City may provide for internal, pay-as-you go financing for its capital improvement program. Funding may come from fund balance reserves or any other acceptable means of funding.

Debt Policy

- Debt will only be used to finance long term capital improvements and not be used to finance recurring operating expenses.
- In accordance with state law, the total value of General Obligation bonds issued for the purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds, and recreational facilities, public safety, law enforcement, fire and emergency services facilities, and streets and transportation facilities cannot exceed 20% of assessed valuation. The total value of General Obligation bonds issued for all other purposes other than those listed above cannot exceed 6% of assessed valuation.
- Debt term should match the useful life of the capital project funded.
- Debt service schedules will be based upon level annual principal and interest payments.
- Overlapping debt issuances shall be included in the City's financial reports.
- Authorized debt shall be limited as follows unless authorization is obtained from the City council to exceed these limits
 - General obligation bonds shall follow the guidelines established in the Debt Management Plan
 - Excise tax bonds shall maintain revenue coverage limits of at least 3 times debt service
 - Improvement District bonds shall not exceed 5% of the City's secondary assessed valuation
 - Short-term borrowing or lease/purchase contracts must be budgeted within the Operating Budget
- Benchmark ratios of per capita debt, debt service to operating revenue, and outstanding debt as a percent of full cash value will be updated regularly and incorporated into the Debt Management Plan.



Fiscal Year	Budgeted Capital Improvements Program	Outstanding Principal FY End	Debt Service Requirements P & I	Net Secondary Assessed Value	% Change in Secondary Assessed Valuation	Property Tax Rate (\$)		
						Primary	Secondary	Total
2001-02	85,541,430	205,950,000	26,675,235	1,456,361,617	7.4	.53	.82	1.35
2002-03	95,318,794	252,480,000	23,996,164	1,556,492,294	6.9	.52	.83	1.35
2003-04	117,968,707	280,525,000	27,243,978	1,688,452,415	8.5	.55	.80	1.35
2004-05	177,118,222	362,225,000	27,696,707	1,768,877,385	4.8	.53	.82	1.35
2005-06	189,971,703	452,490,000	35,620,916	1,904,426,188	7.7	.52	.88	1.40
2006-07	196,728,491	581,595,000	44,105,855	2,006,703,332	5.4	.52	.88	1.40
2007-08	212,706,469	651,395,000	52,988,091	2,401,898,465	19.7	.51	.89	1.40
2008-09	168,033,325	700,245,000	59,795,499	2,656,948,194	10.6	.51	.89	1.40
2009-10	96,310,568	726,362,545	68,975,861	2,767,488,865	4.2	.49	.91	1.40
2010-11	48,264,755	730,950,082	69,753,500	2,512,995,468	-9.2	.52	.88	1.40

The budgeted CIP reached a historical peak in FY 2007-08 primarily due to increased spending in the Transit Program to fund the City's portion of design and construction of the metropolitan area light rail transit system. The FY 2008-09 CIP included the City's final contribution to light rail funding as the project was completed in December 2008.

While the reduction in the FY 2009-10 CIP is largely due to the decreased spending in the Transit Program, bond appropriations between FYs 2008-09 and 2009-10 also decreased as a result of project progress in the Enterprise program which reduced funding requirements.

Severe local property value declines caused by the economic downturn are the principal reason the FY 2010-11 CIP is 50% less than the 2009-10 CIP. The City estimates property values will have declined 35% as of FY 2010-11.

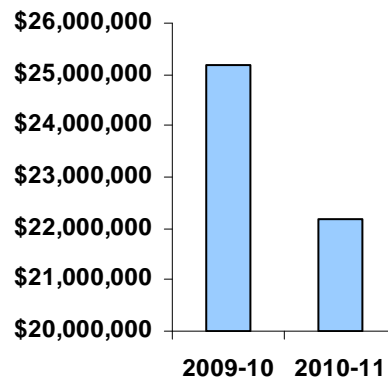
Because of an approximate two (2) year lag between when property is valued, and when property tax is collected based on that value, the -9.2% decline in secondary assessed property valuation in FY / tax year 2010-11 (shown in the table above) represents the first of three (3) fiscal years in which the City is projecting the property value declines which will negatively impact property tax revenue collections.

Since revenue collected through the secondary component of the property tax is the source of funding to pay debt service on General Obligation bonds, the City's capacity to issue new property tax supported bonds to finance capital projects is projected to be extremely compromised for several years.

On the other hand, the City retains the ability to issue bonds for water and wastewater projects (Enterprise program bonds) because the funding source used to pay these bonds is revenue collected from user fees for water and wastewater services; not property tax revenue.

Outstanding Principal includes all forms of City debt, including general obligation, excise, and enterprise supported debt. Assuming minimal property tax supported bond sales in the next few years, and depending on the amount of new bonds issued to finance Enterprise program projects; annual outstanding principal may begin to decline for the first time in twelve (12) years due to the scheduled repayment of existing obligations.

Secondary Property Tax Revenue



The -9.2% decrease in Tempe's FY 2010-11 Secondary Assessed Property Valuation is estimated to result in a reduction of \$3 million in Secondary Property Tax collections when compared to the prior fiscal year.



*Water and Wastewater projects total \$43.6 million in FY 2010-11
and
account for 90% of the 2010-11 appropriated CIP budget*



The Enterprise component of the Capital Improvements Program consists of the Water and Wastewater programs. Combined, they constitute \$43.6 million of the \$48.3 million Capital Improvements Program for FY 2010-11. The City's capital budget for this area is driven largely by federal and state compliance requirements and associated plant capacity expansions. A total of \$36.6 million of Water / Wastewater Bonds will be sold to fund these projects in FY 2010-11. These bonds are repaid by user charges for service delivery in both programs. The remaining program funding will come from development fees, and fund balances.

Major Water Program projects in FY 2010-11 include continued upgrades at the South Tempe Water Treatment Plant (STWTP), the design and construction of a new Environmental Laboratory Facility, and numerous waterline improvements. Funding for continued expansion at the 91st Avenue Wastewater Treatment Plant dominates the FY 2010-11 Wastewater Program.

2010-11 CIP Projects - Water Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Distribution System Fittings:							
3299999	General Obligation Bonds	400,000	230,000	-	-	-	630,000
	Excise Tax Bonds	-	-	230,000	230,000	230,000	690,000
	Project Total	400,000	230,000	230,000	230,000	230,000	1,320,000
Environmental Laboratory Facility:							
3203499	General Obligation Bonds	5,059,780	540,000	-	-	-	5,599,780
HVAC Replacement at all Three Water Wastewater Plants: 3209369							
	General Obligation Bonds	28,000	51,000	-	-	-	79,000
JGMWTP Capital Equipment Replacement: 3200089							
	General Obligation Bonds	250,000	250,000	-	-	-	500,000
	Excise Tax Bonds	-	-	250,000	250,000	250,000	750,000
	Project Total	250,000	250,000	250,000	250,000	250,000	1,250,000
JGMWTP Water Quality Upgrades:							
3201099	General Obligation Bonds	-	300,000	-	-	-	300,000
	Excise Tax Bonds	-	-	6,080,000	-	-	6,080,000
	Project Total	-	300,000	6,080,000	-	-	6,380,000
New Production Wells: 3200019							
	General Obligation Bonds	376,998	377,001	-	-	-	753,999
	Excise Tax Bonds	-	-	377,001	279,000	1,855,000	2,511,001
	Project Total	376,998	377,001	377,001	279,000	1,855,000	3,265,000
SCADA Field Site Improvements Phase II: 3202031							
	General Obligation Bonds	875,000	-	-	-	-	875,000
Small Meter Replacement Program 2" and under: 3209319							
	General Obligation Bonds	100,000	100,000	-	-	-	200,000
	Excise Tax Bonds	-	-	100,000	-	-	100,000
	Project Total	100,000	100,000	100,000	-	-	300,000
STWTP Capital Equipment Replacement: 3200079							
	General Obligation Bonds	250,000	250,000	-	-	-	500,000
	Excise Tax Bonds	-	-	250,000	250,000	250,000	750,000
	Project Total	250,000	250,000	250,000	250,000	250,000	1,250,000
STWTP Improvements: 3203219							
	General Obligation Bonds	15,220,000	1,980,000	-	-	-	17,200,000
	Capital Projects Fund Balance	3,000,000	-	-	-	-	3,000,000
	Development Fees	500,000	500,000	-	-	-	1,000,000
	Project Total	18,720,000	2,480,000	-	-	-	21,200,000
STWTP Security Lighting: 3204149							
	General Obligation Bonds	2,378,900	-	-	-	-	2,378,900
Undergrounding of Water Aqueduct at the JGMWTP: NA							
	Excise Tax Bonds	-	-	-	2,107,000	-	2,107,000
Water Line Replacement and Repair: 329989							
	General Obligation Bonds	850,000	850,000	-	-	-	1,700,000
	Development Fees	-	-	500,000	500,000	500,000	1,500,000
	Excise Tax Bonds	-	-	1,500,000	3,500,000	3,500,000	8,500,000
	Project Total	850,000	850,000	2,000,000	4,000,000	4,000,000	11,700,000
Water Quality Enhancements of the Water Transmission Grid: 3203529							
	General Obligation Bonds	-	2,725,000	-	-	-	2,725,000
	Excise Tax Bonds	-	-	1,725,000	-	-	1,725,000
	Project Total	-	2,725,000	1,725,000	-	-	4,450,000
Waterline Upgrade / Replacement Rural Rd. (University - Apache): 3203539							
	General Obligation Bonds	1,655,660	-	-	-	-	1,655,660
Well Rehabilitation: 3203549							
	General Obligation Bonds	102,000	102,000	-	-	-	204,000
	Excise Tax Bonds	-	-	102,000	102,000	102,000	306,000
	Project Total	102,000	102,000	102,000	102,000	102,000	510,000
Program Total		31,046,338	8,255,001	11,114,001	7,218,000	6,687,000	64,320,340

Distribution System Fittings



Project Description

This Project provides for the acquisition, assembly and installation of water works infrastructure including meters, valves, fire hydrants and water lines. This project assures that all water distribution appurtenances are maintained and replaced in accordance with all State, Federal and Industry Standards. This will make certain our residents' health and well being is protected and that we are realizing all possible revenue from our meters.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,320,000
Total	\$1,320,000

Project Number: 3299999
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$400,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$400,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,320,000

Environmental Laboratory Facility



Project Description

This project involves the design and construction of a LEED certified environmental laboratory facility necessary to continue to analyze the quality of drinking water and reclaimed water supplies as required under federal and state environmental laws, and to ensure the safest possible water supply. Rapidly emerging regulations governing drinking water and reclaimed water supplies have created a nearly 5-fold increase in the last 8 years in the number of analyses that Tempe must conduct to ensure compliance with Clean Water Act and Safe Drinking Water Act requirements. Technological changes necessary to detect pollutants at much lower concentrations have also increased our laboratory footprint. Additionally, the Water department has launched a process control analytical program that will allow us to use analytical data to better ensure that our processes for water and wastewater treatment are effective and sustainable.

Estimated Project Costs

Legal / Administration	\$46,420
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$324,940
Furnishings / Equipment	\$540,000
Construction / Improvement	\$4,642,000
Geotech / Material Testing	\$46,420
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$5,599,780

Project Number: 3203499
Estimated Start Date: 07/01/09
Estimated Completion Date: 06/30/12

2010-11 Source of Funds

General Obligation Bonds \$5,059,780

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$5,059,780	\$540,000	\$0	\$0	\$0	\$5,599,780

HVAC Replacement at all three of the Water/Wastewater Facilities



Project Description

This project replaces City owned air conditioning equipment and carpet located within the three water and wastewater plants that has been identified as being ineffective, inefficient or has exceeded its life span according to the Public Works Facility Maintenance division.

Replacement schedule is as follows:

2009-10: replace 14 air conditioning units and heat pumps at Johnny G. Martinez Water Treatment Plant (JGMWTP), South Tempe Water Treatment Plant (STWTP) and Kyrene Water Reclamation Facility (KWRF).

2010-11: replace 1 heat pump and other equipment at JGMWTP, STWTP & KWRF.

2011-12: replace 8 heat pumps and air conditioning units at JGMWTP, STWTP & KWRF.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$79,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$79,000

Project Number: 3209369

Estimated Start Date: 07/01/08

Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$28,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$28,000	\$51,000	\$0	\$0	\$0	\$79,000

JGMWTP Capital Equipment Replacement



Project Description

This project provides an annual funding mechanism to address equipment failures at the Johnny G. Martinez Water Treatment Plant (JGMWTP) that have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,250,000
Total	\$1,250,000

Project Number: 3200089

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$250,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

JGMWTP Water Quality Upgrades



Project Description

This project addresses additional improvements required to meet water quality regulations. This project includes improvements to solids handling facilities (plate settlers and sludge holding tank), chemical feed systems and sedimentation basin improvements. Treatment alternatives to GAC (Granular Activated Carbon) for control of disinfection byproducts will be studied and implemented.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$300,000
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$6,030,000
Geotech / Material Testing	\$50,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$6,380,000

Project Number: 3201099
Estimated Start Date: In Progress
Estimated Completion Date: 06/30/11

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$300,000	\$6,080,000	\$0	\$0	\$6,380,000

New Production Wells



Project Description

This project will connect three Salt River Project wells located along the Western Canal and drill and outfit one new City of Tempe well. The SRP wells will be connected during FY's 09-10, 10-11 and 11-12. The new Tempe well will be permitted during FY 12-13 and constructed during FY 13-14 and 14-15.

These additional wells provide groundwater as a backup supply during drought or plant shut down and for blending to improve water quality for the City of Tempe municipal service area.

Estimated Project Costs

Legal / Administration	\$26,000
Land Acquisition	\$0
Permit Fees	\$75,000
Design and Engineering	\$480,000
Survey / Staking	\$26,000
Construction Management	\$150,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,500,000
Geotech / Material Testing	\$8,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$3,265,000

Project Number: 3200019
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$376,998

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$376,998	\$377,001	\$377,001	\$279,000	\$1,855,000	\$3,265,000

SCADA Field Site Improvements Phase II



Project Description		Estimated Project Costs	
<p>The Water Utilities Department continuously monitors the entire water and wastewater system for storage, flow, pressure, and quality using a network of remote telemetry units at remote facilities throughout the city as well as at the treatment plants. Replacement and upgrades to monitoring and control equipment in the treatment plants have been completed in other projects. To ensure the reliability of the equipment at the field sites (wells, pump stations, metering stations, etc.) and to keep pace with changes in technology, the control systems located at these sites must be replaced. Existing Remote Terminal Units (RTU) and radios at remote Water and Wastewater sites have been in service for over 15 years. Replacement parts are no longer available and technological advancements have rendered our equipment obsolete. As these units fail, we can no longer monitor facilities that include wells, reservoir sites, sanitary sewer metering stations and wastewater pump stations. Phase I of this project covered 8 of the 19 sites that require new equipment. Phase II will replace the RTU's and radio network at the remaining 11 sites.</p>		Legal / Administration	\$10,000
		Land Acquisition	\$0
		Permit Fees	\$15,000
		Design and Engineering	\$50,000
		Survey / Staking	\$0
		Construction Management	\$0
		Furnishings / Equipment	\$0
		Construction / Improvement	\$800,000
		Geotech / Material Testing	\$0
		Utility Relocation Fees	\$0
		Utility Undergrounding	\$0
		ITD / Telecommunications	\$0
		Other Project Costs	\$0
		Total	\$875,000
		Project Number:	3202031
		Estimated Start Date:	07/01/08
		Estimated Completion Date:	12/31/10

2010-11 Source of Funds

General Obligation Bonds \$875,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$875,000	\$0	\$0	\$0	\$0	\$875,000

Small Meter Replacement Program - 2" and under



Project Description		Estimated Project Costs	
<p>This Project provides for the replacement of revenue generating water meters that are 15 years or older. This will help increase water conservation through accurate metering.</p> <p>By replacing these meters the City will realize increased revenue and accurate water accounting from meters that have reached the end of their useful life</p> <p>Replace approximately 11,000 small meters that are 15 years or older: Year 1: 5,500 meters Year 2: 5,500 meters</p> <p>Ongoing replacement program: Year 3: 850 meters Year 4: 850 meters Year 5: 850 meters</p>		Legal / Administration	\$0
		Land Acquisition	\$0
		Permit Fees	\$0
		Design and Engineering	\$0
		Survey / Staking	\$0
		Construction Management	\$0
		Furnishings / Equipment	\$0
		Construction / Improvement	\$300,000
		Geotech / Material Testing	\$0
		Utility Relocation Fees	\$0
		Utility Undergrounding	\$0
		ITD / Telecommunications	\$0
		Other Project Costs	\$0
		Total	\$300,000
		Project Number:	3209319
		Estimated Start Date:	07/01/08
		Estimated Completion Date:	Ongoing

2010-11 Source of Funds

General Obligation Bonds \$100,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$100,000	\$100,000	\$0	\$0	\$300,000

South Tempe Water Treatment Plant Capital Equipment Replacement



Project Description

This project provides an annual funding mechanism to address equipment failures at the South Tempe Water Treatment Plant (STWTP) that have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,250,000
Total	\$1,250,000

Project Number: 3200079
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$250,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

South Tempe Water Treatment Plant Improvements



Project Description

This project includes improvements required to replace aging equipment, and to meet current and future water quality regulations. This project includes a comprehensive study of treatment alternatives. Improvements include enhanced coagulation, new powdered activated carbon system, improved coagulant dosing, reservoir chlorine dosing system, additional sludge drying beds, well water discharge structures, reservoir drains and replacement of the finished water pump station. Major operating impacts to this project include additional electrical and chemical use.

Estimated Project Costs

Legal / Administration	\$400,000
Land Acquisition	\$0
Permit Fees	\$200,000
Design and Engineering	\$1,100,000
Survey / Staking	\$600,000
Construction Management	\$1,200,000
Furnishings / Equipment	\$0
Construction / Improvement	\$17,500,000
Geotech / Material Testing	\$200,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$21,200,000

Project Number: 3203219
Estimated Start Date: Ongoing
Estimated Completion Date: 12/31/11

2010-11 Source of Funds

General Obligation Bonds \$15,220,000
 Capital Projects Fund Balance \$3,000,000
 Development Fees \$500,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$18,720,000	\$2,480,000	\$0	\$0	\$0	\$21,200,000

South Tempe Water Treatment Plant Security Lighting



Project Description

This project is a continuation of the security improvements as recommended by the assessors who conducted the vulnerability assessment as per the Department of Homeland Security. The lighting proposed for this site would be of both free standing poles and wall mounted fixtures that would provide sufficient illumination for deterrence and detection of unauthorized persons. The additional lighting would also enhance our safety related issues that exit in low light areas.

The primary focus of lighting would be along the southern, western and northern perimeters of the site where there is minimal to nonexistent lighting. The southern portion of the property becomes more critical for security lighting with the newly established multi use path along the canal bank immediately adjacent to our property. The wall mounted fixtures would replace and supplement existing lighting on critical structures inside the perimeter. The project would also be replacing metal halide lighting with high pressure sodium. The high pressure sodium is a less intrusive lighting system for the environment.

2010-11 Source of Funds

General Obligation Bonds \$2,378,900

Estimated Project Costs

Legal / Administration	\$21,000
Land Acquisition	\$0
Permit Fees	\$39,900
Design and Engineering	\$50,000
Survey / Staking	\$21,000
Construction Management	\$126,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,100,000
Geotech / Material Testing	\$21,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total \$2,378,900

Project Number: 3204149

Estimated Start Date: 07/01/10

Estimated Completion Date: 06/30/11

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$2,378,900	\$0	\$0	\$0	\$0	\$2,378,900

Undergrounding of Water Aqueduct at the JGMWTP



Project Description

This project will replace the water aqueduct or flume that supplies raw water to the Johnny G. Martinez Water Treatment Facility with an underground pipe.

The vulnerability assessment of the Water Utilities Department indicated that this piece of infrastructure needed addressing. Recently extensive repairs to the leaking joints in the flume have been performed and the expected life of these repairs is 7-10 years. The project need should be addressed within this parameter.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$17,000
Land Acquisition	\$0
Permit Fees	\$33,000
Design and Engineering	\$206,000
Survey / Staking	\$17,000
Construction Management	\$103,000
Furnishings / Equipment	\$0
Construction / Improvement	\$1,714,000
Geotech / Material Testing	\$17,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total \$2,107,000

Project Number: NA

Estimated Start Date: 07/01/15

Estimated Completion Date: 03/31/17

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$2,107,000	\$0	\$2,107,000

Water Line Replacement and Repair



Project Description

The WUD Integrated Master Plan identifies most of the specific waterlines that need to be replaced to meet increasing demands. This project provides a recurring funding source to replace water lines that break during normal operation or that have reached their useful life.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$11,700,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$11,700,000

Project Number: 329989
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$850,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$850,000	\$850,000	\$2,000,000	\$4,000,000	\$4,000,000	\$11,700,000

Water Quality Enhancements of the Water Transmission Grid



Project Description

Water quality modeling will be used to evaluate transmission pipe size and flow control strategies necessary for optimizing water quality in the transmission network. Modifications to system main sizes and interconnections are to be made in various locations throughout the distribution system. In some locations new distribution main, valves and fire hydrants are to be constructed.

More stringent water quality parameters relating to disinfection byproducts (DBPs) will become a reality in 2012. One method of DBP control is limiting the time from water disinfection to customer. Many of the City's existing water transmission mains were installed per a water master plan circa 1960. The system demand based on projected planning at that time has not occurred. As a result, in a number of locations transmission lines are significantly larger than required to meet projected flows according to current planning. Eliminating unnecessary volume in the transmission system and / or modifying flow patterns can be a useful means to control the formation of DBPs in the system.

Estimated Project Costs

Legal / Administration	\$50,000
Land Acquisition	\$0
Permit Fees	\$100,000
Design and Engineering	\$100,000
Survey / Staking	\$50,000
Construction Management	\$100,000
Furnishings / Equipment	\$0
Construction / Improvement	\$4,000,000
Geotech / Material Testing	\$50,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$4,450,000

Project Number: 3203529
Estimated Start Date: 04/01/09
Estimated Completion Date: 01/01/12

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$2,725,000	\$1,725,000	\$0	\$0	\$4,450,000

Waterline Upgrade / Replacement Rural Rd. (University - Apache)



Project Description

This water line will replace / upgrade the existing 14 inch cast iron pipe between University and Apache. Approximately 2600 feet of 16 inch ductile iron pipe will be tied to the 30 inch transmission main at University and Apache. New fire hydrants, gate valves, onsite fire suppression system connections, services / meters, and connections to the distribution system will be included.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$19,480
Construction Management	\$116,700
Furnishings / Equipment	\$0
Construction / Improvement	\$1,500,000
Geotech / Material Testing	\$19,480
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,655,660

Project Number: 3203539
Estimated Start Date: 07/01/09
Estimated Completion Date: 09/30/10

2010-11 Source of Funds

General Obligation Bonds \$1,655,660

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$1,655,660	\$0	\$0	\$0	\$0	\$1,655,660

Well Rehabilitation



Project Description

This project involves rehabilitation and major structural repair of City supply wells. Two wells will be selected each year to be inspected by video camera, brushed and redeveloped. This will be on-going, with the goal of rehabilitating each well once every four years.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$10,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$510,000

Project Number: 3203549
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$102,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$510,000

2010-11 CIP Projects - Wastewater Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
91st Avenue WWTP: 3200129	General Obligation Bonds	9,000,000	12,500,000	2,400,000	-	-	23,900,000
	Capital Projects Fund Balance	3,000,000	-	-	-	-	3,000,000
	Development Fees	500,000	500,000	500,000	500,000	500,000	2,500,000
	Excise Tax Bonds	-	-	9,100,000	9,500,000	9,500,000	28,100,000
	Project Total		12,500,000	13,000,000	12,000,000	10,000,000	10,000,000
Kyrene Water Reclamation Plant Equipment Replacement: 3209409	General Obligation Bonds	100,000	150,000	-	-	-	250,000
	Excise Tax Bonds	-	-	200,000	250,000	250,000	700,000
	Project Total	100,000	150,000	200,000	250,000	250,000	950,000
Sewer Line Replacement and Repair: 3299969	General Obligation Bonds	-	1,500,000	-	-	-	1,500,000
	Excise Tax Bonds	-	-	2,000,000	2,000,000	2,000,000	6,000,000
	Project Total	-	1,500,000	2,000,000	2,000,000	2,000,000	7,500,000
Sewer Replacement / Upsize - 5th Street Price to Smith: NA	Excise Tax Bonds	-	-	-	-	2,574,750	2,574,750
Sewer Replacement / Upsize Smith Rd. Apache to University: 3209389	Excise Tax Bonds	-	-	-	-	2,593,050	2,593,050
Southern Avenue Interceptor (SAI) Rehabilitation: 3200589	General Obligation Bonds	-	292,000	-	-	-	292,000
	Excise Tax Bonds	-	-	5,550,000	-	-	5,550,000
	City of Mesa	-	292,000	5,550,000	-	-	5,842,000
	Project Total	-	584,000	11,100,000	-	-	11,684,000
Program Total		12,600,000	15,234,000	25,300,000	12,250,000	17,417,800	82,801,800

91st Avenue WWTP



Project Description

The 91st Avenue Wastewater Treatment Plant (WWTP) is a regional treatment facility that is jointly owned by five valley cities and is operated by the City of Phoenix. The 91st Avenue WWTP represents the majority of Tempe's wastewater treatment program. This project represents Tempe's share of all capital activities at the 91st Avenue WWTP including treatment capacity expansion projects, capital equipment replacement, modifications and additions to meet regulatory requirements, process enhancements and also capacity expansion of the jointly owned trunk sewer lines that convey wastewater flows to the plant.

The purpose of this project is to provide wastewater treatment and transmission capacities to treat and convey the majority of Tempe's wastewater flows to the 91st Avenue WWTP, including solids discharge from our Kyrene Water Reclamation Facility.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$57,500,000
Total	\$57,500,000

Project Number: 3200129
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds	\$9,000,000
Capital Projects Fund Balance	\$3,000,000
Development Fees	\$500,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$12,500,000	\$13,000,000	\$12,000,000	\$10,000,000	\$10,000,000	\$57,500,000

Kyrene Water Reclamation Plant Equipment Replacement



Project Description

This project provides an annual funding mechanism to address equipment failures that have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, and structural failure. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$950,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$950,000

Project Number: 3209409
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds	\$100,000
--------------------------	-----------

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$150,000	\$200,000	\$250,000	\$250,000	\$950,000

Sewer Line Replacement and Repair



Project Description

The WUD Integrated Master Plan (IMP) identified most of the specific sewer lines that need to be replaced to meet increasing wastewater flows. This project provides a recurring funding source to replace sewer lines that break during normal operation.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$7,500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total \$7,500,000

Project Number: 3299969

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$7,500,000

Sewer Replacement / Upsize - 5th Street (Price to Smith)



Project Description

This project will replace and upsize an estimated 2,650 feet of existing 15 inch sanitary sewer due to insufficient capacity. New sewer will be 18 inches in diameter. The project will alleviate high flow conditions and facilitate Apache Blvd. redevelopment.

Estimated Project Costs

Legal / Administration	\$19,875
Land Acquisition	\$0
Permit Fees	\$19,875
Design and Engineering	\$238,500
Survey / Staking	\$19,875
Construction Management	\$119,250
Furnishings / Equipment	\$0
Construction / Improvement	\$1,987,500
Geotech / Material Testing	\$19,875
Utility Relocation Fees	\$150,000
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total \$2,574,750

Project Number: NA

Estimated Start Date: 07/01/13

Estimated Completion Date: 09/30/14

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$0	\$2,574,750	\$2,574,750

Sewer Replacement / Upsize Smith Rd (Apache to University)



Project Description

This project will replace and upsize an estimated 2,670 feet of existing 12 to 15 inch sanitary sewer due to insufficient capacity. New sewer will be 18 inches in diameter. The project will alleviate high flow conditions and facilitate Apache Blvd. redevelopment.

Estimated Project Costs

Legal / Administration	\$20,025
Land Acquisition	\$0
Permit Fees	\$20,025
Design and Engineering	\$240,300
Survey / Staking	\$20,025
Construction Management	\$120,150
Furnishings / Equipment	\$0
Construction / Improvement	\$2,002,500
Geotech / Material Testing	\$20,025
Utility Relocation Fees	\$150,000
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,593,050

Project Number: 3209389
Estimated Start Date: 07/01/11
Estimated Completion Date: 09/30/12

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$0	\$2,593,050	\$2,593,050

Southern Avenue Interceptor (SAI) Rehab



Project Description

The project entails the rehabilitation of the Southern Avenue Interceptor (SAI) within the limits of the City of Tempe. The SAI is a jointly owned regional sewer that runs through Tempe. A November 2005 engineering study revealed severe corrosion of this unlined concrete sewer line. The study recommended a phased rehabilitation or replacement of this line to protect it from eventual collapse. This project combines all of the phases of the multi-year rehabilitation of the SAI into a single project. Phase I was completed in 2006. Phase II will be completed in the first half of 2010. Phase III is included in this CIP. The project will be jointly funded by both Tempe and the City of Mesa.

Estimated Project Costs

Legal / Administration	\$14,000
Land Acquisition	\$0
Permit Fees	\$20,000
Design and Engineering	\$500,000
Survey / Staking	\$50,000
Construction Management	\$700,000
Furnishings / Equipment	\$0
Construction / Improvement	\$10,000,000
Geotech / Material Testing	\$400,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$11,684,000

Project Number: 3200589
Estimated Start Date: Ongoing
Estimated Completion Date: 12/31/12

2010-11 Source of Funds

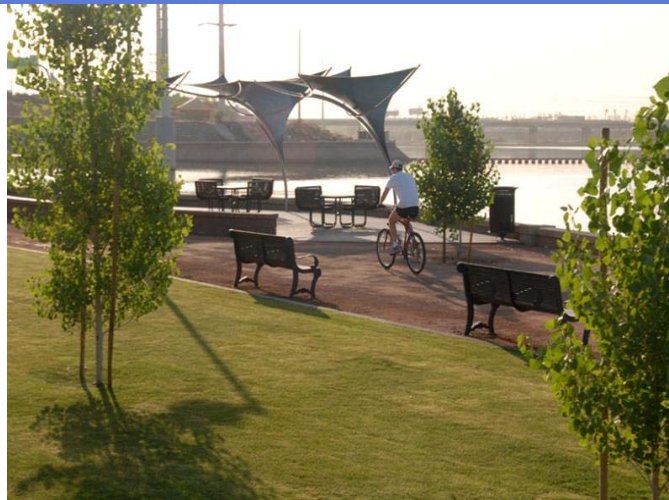
NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$584,000	\$11,100,000	\$0	\$0	\$11,684,000



*Transit and Rio Salado projects total \$773 thousand in FY 2010-11
and
account for 2% of the total 2010-11 appropriated CIP budget*



The Special Purpose component of the Capital Improvements Program includes the Transit and Rio Salado capital programs. Combined, they account for \$773,000 of the \$48.3 million Capital Improvements Budget for FY 2010-11.

As was the case in FY 2009-10, federal grants remain the primary funding source for the Transit Program in FY 2010-11. A Federal Congestion Mitigation and Air Quality grant will be used for the design and construction of a continuation of the Tempe Rio Salado multi-use path system which will extend the regional multi-use path system between the Cities of Tempe and Phoenix.

The Rio Salado capital program relates to projects constructed within the special district established around the Tempe Town Lake. The FY 2010-11 budget includes use of the City's Capital Improvements Reserve for repairs to the Town Lake downstream dam as required by the Arizona Department of Water Resources, and for various ongoing maintenance activities.

2010-11 CIP Projects - Transit Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Hardy Drive Pedestrian Street Improvement: NA							
	Federal Grants	-	-	-	1,194,000	-	1,194,000
	Transit Tax	-	-	120,000	-	-	120,000
	Project Total	-	-	120,000	1,194,000	-	1,314,000
I-10 and Alameda Drive Bicycle and Pedestrian Crossing: NA							
	Federal Grants	-	-	-	1,200,000	-	1,200,000
	Transit Tax	-	-	-	68,000	-	68,000
	Project Total	-	-	-	1,268,000	-	1,268,000
Install CCTV monitoring stations - LRT Signal Intersections: NA							
	Federal Grants	-	287,000	-	-	-	287,000
	Transit Tax	-	123,000	-	-	-	123,000
	Project Total	-	410,000	-	-	-	410,000
Rio Salado Multi-use Path: Tempe-Phoenix (Priest Dr to SR 143): 6004139							
	Federal Grants	400,000	-	-	-	-	400,000
	Capital Projects Fund Balance	46,000	-	-	-	-	46,000
	Project Total	446,000	-	-	-	-	446,000
University Drive Street Improvement - Priest / Mill: NA							
	Federal Grants	-	-	1,100,000	-	-	1,100,000
	Transit Tax	-	120,000	-	-	-	120,000
	Project Total	-	120,000	1,100,000	-	-	1,220,000
Program Total		446,000	530,000	1,220,000	2,462,000	-	4,658,000

Hardy Drive Street Improvement



Project Description

This project is approximately 1 mile in length between Broadway Road and University Drive. The project consists of pedestrian and bicycle facility improvements along a collector street fronted primarily by single family residential units. The proposed project area has a high volume of pedestrian and bicycle travel due to its proximity to ASU, Downtown Tempe, Rio Salado and the high industrial and office employment area south of the project.

Area residents are advocating retaining the neighborhood character of the street to reflect the residential uses on this stretch of road. Project elements include striping for bike lanes, widening of sidewalks and providing bulb-outs at critical intersections, reduction of existing travel lane widths, construction of planted medians, protection from intrusion of commercial truck traffic, improved pedestrian safety, reduction of speed limits, construction of mid-block crossings and providing transit, bicycle and pedestrian amenities.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$10,000
Land Acquisition	\$0
Permit Fees	\$18,000
Design and Engineering	\$234,000
Survey / Staking	\$10,000
Construction Management	\$67,000
Furnishings / Equipment	\$0
Construction / Improvement	\$950,000
Geotech / Material Testing	\$10,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$15,000
Total	\$1,314,000

Project Number: NA
Estimated Start Date: 10/01/13
Estimated Completion Date: 07/31/15

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$120,000	\$1,194,000	\$0	\$1,314,000

I-10 Alameda Drive Bicycle and Pedestrian Crossing



Project Description

This project is located at Alameda Drive and the I-10 Freeway. The project will provide a non-motorized bridge over the I-10 Freeway which will provide east-west bicycle and pedestrian connectivity that will link residential developments with employment destinations and regional recreational facilities. The project will also provide a much needed link that will shorten the commute for bicyclists heading to downtown Tempe and ASU.

Work to be performed includes design and acquisition of ramp easements as needed. The project will be constructed with the I-10 Corridor improvements as programmed in the Regional Transportation Plan. Additional funding for completion of the bridge crossing will be requested from the state and federal government.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$9,000
Land Acquisition	\$0
Permit Fees	\$17,000
Design and Engineering	\$108,000
Survey / Staking	\$9,000
Construction Management	\$63,000
Furnishings / Equipment	\$0
Construction / Improvement	\$900,000
Geotech / Material Testing	\$9,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$153,000
Total	\$1,268,000

Project Number: NA
Estimated Start Date: 10/01/13
Estimated Completion Date: 12/31/14

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$1,268,000	\$0	\$1,268,000

Install CCTV Monitoring Stations - LRT Signal Intersections



Project Description

This project will install Closed Circuit Television (CCTV) monitoring at traffic signals along the Tempe portion of the light rail corridor. The project will be used to monitor and adjust signal timing to improve traffic flow along the light rail corridor.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$410,000
Total	\$410,000

Project Number: NA
Estimated Start Date: 07/01/11
Estimated Completion Date: 06/30/12

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$410,000	\$0	\$0	\$0	\$410,000

Rio Salado Multi-use Path: Tempe-Phoenix (Priest Dr to SR 143)



Project Description

The Project provides funding for the design and construction of a continuation of the Tempe Rio Salado multi-use path system. This segment would extend from Priest Drive to State Route 143 on the western city limit of Tempe. The path will be on the south bank of the river channel. The project will be completed in concert with a joint project with Phoenix Rio Salado Project. The project will extend the regional multi-use path system between the City of Tempe and Phoenix.

Estimated Project Costs

Legal / Administration	\$4,000
Land Acquisition	\$0
Permit Fees	\$7,000
Design and Engineering	\$42,000
Survey / Staking	\$4,000
Construction Management	\$25,000
Furnishings / Equipment	\$0
Construction / Improvement	\$350,000
Geotech / Material Testing	\$4,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$10,000
Other Project Costs	\$0
Total	\$446,000

Project Number: 6004139
Estimated Start Date: 10/01/10
Estimated Completion Date: 07/31/12

2010-11 Source of Funds

Federal Grants	\$400,000
Capital Projects Fund Balance	\$46,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$446,000	\$0	\$0	\$0	\$0	\$446,000

University Drive Street Improvement - Priest / Mill



Project Description

The University Drive improvement Project is approximately 1 mile between Mill Ave and Priest Drive. The project consists of designing and constructing pedestrian and bicycle facility improvements along an arterial street. Work could include: acquisition of sidewalk easements as needed; demolition of some existing sidewalk; curb and gutter; construction of new sidewalk; curb ramps, on-street parking areas; installation and relocation of pedestrian scale street lights; and, installation of landscaping and providing transit and pedestrian amenities.

The goal of the project is to enhance travel options for people of all ages and non-motorized users including: middle school students, elementary school children, seniors, professionals and college students accessing commercial centers, local parks, downtown Tempe, and ASU. The project fulfills the Tempe General Plan 2030 objective of increasing mode share for non-motorized travel.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$9,000
Land Acquisition	\$0
Permit Fees	\$17,000
Design and Engineering	\$226,000
Survey / Staking	\$9,000
Construction Management	\$62,000
Furnishings / Equipment	\$0
Construction / Improvement	\$880,000
Geotech / Material Testing	\$9,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$8,000
Total	\$1,220,000

Project Number: NA
Estimated Start Date: 10/01/12
Estimated Completion Date: 07/31/14

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$120,000	\$1,100,000	\$0	\$0	\$1,220,000

2010-11 CIP Projects - Rio Salado Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Rio Salado Ancillary Projects: 656931A	Capital Improvements Reserve	100,000	-	-	-	-	100,000
Town Lake Dam Replacement: 6503069	Mondrian Agreement	-	2,000,000	960,000	7,040,000	-	10,000,000
	Federal Grants	-	2,480,000		20,000,000	7,520,000	30,000,000
	Project Total	-	4,480,000	960,000	27,040,000	7,520,000	40,000,000
Town Lake Downstream Dam Repairs- ADWR: 6503599	Capital Improvements Reserve	227,000	-	-	-	-	227,000
Program Total		327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000

Rio Salado Ancillary Projects



Project Description

Rio Salado ancillary projects often include new signs, emergency warning system upgrades, tree & vegetation planting, holiday lighting, fencing, damage due to vandalism, and buoy replacement or repair. The project also provides for improvements to the Splash Playground at Tempe Beach Park, as well as any other unforeseen project that becomes necessary at Tempe Town Lake, Tempe Beach Park, and the linear park system.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$100,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$100,000

Project Number: 656931A
Estimated Start Date: 06/17/99
Estimated Completion Date: 06/30/14

2010-11 Source of Funds

Capital Improvements Reserve \$100,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$0	\$0	\$0	\$0	\$100,000

Town Lake Dam Replacement



Project Description

New technology for replacement of the dams has been proposed (pending City Council concurrence and approval). The hybrid technology will allow the use of the existing piers and foundation to replace approximately 840 lineal feet of dam, but may require changes to the mechanical systems. Tempe Town Lake provides the economic benefit for continued growth of the community, and replacement of the dam will help to secure public and private investment in development at Town Lake.

Estimated Project Costs

Legal / Administration	\$320,000
Land Acquisition	\$0
Permit Fees	\$608,000
Design and Engineering	\$3,840,000
Survey / Staking	\$320,000
Construction Management	\$2,240,000
Furnishings / Equipment	\$0
Construction / Improvement	\$32,000,000
Geotech / Material Testing	\$320,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$352,000
Total	\$40,000,000

Project Number: 6503069
Estimated Start Date: 07/01/14
Estimated Completion Date: 12/31/15

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$4,480,000	\$960,000	\$27,040,000	\$7,520,000	\$40,000,000

Town Lake Downstream Dam Repairs - ADWR



Project Description

This project provides funding for repairs to the Town Lake's downstream dam area as required by ADWR (Arizona Department of Water Resources). Dam repairs include replacement of the rip-rap that is placed for scour control, completing some concrete patch work (also an ADWR requirement) and replacing piezometer cables so that groundwater level reading can resume.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$1,500
Design and Engineering	\$8,500
Survey / Staking	\$1,000
Construction Management	\$8,000
Furnishings / Equipment	\$0
Construction / Improvement	\$200,000
Geotech / Material Testing	\$1,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$7,000
Total	\$227,000

Project Number: 6503599
Estimated Start Date: 11/01/09
Estimated Completion Date: 04/30/11

2010-11 Source of Funds

Capital Improvements Reserve \$227,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$227,000	\$0	\$0	\$0	\$0	\$227,000



General Purpose projects total \$3.6 million in FY 2010-11 and account for 7% of the 2010-11 appropriated CIP budget



The General Purpose component of the Capital Improvements Program includes Police Protection, Fire Protection, Park Improvements, and General Governmental programs. Combined, they constitute \$3.6 million of the \$48.3 million Capital Improvements Budget for FY 2010-11. A total of \$1.6 million in General Obligation bonds will be sold primarily to provide funding for Police and Fire projects. The balance will come from the City's Capital Improvements Reserve, the Park Improvements capital projects fund balance, and a transfer from the Water / Wastewater fund.

Major projects in FY 2010-11 include continued improvements to both the Police and Fire Departments' radio systems, and under the General Governmental program: continued funding for the renovation of the Tempe Public Library, the Municipal Arts Program, and numerous ongoing facilities repair and replacement programs.

Historically, the annual Park Improvements program has been almost completely funded by bonds which are repaid by City property tax revenues. Dramatically declined local property values resulting from the economic downturn are projected to severely decrease property tax revenues for years to come; which has critically diminished the City's capacity to bond finance capital projects. Consequently, with the exception of a modest use of existing capital projects fund balance, funding for FY 2010-11 Park Improvement capital projects has been delayed.

2010-11 CIP Projects - Police Protection Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Police / City Radio System Replacement : 5501989	General Obligation Bonds	890,954	1,053,267	809,604	-	-	2,753,825
	Unauthorized G.O Bonds	-	-	70,000	861,316	900,000	1,831,316
	Project Total	890,954	1,053,267	879,604	861,316	900,000	4,585,141

Police / City Radio System Replacement



Project Description

This ongoing project provides for the replacement of outdated radio equipment for the Police Department and other City radio users, allowing Tempe to participate in the establishment of long-term public safety interoperability in the Phoenix metro area. The Police/City Radio System is an 800Mhz digital trunk system that allows day-to-day, real time communication over a single radio system in partnership with thirteen other agencies.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$4,585,141
Other Project Costs	\$0
Total	\$4,585,141

Project Number: 5501989
Estimated Start Date: 07/01/10
Estimated Completion Date: Ongoing

2010-11 Source of Funds

General Obligation Bonds \$890,954

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$890,954	\$1,053,267	\$879,604	\$861,316	\$900,000	\$4,585,141

2010-11 CIP Projects - Fire Protection Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Radio Replacement for Conversion to 800 MHz: 566947	General Obligation Bonds	600,000	-	-	-	-	600,000

Radio Replacement for Conversion to 800 Megahertz



Project Description

This project continues the federally mandated radio conversion to 800 MHz. The conversion ensures the Fire Department will remain on track in its partnership with the other metropolitan area cities in the Automatic Aide System.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$600,000
Other Project Costs	\$0
Total	\$600,000

Project Number: 566947
Estimated Start Date: 07/01/08
Estimated Completion Date: 06/30/10

2010-11 Source of Funds

General Obligation Bonds \$600,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$600,000	\$0	\$0	\$0	\$0	\$600,000

2010-11 CIP Projects - Park Improvements / Recreation Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Neighborhood Park Improvements:							
6399829	Capital Projects Fund Balance	150,000	-	-	-	-	150,000

Neighborhood Park Improvements



Project Description

This project provides for the replacement of playground equipment, picnic equipment, fencing, signage, concrete, sand, rubber playground surfacing, electrical/lighting, etc in the various neighborhood parks.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$150,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$150,000

Project Number: 6399829
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

Capital Projects Fund Balance \$150,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$150,000	\$0	\$0	\$0	\$0	\$150,000

2010-11 CIP Projects - General Governmental Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Community Development							
El Paso Natural Gas Easement Multi-use Path Improvements Phase III: NA	Federal Grants	-	-	-	-	1,323,000	1,323,000
	Unauthorized G.O. Bonds	-	-	-	200,000	-	200,000
	Project Total	-	-	-	200,000	1,323,000	1,523,000
Community Relations							
Maryanne Corder Neighborhood Improvement Program: 676556	Capital Improvements Reserve	250,000	-	-	-	-	250,000
Community Services							
Municipal Arts Program: 6699799	Water / Wastewater Fund	436,463	234,890	364,140	194,680	241,048	1,471,221
Tempe Public Library Renovation: 6702499	General Obligation Bonds	115,000	-	-	-	-	115,000
Public Works							
City Facilities Rehabilitation: 6799779	Capital Improvements Reserve	510,000	161,328	-	-	-	671,328
Energy Conservation Program: 6703659	Federal Grants	339,500	339,500	-	-	-	679,000
	Capital Improvements Reserve	35,000	35,000	-	-	-	70,000
	Project Total	374,500	374,500	-	-	-	749,000
Historic Properties Preservation: 676809	Capital Improvements Reserve	50,000	-	-	-	-	50,000
HVAC Equipment Replacement: 676873	Capital Improvements Reserve	33,500	-	-	-	-	33,500
Microbial Remediation (Mold, Asbestos Removal): 6709269	Capital Improvements Reserve	30,000	-	-	-	-	30,000
Roof Maintenance Program: 6702519	Capital Improvements Reserve	30,000	-	-	-	-	30,000
Water Utilities							
General Purpose Irrigation Improvements: 6704049	Capital Improvements Reserve	100,000	-	-	-	-	100,000
Program Total		1,929,463	770,718	364,140	394,680	1,564,048	5,023,049

El Paso Natural Gas Easement Multi-use Path Improvements Phase III



Project Description

The project is a 1/2 mile multi-use path extension of the existing El Paso Gas Easement path from Rural Road to Kiwanis Park. The project will extend the multi-use path system from Price Road to Kiwanis Park, a major regional destination. The project will allow and promote non-motorized access to Kiwanis Park.

The project will provide east-west bicycle and pedestrian connectivity that will link major residential areas with a regional recreational facility. The project will also shorten the commute for bicyclists heading to the Kiwanis Park and also to industrial areas abutting the park, and will also encourage less experienced bike commuters by providing them safer and less congested routes to recreational and employment destinations. Regionally, the project will also allow bike commuters from Chandler, Mesa and Tempe easier access to Tempe. The project will connect at Kiwanis Park to the Western Canal Multi-use Path. Reducing automobile trips will benefit Tempe's and the Valley's air quality.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$11,000
Land Acquisition	\$0
Permit Fees	\$99,000
Design and Engineering	\$200,000
Survey / Staking	\$11,000
Construction Management	\$74,000
Furnishings / Equipment	\$0
Construction / Improvement	\$1,050,000
Geotech / Material Testing	\$11,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$67,000
Total	\$1,523,000

Project Number: NA
Estimated Start Date: 07/01/14
Estimated Completion Date: 06/30/15

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$200,000	\$1,323,000	\$1,523,000

Maryanne Corder Neighborhood Grant Program



Project Description

The Neighborhood Grant Program is an annual program that provides funding for small neighborhood initiated projects (\$15,000 or less per individual association project and one \$50,000 grant). The selection of recipients and the amounts awarded are determined by City Council based on recommendations from staff after a review of requests by neighborhood and homeowners associations. Environmental benefits from projects include turf conversion, energy efficient lighting, drought tolerant planting and recyclable materials used for art pieces.

The grant program is a direct investment in neighborhoods. Residents work together collaboratively to identify smaller projects that meet a community need. The program requires extensive community involvement and support in the selection of what project to apply for, so that the project represents the neighborhood's needs and desires.

2010-11 Source of Funds

Capital Improvements Reserve \$250,000

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$250,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$250,000

Project Number: 676556
Estimated Start Date: Varies
Estimated Completion Date: Varies

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$0	\$0	\$0	\$0	\$250,000

Municipal Arts Program



Project Description

This project provides funding for various Municipal Arts projects as determined by the Municipal Arts Commission and the City Council.

The Municipal Arts Program serves to advise the Mayor and City Council on all art and cultural development, encourage arts organizations and artists in their continuing search for artistic excellence in Tempe, and to encourage and support the contribution of cultural diversity to the richness of the community's artistic life.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,471,221
Total	\$1,471,221

Project Number: 6699799
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

Water / Wastewater Fund \$436,463

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$436,463	\$234,890	\$364,140	\$194,680	\$241,048	\$1,471,221

Tempe Public Library Renovation



Project Description

This additional funding for this project will complete the \$8 million renovation of the Tempe Public Library which opened to the public in 1989. The completed renovation upgrades the Library's computer network, replaces the furniture and remodels the Library to accommodate new usage patterns and technology.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$115,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$115,000

Project Number: 6702499
Estimated Start Date: 07/01/06
Estimated Completion Date: 06/30/11

2010-11 Source of Funds

General Obligation Bonds \$115,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$115,000	\$0	\$0	\$0	\$0	\$115,000

City Facilities Rehabilitation



Project Description

This project rehabilitates and repairs public facilities and related building systems. Rehabilitation and repairs include: fire alarm upgrades and repairs, roof repairs, replacements of floor covering, painting, repair and upgrades to building automation systems, ice machine replacements and general building repairs as needed. As items are replaced with new items that consume less energy and are more efficient therefore reducing carbon footprint and sustaining a more environmentally friendly community. Also, planned maintenance extends the life of equipment and systems therefore reduces costly repairs and building closures.

Some of the anticipated projects include floor coverings at the following locations: Fire Station #1, Escalante Center, Senior Citizen Center and Pyle Adult Center. Plans are to upgrade lighting automation at the 525 Building, City Hall garden level offices, Fire Admin Building and at the Library. The Facilities Master Plan will be used to identify and prioritize what particular locations will have ice machines replaced.

2010-11 Source of Funds

Capital Improvements Reserve	\$510,000
------------------------------	-----------

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$510,000	\$161,328	\$0	\$0	\$0	\$671,328

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$671,328
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total	\$671,328
--------------	------------------

Project Number:	6799779
Estimated Start Date:	07/01/10
Estimated Completion Date:	Ongoing

Energy Conservation Program



Project Description

This project replaces substandard and inefficient lighting systems (replacing T-12 lighting with T-8, LED upgrades), replaces or adds new EMS (Energy Management Systems), and allows for performing building audits and adding programmable thermostats. This program allows staff to review facility needs and determine where we can achieve sustainable savings in energy costs and consumption. This program will be used to provide matching funds of \$35,000 each year for two years to obtain grant funding of \$679,000 from the EECBG (Energy Efficiency & Conservation Block Grant) Program.

The grant funding assists the City in expanding our energy conservation efforts and will be used for HVAC and/or lighting retrofits at the following locations: Kiwanis Rec. Center, North PD building, Pyle Adult Recreation Center, Edna Vihel Arts Facility, City Hall, and Fire Training Center. It is anticipated that there will be a savings of 21,000 kwh over the two year period resulting from the grant funding and the Energy Conservation Program CIP.

2010-11 Source of Funds

Federal Grants	\$339,500
Capital Improvements Reserve	\$35,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$374,500	\$374,500	\$0	\$0	\$0	\$749,000

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$749,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

Total	\$749,000
--------------	------------------

Project Number:	6703659
Estimated Start Date:	07/01/10
Estimated Completion Date:	06/30/11

Historic Properties Preservation



Project Description

This project rehabilitates and repairs aging historic facilities, infrastructure and systems. The scope of the rehabilitation includes roofing repairs / replacements, floor covering, painting, security lighting, repairs/upgrades of building automation systems, fire alarms and damaged equipment. Plans for this next year include adding security lighting to the Hackett and Peterson houses.

The preservation of City owned historic properties is essential to prolong the sustainability of historic public properties. Taking a proactive approach to repairs will often reduce future expenditure costs. The Hackett House recently had a new HVAC system added therefore reducing energy consumption and energy costs. The other properties will be reviewed and analyzed during this budget period.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$50,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$50,000

Project Number: 676809
Estimated Start Date: 07/01/10
Estimated Completion Date: 06/30/11

2010-11 Source of Funds

Capital Improvements Reserve \$50,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$50,000	\$0	\$0	\$0	\$0	\$50,000

HVAC Equipment Replacement



Project Description

This project replaces air conditioning systems in public facilities that are no longer performing adequately, or are beyond their recommended life cycle and require constant maintenance. It has been determined that there are approximately 140 units that have exceeded their useful life which is 12 years. Some of the facilities where the HVAC systems are planned to be replaced include: Fire Station # 3, Fire station # 5, and Vihel Community Center. By being more proactive in replacing these units, we will be reducing our energy consumption and reduce our carbon footprint.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$33,500
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$33,500

Project Number: 676873
Estimated Start Date: 07/01/10
Estimated Completion Date: 06/30/11

2010-11 Source of Funds

Capital Improvements Reserve \$33,500

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$33,500	\$0	\$0	\$0	\$0	\$33,500

Microbial Remediation (Mold and Asbestos Removal)



Project Description

This project provides funding to hire trained remediation contractors for mold and asbestos removal as needed and in accordance with state and federal environmental requirements.

Remodeling a city facility will require an asbestos assessment before work can commence. In the event of detecting asbestos, specially trained technicians will perform the necessary remediation. If mold has been identified in a work area, a mold assessment and abatement actions will be performed by trained microbial remediation specialists to ensure a healthy environment.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$30,000
Total	\$30,000

Project Number: 6709269
Estimated Start Date: 07/01/10
Estimated Completion Date: Ongoing

2010-11 Source of Funds

Capital Improvements Reserve \$30,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$30,000	\$0	\$0	\$0	\$0	\$30,000

Roof Maintenance Program



Project Description

The scope of this project provides for annual maintenance and ongoing replacement of City facilities roof structures. Proper assessments, maintenance, repairs and replacement of roof structures will prolong performance and usefulness. A comprehensive program will prolong the life-cycle costs while reducing the frequency of leaks and emergency repairs. It is planned that roof replacement projects that will take place in 2010-11 are Diablo Stadium weight room and a portion of KRC. Specific replacement projects are being evaluated in conjunction with the City Facilities Master Plan.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$30,000
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$30,000

Project Number: 6702519
Estimated Start Date: 07/01/10
Estimated Completion Date: 06/30/11

2010-11 Source of Funds

Capital Improvements Reserve \$30,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$30,000	\$0	\$0	\$0	\$0	\$30,000

General Purpose Irrigation Improvements



Project Description

This project provides a recurring funding source to replace and repair irrigation lines due to normal operation and /or that have exceeded their useful life.

Environmental benefits of Flood Irrigation Service: The distribution system is gravity fed and does not require power to motors and pumps. Also, unlike domestic tap water, surface water used for flood irrigation requires no pre-treatment prior to delivery, which makes it a much more cost effective resource for flood irrigation.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$100,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$100,000

Project Number: 6704049
Estimated Start Date: 07/01/08
Estimated Completion Date: Ongoing

2010-11 Source of Funds

Capital Improvements Reserve \$100,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$0	\$0	\$0	\$0	\$100,000



Transportation projects total \$275 thousand in FY 2010-11 and account for less than 1% of the 2010-11 appropriated CIP budget



The Transportation element of the Capital Improvements Program includes all new and ongoing improvements put into service under the City's Transportation and Right-of-Way, and Traffic Signal and Street Lighting programs.

Historically, the annual Transportation program has been almost completely funded by bonds which are repaid by City property tax revenues. Dramatically declined local property values resulting from the economic downturn are projected to severely decrease property tax revenues for years to come; which has critically diminished the City's capacity to bond finance capital projects. Consequently, with the exception of a modest use of existing capital projects fund balance, funding for FY 2010-11 transportation capital projects has been delayed. Projects are planned within the five year program when federal grant subsidies are anticipated.

2010-11 CIP Projects - Transportation & R.O.W. Improvements Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Holdeman Alley Improvement							
Project: NA	General Obligation Bonds	-	-	-	32,102	-	32,102
	Federal Grants	-	-	-	531,098	-	531,098
	Project Total	-	-	-	563,200	-	563,200
North Tempe Alley Improvement: NA							
	General Obligation Bonds	-	-	-	58,095	-	58,095
	Federal Grants	-	-	-	961,105	-	961,105
	Project Total	-	-	-	1,019,200	-	1,019,200
Residential Street Surface							
Treatments: 5499951	Capital Projects Fund Balance	275,000	-	-	-	-	275,000
Program Total		275,000	-	-	1,582,400	-	1,857,400

Holdeman Alley Improvement Project



Project Description

The City of Tempe has an ongoing alley reconstruction / stabilization program which includes removing soil fines and old soil material and replacing with recycled asphalt (RAP) from wall to wall in alleys. This project would stabilize approximately 4.25 miles of alleys in the area from University to Broadway and Priest to Hardy. The primary environmental benefit derived from the project is a reduction in dust emissions due to activity in the alley. The project is approximately 94% federal grant funded.

This project will allow Tempe to continue its stabilization program in order to reduce PM 10 emissions. The Holdeman Neighborhood area was identified in the city's Congestion Mitigation Air Quality (CMAQ) funding request through the Maricopa Association of Governments (MAG) in the Paving Unpaved Road Projects category for its regional proximity to Phoenix and to County air quality monitoring stations in South Scottsdale. Additionally, traffic counts in the northern segment of the area yielded higher than average number of trips per day for alley use.

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$563,200	\$0	\$563,200

Estimated Project Costs

Legal / Administration	\$5,000
Land Acquisition	\$0
Permit Fees	\$9,000
Design and Engineering	\$54,000
Survey / Staking	\$5,000
Construction Management	\$32,000
Furnishings / Equipment	\$0
Construction / Improvement	\$450,000
Geotech / Material Testing	\$5,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$3,200
Total	\$563,200

Project Number: NA
Estimated Start Date: 08/01/13
Estimated Completion Date: 11/30/13

North Tempe Alley Improvement



Project Description

The City of Tempe has an ongoing alley reconstruction/stabilization program which includes removing soil fines and old soil material and replacing with recycled asphalt (RAP) from wall to wall in alleys. This project would stabilize approximately 10.5 miles of alleys in the area from approximately Miller Rd. to Crosscut Canal, Curry Rd. to Continental Dr. The primary environmental benefit derived from the project is a reduction in dust emissions due to activity in the alley. The project is approximately 94% federal grant funded.

Funding this project will allow the city of Tempe to continue its stabilization program in order to reduce PM 10 emissions. The North Tempe Neighborhood area was identified in the City's Congestion Mitigation Air Quality (CMAQ) funding request through the Maricopa Association of Governments (MAG) in the Paving Unpaved Road Projects category for its regional proximity to Phoenix and Scottsdale, and due to the fact that it is very close - approximately 2 miles - to the County's PM-10 air quality monitoring station in South Scottsdale.

2010-11 Source of Funds

NA

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$1,019,200	\$0	\$1,019,200

Estimated Project Costs

Legal / Administration	\$8,000
Land Acquisition	\$0
Permit Fees	\$15,000
Design and Engineering	\$96,000
Survey / Staking	\$8,000
Construction Management	\$56,000
Furnishings / Equipment	\$0
Construction / Improvement	\$800,000
Geotech / Material Testing	\$8,000
Utility Relocation Fees	\$25
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$28,175
Total	\$1,019,200

Project Number: NA
Estimated Start Date: 08/01/13
Estimated Completion Date: 11/30/13

Residential Street Surface Treatments



Project Description

This project will provide the ongoing preventative maintenance of local / residential streets throughout the city in accordance with the City's pavement management program. Examples of the various types of treatments include; slurry seal, cape seal, smooth seal, seal coat and crack seal. Allocating funds and effort now will prevent future reconstruction costs that can be 10 times higher than routine maintenance costs. The streets to be maintained in the fiscal year of 2010-11 are bounded by All American Way to McClintock and Baseline to Guadalupe, Guadalupe to the Western Canal and Rural to Price, and Guadalupe to Elliot and Kyrene to Rural.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$275,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$275,000

Project Number: 5499951
Estimated Start Date: Ongoing
Estimated Completion Date: Ongoing

2010-11 Source of Funds

Capital Projects Fund Balance \$275,000

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$275,000	\$0	\$0	\$0	\$0	\$275,000

2010-11 CIP Projects - Traffic Signals and Street Lighting Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Design and Install Fiber Optic Communications: NA	General Obligation Bonds	-	-	107,000	-	-	107,000
	Federal Grants	-	-	243,000	-	-	243,000
	Project Total	-	-	350,000	-	-	350,000
Video Traffic Detection: NA	General Obligation Bonds	-	120,000	-	-	-	120,000
	Federal Grants	-	305,000	-	-	-	305,000
	Project Total	-	425,000	-	-	-	425,000
Program Total		-	425,000	350,000	-	-	775,000

Design and Install Fiber Optic Communications



Project Description

This project will install fiber optic communications media to each signalized intersection along University from Mill to McClintock utilizing existing fiber conduits. This upgrade will require minimal design and construction due to conduits already being in place and the close proximity of the terminating traffic signal control cabinets to the ADOT fiber optic backbone. As a result, one-quarter of the signal system will be on fiber.

Utilizing the existing conduits and the state-owned infrastructure will eliminate the need for leased telephone service to the intersections and increase bandwidth to allow for installation of real-time video detection (data gathering) and CCTV monitoring. The City will be able to monitor traffic conditions and adjust traffic signal timing through centralized command and control strategies designed to minimize congestion. Additionally, this project mitigates congestion through enhanced regional multi-agency signal coordination and maximizes the use of existing communications infrastructure.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$350,000
Total	\$350,000

Project Number: NA
Estimated Start Date: 07/01/12
Estimated Completion Date: 06/30/13

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$350,000	\$0	\$0	\$350,000

Video Traffic Detection



Project Description

The project will utilize video detection and CCTV monitoring at arterial traffic signals to obtain real-time turning movement count data. The project will be used to monitor and adjust signal timing to improve traffic flow along the city's major travel corridors.

2010-11 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$425,000
Total	\$425,000

Project Number: NA
Estimated Start Date: 07/01/10
Estimated Completion Date: 06/30/11

New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$425,000	\$0	\$0	\$0	\$425,000

Office of Management and Budget Staff



Even though the budget is heard by the Mayor and Council in March, April, and May, its preparation begins several months prior, with projections of City funding sources, remaining bond authorization, reserves, revenues, and expenditures. It continues through numerous phases and culminates with adoption in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the fiscal year. Each year, every effort is made to improve both the budget process and the usefulness of the budget documents.

Cecilia Velasco-Robles
Deputy Financial Services Manager

Adam Williams
Senior Budget & Finance Analyst

Tom Mikesell
Lead Budget & Finance Analyst

Anita Erspamer
Executive Assistant

Mark Day
Senior Budget & Finance Analyst

Natalie Winger
Accounting Supervisor

**City of Tempe budget documents are also located on the World Wide Web at:
www.tempe.gov/budget**

If you have questions, call us at 480-350-8350.

Our mailing address is:
City of Tempe
Financial Services/Budget
P.O. Box 5002
Tempe, Arizona 85280



The Budget Staff at Splash Playground in Tempe Beach Park.