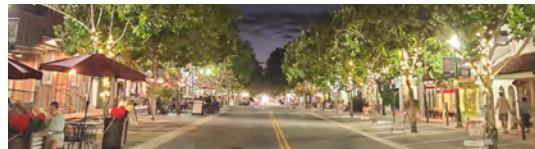
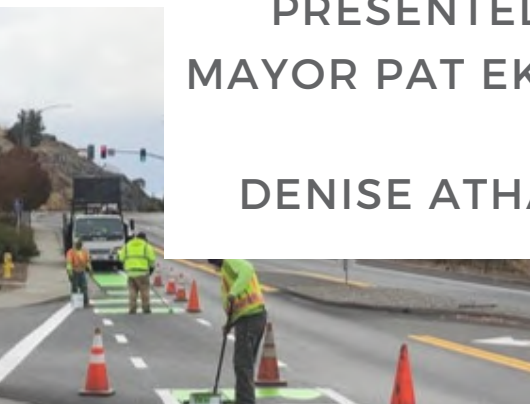


CITY OF **NOVATO** CALIFORNIA

ADOPTED BUDGET FISCAL YEAR 2021/2022

PRESENTED BY: CITY MANAGER ADAM MCGILL
MAYOR PAT EKLUND | MAYOR PRO TEM ERIC LUCAN
COUNCILMEMBERS
DENISE ATHAS | AMY PEELE | SUSAN WERNICK



CITY OF NOVATO

Adopted Budget Fiscal Year 2021-2022

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BUDGET MESSAGE



City Manager Budget Transmittal Letter
Fiscal Year 2021 / 2022 Adopted Budget

June 30, 2021

Honorable Mayor and Members of the City Council:

I am pleased to present the City of Novato Adopted Budget for Fiscal Year 2021/22. The annual budget is an important policy document outlining the City Council's priorities for the upcoming year and the plan for delivering services to the community through allocation of limited City resources.

This budget provides funding for the operation of vital City services, completion of capital projects, and one-time funding for several critical initiatives. The adopted General Fund Operating Budget totals \$44.9 million, with \$6.2 million allocated to new capital projects. With this investment the City will continue to deliver core services to our residents, including keeping public areas safe, clean and healthy; ensuring the City is prepared for future natural disasters or health emergencies; supporting local businesses and residents through the pandemic recovery; and maintaining 9-1-1 emergency response and capacity in emergencies.

The ongoing pandemic continues to have a significant impact on the City's financial outlook. While Fiscal Year 2021/22 is expected to be a year of economic recovery, we do not anticipate General Fund revenue to fully recover to pre-pandemic levels during this twelve-month period. Transient Occupancy Tax (TOT or hotel tax), business licensing, and charges for programs and services are expected to recover more slowly in the coming year than areas such as sales tax, recreation program fees, and facility rentals.

BUDGET DEVELOPMENT PROCESS

Despite the community's inability to gather in person during the pandemic, there were numerous opportunities for input and engagement during the Fiscal Year 2021/22 budget development process. Through surveys, a community workshop and numerous public meetings, residents and businesses provided valuable input to assist the City Council in allocating resources. Some of those opportunities are shown in the table below:

Fiscal Year 2021/2022 Budget Development Calendar	
Week of February 21, 2021	Launch Mini-Survey (to schedule Community Budget Workshop)
Week of March 14, 2021	Launch Community Budget Priority Survey
April 7, 2021	Community Budget Workshop
April 13, 2021	City Council - Budget Development Study Session and Capital Improvement Program
May 11, 2021 <i>(continued to May 18)</i>	City Council - Budget Workshop
June 8, 2021	City Council - Budget Hearing
June 22, 2021	City Council - Budget Adoption

In addition to the City Council meetings listed above, many of the City’s Commissions and Committees, such as the Novato Citizens’ Finance Advisory/Oversight Committee, Street Improvement Oversight Advisory Committee, Bicycle/Pedestrian Advisory Committee, Recreation, Cultural & Community Services Advisory Commission, and the Planning Commission, provided input and feedback.

STRATEGIC PLAN

The City Council’s adopted Strategic Plan provides an overall framework for development of the operating and capital budgets. The Strategic Plan also includes considerable input from community stakeholders and Staff prior to City Council adoption. The current Strategic Plan includes the five following goals:

- Living Well, Together
 - Support facilities and design programs and services that create a healthy, caring and interconnected community that is safe and secure.
- Great Places
 - Create inviting natural and built places and spaces for contemplation, play, arts, and connection, while celebrating our diverse community.
- Economic Vitality
 - Encourage a thriving business environment, becoming a hub of economic activity and innovation, with a focus on high-paying industries, a vibrant downtown, and a healthy economy.
- Environmental Stewardship
 - Preserve, protect and enhance Novato’s unique environment, now and for future generations, and model best sustainability practices for the community.

- At City that Works
 - Know, understand, and respond to the community we serve, engage our residents, and provide valued services promptly, professionally and with a passion.

Full details of the current Strategic Plan can be found at the following link:

<https://www.novato.org/government/city-council/strategic-plan>

FISCAL YEAR 2021/22 OPERATING BUDGET HIGHLIGHTS

The final FY 2021/22 operating budget as presented in this document includes \$44.7 million in revenue and \$44.9 million in expense (inclusive of transfers in/out), resulting in a deficit of \$208,000.

As with any other year, adoption of the annual budget represents a snapshot of the City's fiscal forecasts based on currently known factors. Revenue and expense projections continually shift throughout the year; however, due to the pandemic, the FY 2021/22 projections remain more fluid than usual. Fortunately, the economy is beginning to recover, and receipt of the one-time federal American Rescue Plan (ARP) funds have helped to backfill pandemic-related revenue losses. As a result of the improved revenue outlook, this budget does not reduce services beyond the significant budget balancing actions taken by the City Council in September 2020.

When the City Council adopted the FY 2020/21 carryover budget in June 2020, the projected deficit was \$5.7 million, primarily the result of pandemic-related impacts. In September 2020, the City Council made the difficult decision to significantly reduce operating expenses, including elimination of some services and seventeen (17) full-time positions. As a result, the projected deficit was reduced to \$2.5 million, a \$3.2 million decrease from the projected deficit in June. Many of the expense reductions were ongoing in nature, which assisted in containing costs in FY 2021/22. Those reductions, the start of the economic recovery, and the one-time ARP funds have resulted in a much smaller deficit (\$208K) for FY 2021/22.

Although the FY 2021/22 deficit is smaller than FY 2020/21, fiscal challenges remain. The budget does not include any cost adjustments for new labor agreements. Negotiations at the time of budget adoption were ongoing, and agreements with all groups expired on June 30, 2021. Additionally, prior fiscal forecasts have shown that the City's ongoing revenue will not sustain service levels for the long term.

Even prior to the pandemic, the City Council was working toward ensuring future fiscal sustainability, including identifying ways to generate ongoing revenue to support critical services. On February 11, 2020, the City Council identified five areas for Staff to begin exploring immediately.

One of those efforts, Measure Q, a 2% Transient Occupancy Tax (TOT) or hotel tax increase, was approved by voters in November 2020, and became effective January 1, 2021. Measure Q is expected to generate \$400K in ongoing revenue each year. In addition, two new hotels are in the development process and will generate additional, ongoing TOT to support services once they are constructed and operational. Finally, Staff continues to explore the remaining four areas for potential revenue generation, as shown in the following table:

Council Prioritized Options for Revenue Exploration*		
Category	Ongoing Revenue	One-Time Revenue
Transient Occupancy Tax (TOT) Measure	X	
Sales Tax Measure	X	
Hamilton Trust Utilization	X	X
Disposition of City-Owned Properties		X
Solid Waste Franchise Fee	X	
*Priorities established February 11, 2020		

Staff continues work on these priorities and provides updates to the City Council as key milestones are achieved or further Council input is required. An update on the Solid Waste Franchise Fee effort was completed in fall 2021; and Staff is proceeding with the steps required for the disposition of identified City-owned properties. In addition, a comprehensive fee study is underway, which the City Council will consider in fall 2021.

FISCAL YEAR 2021/22 BUDGET DEVELOPMENT

This year departments developed their FY 2021/22 operating budgets using a baseline assumption of no growth in expenses over the revised FY 2020/21 budget approved by the City Council in September 2020. The budget development process focused on restoring programs and services where appropriate based on anticipated fiscal recovery and lifting of pandemic-related restrictions.

General Fund Summary

General Fund revenues are projected to be \$44.7 million (with transfers in), while expenses are currently projected to be \$44.9 million (with transfers out); this includes \$8.8 million in one-time funds allocated between the operating budget and capital program for one-time expenses. A summary of the budget can be found in the FY 2021/22 Budget in Brief included in this document. The table below provides an overview of General Fund revenue and expense as adopted and exclusive of the one-time funding:

General Fund Budget Summary		
	Adopted Budget FY 2021/22	Without One-Time Funds
Revenue	\$42,716,846	\$39,769,846
Expense	(41,378,500)	(39,631,500)
Transfers In	1,988,000	1,338,000
Transfers Out	(3,533,899)	(2,333,899)
Surplus / (Deficit)	(\$207,553)	(\$857,553)

Revenue

FY 2021/22 General Fund revenue is projected at \$42.7 million (without transfers in). This revenue is primarily derived from Taxes (including property tax, sales tax, franchise tax, TOT and business licenses) at 79% or \$35.1 million, Charges for Services (including building fees, inspection fees, recreation class registrations) at 5% or \$2.0 million, and Licenses and Permits (including construction permits, Police permits, and home occupancy permits) at 2% or \$1.1 million.

Significant changes over FY 2020/21 include a 3.7% increase in property tax; a 16.5% increase in sales tax attributable to pandemic related recovery; and a 13.9% increase in TOT related to recovery from the pandemic in addition to the Measure Q voter-approved 2% increase.

Charges for Services consists of revenue received for direct services provided to the community. Many of the revenue projections in this category remain very fluid. As pandemic restrictions ease, Parks, Recreation and Community Services plans to offer more robust programming, which will lead to a recovery of revenue in this category.

Overall, revenue from the Licenses and Permits category is expected to remain similar to the prior year.

One-Time Revenue

Staff anticipates receiving a total of \$16.2 million in one-time funds in FY 2020/21 and FY 2021/22. The City Council has recommended that approximately \$8.8 million be programmed for use, \$7.8 million is programmed in the FY 2021/22 proposed operating and capital budgets, with the \$1 million balance planned in the FY 2022/23 capital budget. Of the \$8.8 million identified for use, \$2.9 million is General Fund and \$5.9 million is federal American Rescue Plan (ARP). More detail on the planned uses of these one-time funds is discussed in more detail in the Expense section below.

At the time of budget adoption, the Treasury Department had issued limited direction about the allowable uses of the federal APR funds. The release of final directives is anticipated in fall

2021. If necessary, any changes to the allowable use of funds as adopted in the budget will be brought back to the City Council for discussion and further direction. The following table outlines the revenue sources for the \$16.2 million in one-time funds:

Fiscal Years 2020/21 & 2021/22 One-Time Revenue	
Description	Adopted Revenue
General Fund	
Buck Center Agreement	\$500,000
Sale of Property: Hamilton Commissary Parcel	\$5,667,550
FY 18/19 General Fund Savings	\$889,490
Restricted Revenue	
Federal American Rescue Plan	\$9,112,951*
TOTAL AVAILABLE	\$16,169,991
*Subject to Change	

Expense

FY 2021/22 General Fund expense is projected at \$41.4 million (without transfers out). Typical of a service organization, expenses are primarily in Salaries and Benefits at 73%, or \$29.6 million. Other significant expense categories include Professional Services at 7%, or \$3.6 million, and Materials and Supplies at 6%, or \$1.4 million; the remaining categories include areas such as Repairs and Maintenance, Utilities, Travel and Training, Intergovernmental Services, and Rents and Leases.

Salaries and Wages and Employee Benefits are projected to increase by 5.3% over the FY 2020/21 adjusted budget. The increase is primarily driven by rising costs for health insurance, Workers' Compensation, increased hours for part-time staff to support restoration of Parks, Recreation, and Community Services programs paused during the pandemic, the addition of new positions, and rising pension costs. It is important to note that labor agreements with all employee groups were due to expire June 30, 2021, and any cost changes associated with new agreements, including salaries, are not included in this budget.

Non-Salary and Benefits expenses increased by 13.2%. The increase was primarily in the areas of professional services, for one-time State mandated projects, such as the Housing Element Update, Climate Adaptation, and follow-up actions associated with the newly adopted General Plan. Other one-time projects included the mandated redistricting process, purchase of new technology to enhance community communications, and a comprehensive update to the

building permit software to improve customer service. Detailed information about changes and initiatives in each department are provided in this document.

The following table provides a summary of staffing levels between FY 2018/19 and FY 2021/22. As stated earlier in this letter, in FY 2020/21, the City Council eliminated 17 (seventeen) positions in response to pandemic-related revenue declines. The majority of these positions were vacant, which reduced the number of actual layoffs required but did not address needed restructuring to ensure efficient service delivery. This budget begins to restructure Staff to improve service delivery, including the addition of two positions to the Finance Department. Overall, with existing staffing levels, the City will be challenged to sustain quality services over the long term, particularly as pandemic restrictions continue to ease and the community resumes normal activities.

Personnel Allocation Historical Trend					
	Adopted FY 18/19	Adopted FY 19/20	Adopted FY 20/21	Amended FY 20/21	Adopted FY 21/22
TOTAL	208.67	208.50	205.50	188.50	190.50

FISCAL YEAR 2021/22 CAPITAL IMPROVEMENT PROGRAM

Each fiscal year the City’s five-year Capital Improvement Program (CIP) is updated based on citywide priorities, community need and input, and available revenue. Annual updates to the CIP program include a mid-year review of each project schedule and expenditures to determine if any additional funding may be required for projects that are planned or underway. Five-year revenue projections are prepared for funding sources that support capital projects and specific capital needs are matched with revenue capacity to create the CIP proposal. All capital projects are organized in the following categories:

- Municipal Facilities
- Parks, Recreation and Community Facilities
- Transportation Drainage and Utilities
- Technology and Organizational Investments

The City’s FY 2021/22 Capital Improvement Program includes fifty-one (51) individual projects with approximately \$22 million in approved new and carryover capital funds. Capital projects funding is supported by several sources, including: regional, State or federal grants, gas taxes, Measure F, Parks Measure A, building maintenance funds, and development impact fees. All sources are reviewed for expenditure eligibility and combined to fund critical capital projects.

FY 2021/22 Capital Improvement highlights include:

- Continue underground utility design and coordination work and begin right-of-way acquisition process for the Novato Boulevard Improvement Project;
- Resurface San Marin Drive from Aspen Drive to San Andreas Drive, from San Andreas Drive to Sereno Way, and from Simmons Lane to Somerset Drive;
- Design and construct new crosswalk enhancements and traffic calming measures at approximately 35 locations throughout the City in response to residents' requests;
- Replace the small play structure at Pioneer Park with new, more inclusive play equipment, and install rubberized surfacing and perimeter fencing;
- Complete the design work for the Olive Ave. Widening Project from Railroad Ave. to Redwood Blvd. and apply for environmental permits to replace the open ditch with a culvert and mitigate the impacts by restoring a portion of Pacheco Creek;
- Develop and implement a Sidewalk Repair Program similar to those in place in the Cities of San Rafael and Sonoma, where homeowners can apply for a percentage of matching funds up to a certain limit on a first-come first-served basis to make repairs to cracked and uplifted sidewalks fronting their property; and
- Finalize the Environmental Document for the Community Garden at the Lieb Property and construct the City's portion of the project improvements.

CONCLUSION

This budget represents the commitment of City Council and Staff to continue restoring critical City services as pandemic restrictions ease. While we are fortunate to have received one-time monies at such an unpredictable time to fund priority needs, we cannot depend on one-time funds to support ongoing services.

Even as the economy recovers, our ability to achieve and maintain balanced budgets will be challenging. Rising expenses will continue to put pressure on the City's budget. As noted earlier, the City is a service organization and services are provided through a dedicated employee base. It will be difficult to sustain services to the community without strategically deploying and adding back employees eliminated during the pandemic, particularly as service demands continue to grow.

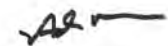
Additionally, it will be critical to remain a competitive employer – which means paying a competitive wage. The organization's ability to retain existing talent and attract new qualified employees will be crucial to ensuring effective and efficient operations and maintaining a vibrant community. While current employees are committed to delivering quality services to the community in the short term, it will be important to remain focused on building long-term fiscal health, including continuing work on the City Council's revenue enhancing priorities.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the City Council for providing leadership and direction on behalf of our community, particularly during these challenging times. Completion of the Fiscal Year 2021/22 budget would not have been possible without the dedicated efforts of the City's hardworking Staff. Development of the operating and capital budgets is truly the result of City Staff's commitment to development of a financial plan that ensures the community continues to receive high-quality services.

On behalf of myself and all the City Staff, we look forward to working with the City Council, community, and citizen Boards, Commissions and Committees to deliver critical services and preserve the excellent quality of life the community enjoys.

Sincerely,

A handwritten signature in black ink, appearing to read 'AM', with a horizontal line extending to the right.

Adam McGill
City Manager



RESOLUTIONS ADOPTING FINAL BUDGET

CITY COUNCIL OF THE CITY OF NOVATO

RESOLUTION NO. 2021-054

RESOLUTION ADOPTING THE CITY OF NOVATO OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022, PROVIDING FOR THE APPROPRIATION OF EXPENDITURES IN SAID BUDGETS, AND REPEALING ALL RESOLUTIONS IN CONCERT HEREWITH

WHEREAS, the City Council of the City of Novato has reviewed the proposed Operating Budget for FY 2021/22 and the Capital Improvement Program for FY 2021/22 through 2025/26; and

WHEREAS, as part of the City Council review process several public meetings were held to discuss the development of the FY 2021/22 budgets; in addition, the community provided input during the public meetings, as well as two community budget surveys and a budget workshop; and

WHEREAS, the City Council of the City of Novato has reviewed the proposed Operating and Capital Budgets for the Marin Valley Country Club for FY 2021/22 at a public meeting on May 18, 2021 as recommended prior to adoption of the final budget; and

WHEREAS, the City Manager has recommended certain personnel changes that will create organizational efficiencies and improve customer service, and

WHEREAS, the proposed budget increases the full-time equivalent employee count from 188.5 for FY 2020/21 as amended on September 29, 2020, to 190.5 for FY 2021/22, as shown in *Exhibit A*.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Novato hereby finds as follows:

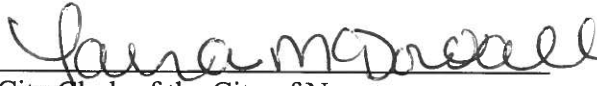
1. That the budget appropriations for FY 2021/22 as presented by the City Manager in the document "City of Novato Draft Budget, Fiscal Year 2021/22" is hereby approved and adopted, with total appropriation of all funds at \$67,606,320 for FY 2021/22 as shown in *Exhibit A*, including the Marin Valley Mobile Country Club FY 2021/22 operating and capital budget, and Novato Public Finance Authority adopted June 22, 2021 by the Novato City Council.
2. That the Capital Improvement Program Budget presented to the City Council on May 18, 2021 and June 8, 2021 for FY 2021/22 through 2025/26 is hereby approved and adopted with total appropriation of \$3,510,000 for new budget allocations.

3. A copy of said Budgets is on file with the City Clerk and is hereby adopted and referred to and by this reference expressly incorporated herein and made a part of this resolution. The funds appropriated by this resolution are authorized to be expended as necessary for municipal purposes.

* * * * *

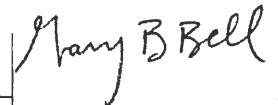
I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the City Council of the City of Novato, Marin County, California, at a meeting thereof, held on the 22nd day of June, 2021, by the following vote, to wit:

AYES: Councilmembers Athas, Lucan, Peele, Wernick, Eklund
NOES: Councilmembers
ABSTAIN: Councilmembers
ABSENT: Councilmembers



City Clerk of the City of Novato

Approved as to form: _____



City Attorney of the City of Novato

Exhibit A
June 22, 2021 Budget Adoption

Proposed Budget 2021/22		
Fund	Revenues	Expenditures
101 General Fund	44,704,846	44,912,399
111 Measure F Sales Tax	60,000	
113 Successor Agency Admin	70,000	43,616
115 Insurance Reserve	1,200,000	
116 Emergency & Disaster Reserve	120,000	
118 Long-Term Maint-Facilities	502,800	500,000
119 Long-Term Maint-Infrastructure	1,007,600	250,000
210 Affordable Housing Programs	312,325	1,060,705
211 Clean Storm Water	369,625	292,050
212 Underground Utilities	8,250	
214 Subdivision Park (Quimby)	128,500	
215 Art in Public Places	11,125	
216 General Plan Surcharge	67,900	7,500
217 Automation Surcharge	77,985	109,830
218 Hamilton CFD Maintenance	806,598	692,989
219 Pointe Marin CFD Maint.	196,248	144,575
220 Hamilton Art Center	455,000	275,000
221 Chapter 27 Assessments	2,600	
222 LAD-San Marin	68,500	66,248
224 LAD-Wildwood Glen	10,972	11,050
225 LAD-Hillside	24,255	25,892
226 Light & LAD-Downtown	7,710	3,300

227 LAD-San Pablo	14,726	40,119
229 State Gas Tax	2,355,814	2,300,000
231 Special Police Projects	116,000	110,000
232 State COPS Grant	135,000	220,000
233 Operating Grants	151,755	
234 Capital Grants	790,000	303,000
235 Marin VRF	4,260	
236 Streets Measure A	1,956,211	925,000
237 Park Measure A	402,310	573,945
238 Clean Stormwater CIP	48,710	
239 Street & Storm Drain Maint.	2,490	
241 Development Impact Fees	370,000	33,000
243 NPFA	198,950	84,982
245 American Rescue Plan	9,112,950	4,822,000
501 General Obligations Bond	1,162,803	1,060,319
502 Pension Obligation Bonds	1,549,812	1,549,812
601 Equipment Maintenance	871,483	871,022
602 Equipment Replacement	695,512	995,512
603 Technology Replacement	98,925	134,000
651 MVMCC	3,384,446	4,822,455
701 Hamilton Trust	406,000	366,000
Totals, all funds	74,040,996	67,606,320

CITY OF NOVATO PUBLIC FINANCE AUTHORITY

RESOLUTION NO. NPFA 2021-01

RESOLUTION OF THE NOVATO PUBLIC FINANCE AUTHORITY ADOPTING THE FINAL BUDGET FOR THE NOVATO PUBLIC FINANCE AUTHORITY OF THE CITY OF NOVATO FOR FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022 PROVIDING FOR THE APPROPRIATION OF EXPENDITURES OF ALL SUMS LISTED BELOW AND REPEALING ALL RESOLUTIONS IN CONCERT HEREWITH

WHEREAS, the City Manager has submitted to the Novato Public Finance Authority, a proposed budget for Fiscal Year July 1, 2021 through June 30, 2022; and

WHEREAS, after examination, deliberation and due consideration, the Novato Public Finance Authority has approved the same; and

WHEREAS, the Novato Public Finance Authority (Fund 243) hereby appropriates funds as follows:

Total Revenue	\$198,950
Total Expense	\$ 84,982

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Novato Public Finance Authority does hereby adopt the said final budget for Fiscal Year July 1, 2021 through June 30, 2022 and all resolutions and conflicts are expressly repealed

* * * * *


I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Board of Directors of the Novato Public Finance Authority, Marin County, California, at a meeting hereof, held on the 22nd day of June, 2021, by the following vote, to wit:

- AYES: Boardmembers Athas, Lucan, Peele, Wernick, Eklund
- NOES: Boardmembers
- ABSTAIN: Boardmembers
- ABSENT: Boardmembers



City Clerk of the City of Novato

Approved as to form:



City Attorney of the City of Novato



BUDGET IN BRIEF



BUDGET IN BRIEF

Total General Fund Budget: \$44.9 Million

Find out more at novato.org/citybudget

The City of Novato adopts its budget each June for the following fiscal year, which runs from July 1 to June 30.

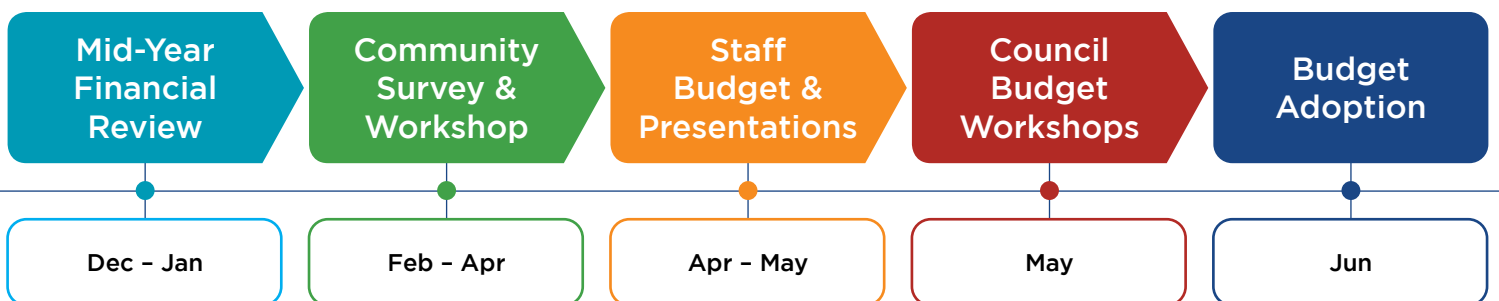
The budget, while a financial document, is also an important policy document, outlining the City Council's priorities for the upcoming year and showing how financial resources will be committed toward those goals.

Strategic Plan Goals

The City of Novato's Strategic Plan is a three-year plan that guides both the operating and capital budget development and contains the following five goals. More information at novato.org/strategicplan.

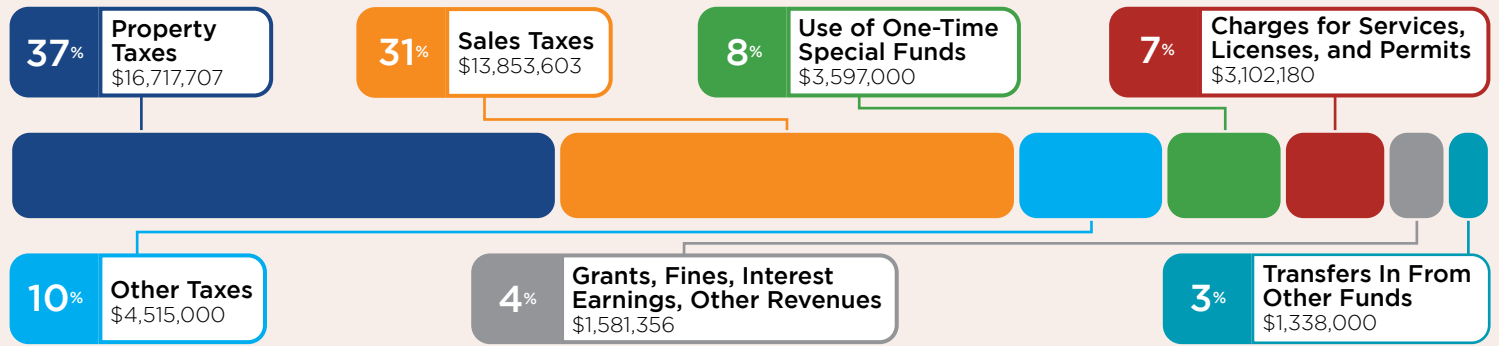
<p>Living Well, Together</p> <ul style="list-style-type: none"> • Public safety • Inclusive services • Supportive housing 	<p>Great Places</p> <ul style="list-style-type: none"> • General plan update • Enhanced interconnectivity • Community & entertainment spaces 	<p>Economic Vitality</p> <ul style="list-style-type: none"> • Vibrant downtown • Housing & commercial development projects • Biotech 	<p>Environmental Stewardship</p> <ul style="list-style-type: none"> • Public transit • Sustainability programs • Climate Action Plan 	<p>A City That Works</p> <ul style="list-style-type: none"> • Fiscal sustainability • Community engagement & transparency • Technology initiatives
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Annual Budget Process



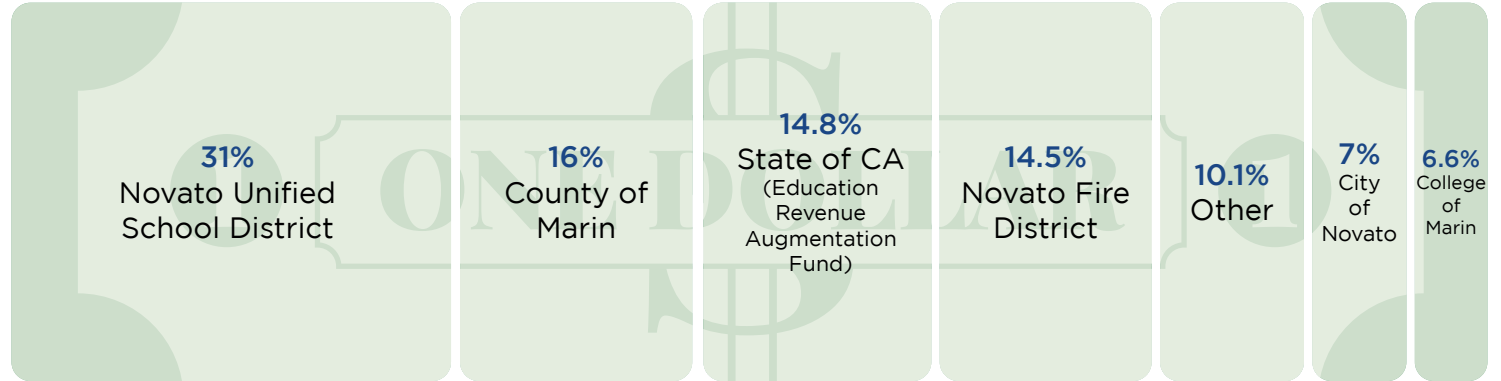
REVENUES - FISCAL YEAR 2021-2022

Total General Fund Revenues: \$44.7 Million



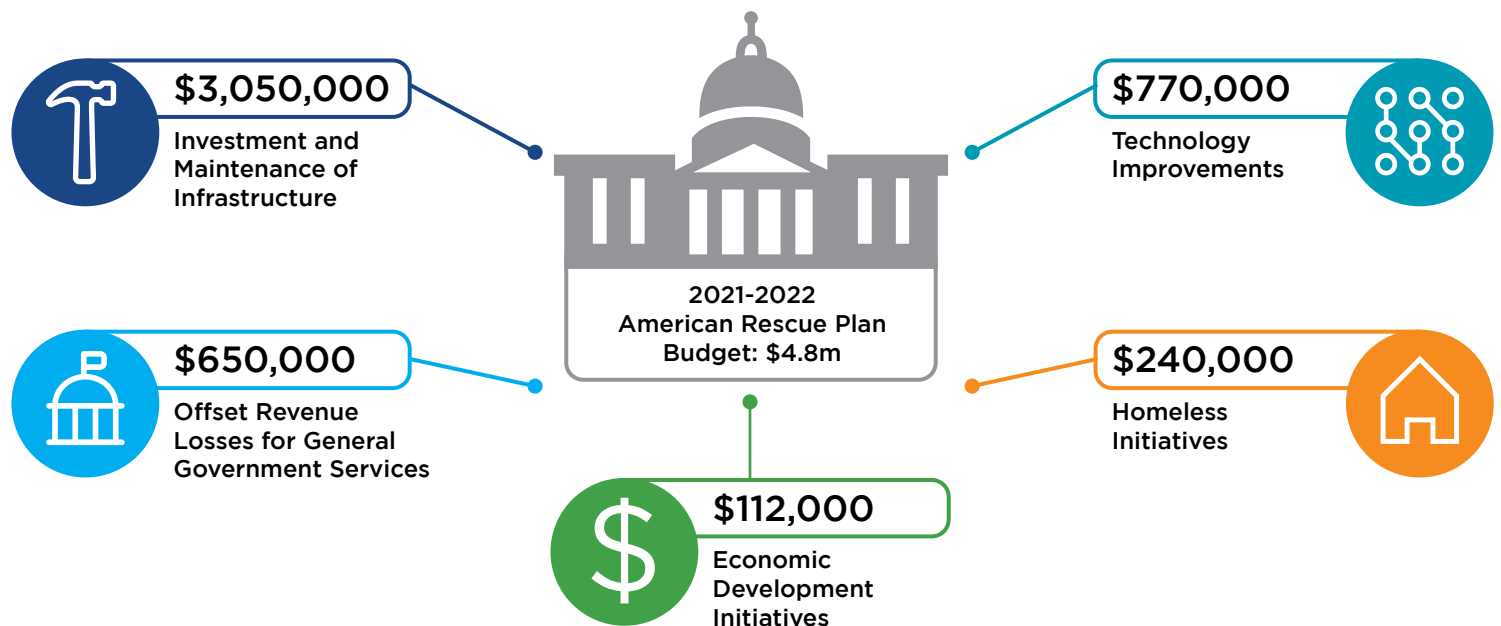
Distribution of Property Tax

How each dollar you pay is distributed.



American Rescue Plan

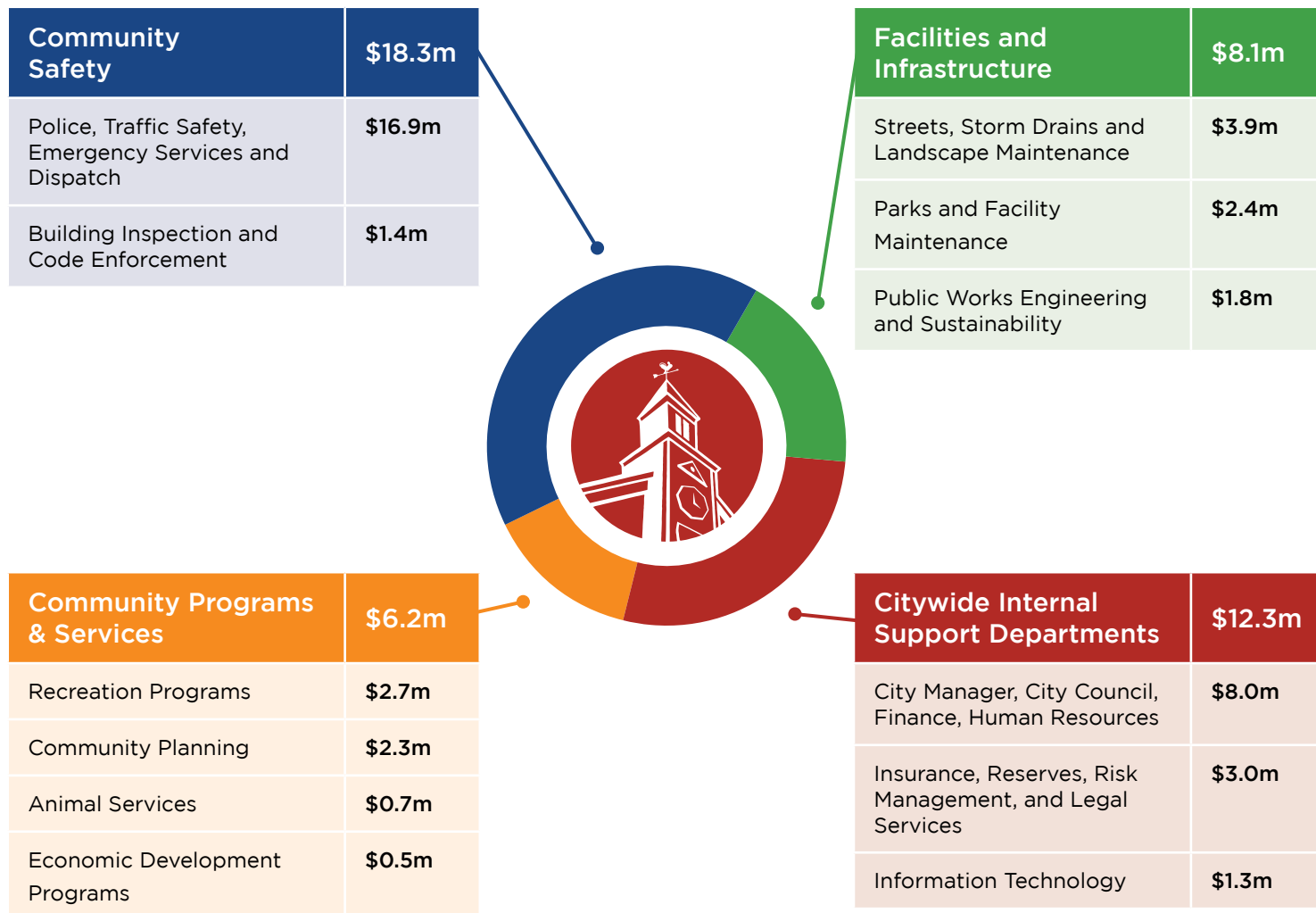
The City of Novato anticipates receiving \$9.1 million in American Rescue Plan funding from the federal government. These funds will be used to help the community recover from the COVID-19 public health emergency. The City has allocated \$4.8 million of these funds in the 2021-2022 budget and the balance will be appropriated in future years.



EXPENDITURES - FISCAL YEAR 2021-2022

Total General Fund Expenditures: \$44.9 Million

General Fund Expenses



Other Special Fund Expenses

Special Fund	Total
Capital Improvement Program	\$6.2m
American Rescue Plan	\$4.8m
Marin Valley Mobile Country Club	\$4.8m
Debt Service	\$2.6m
Housing Programs	\$1.2m

City Staff Distribution

The number of regular, full-time employees by department.



Capital Improvement Plan

Every year the City Council adopts a Capital Improvement Plan that includes many projects to improve and maintain city infrastructure and facilities. The 2021-2022 budget includes \$6.2 million in new funding, plus \$15.9 million in funding from prior years, for a total capital improvement project budget of \$22.1 million.

Project Highlights



Pioneer Park Play Area Upgrades

The City is revitalizing the small play area at Pioneer Park by replacing existing play equipment with a modern, accessible, and inclusive play structure.

Staff partnered with GameTime to design a custom play structure focused on serving children with special needs including limited mobility and sensory sensitivities.



Downtown Grant Avenue Amenities

This project will freshen up the downtown Grant Avenue area, making it sparkle again.

Improvements include new waste receptacles that make it easier to recycle, updated tree lights with energy-saving LED fixtures and attractive gates to enable easy street closures for special public events held on Grant Avenue.



Novato Boulevard/ San Marin-Sutro Improvements

This Safe Routes to School Project includes safety improvements such as new crosswalks and curb ramps, bulb-outs, intersection lighting, lane re-configuration, widening and upgrading the existing pathway to a Class I multi-use path, Class II bicycle lane widening to 5 feet, and a crosswalk with school-area signage.

Capital Improvement Budget

Street, Traffic, and Transit Improvements



Bike, Pedestrian, and Trail Improvements



City Buildings



Other Projects



Parks and Recreation Facilities



City Council

Mayor Pat Eklund
Mayor Pro Tem Eric Lucan
Councilmember Denise Athas
Councilmember Amy Peele
Councilmember Susan Wernick

Novato Citizens Finance Committee

Chair Rafelina Maglio
Vice Chair Mark Milberg

Committee Members:

Regina Bianucci Rus
 Caitrin Devine
 Cris MacKenzie
 Tim O'Connor
 Andrew Zmyslowski

As of 06/30/21

Get Involved - Attend a Meeting

The Novato City Council and Novato Citizens Finance Committee hold meetings regularly to discuss City business. Learn more about how to participate at an upcoming meeting at novato.org/agendas.

Novato City Council meetings
 2nd & 4th Tuesday of the month
 6:00pm

**Novato Citizens Finance
Committee meetings**
 3rd Thursday of the month
 7:30am

See the 2021-2022 budget and other financial documents at novato.org/citybudget

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BUDGET TABLES

**General Fund Budget
by Category**

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget	2021/2022 Adopted Budget Without One- Time Funds
Revenues					
Taxes	32,814,580	33,440,887	32,440,658	35,086,310	35,086,310
Licenses and Permits	1,170,315	1,379,000	1,155,390	1,068,370	1,068,370
Intergovernmental Revenues	276,370	460,094	447,972	467,572	467,572
Charges for Services	3,182,465	3,321,810	1,086,975	2,033,810	2,033,810
Fines and Forfeitures	532,200	591,200	423,180	498,200	498,200
Use of Money and Property	528,260	573,360	310,675	556,384	556,384
Other Revenues	45,400	74,855	712,566	3,006,200	59,200
Operating Transfers In	918,675	2,382,045	1,403,500	1,988,000	1,338,000
Totals	\$39,468,265	\$42,223,251	\$37,980,916	\$44,704,846	\$41,107,846
Expenditures					
Salaries and Wages	21,885,011	24,082,991	21,199,788	22,425,414	22,425,414
Employee Benefits	5,872,522	6,048,482	6,880,575	7,200,935	7,200,935
Professional Services	2,618,018	2,676,268	2,137,196	3,611,144	2,866,144
Intergovernmental Services	1,126,141	1,162,902	1,072,017	1,011,104	1,011,104
Training and Travel	507,785	455,009	194,154	232,863	232,863
Rents and Leases	411,410	411,759	301,759	401,759	401,759
Repairs and Maintenance	1,428,809	1,458,025	1,421,752	1,380,099	1,380,099
Materials and Supplies	2,338,022	2,485,369	2,577,786	2,391,307	2,391,307
Utilities	1,113,102	1,146,977	1,108,792	1,071,015	1,071,015
Capital Expenses	0	10,000	0	0	0
Other Expenses	625,665	770,150	328,150	1,652,860	650,860
Operating Transfers Out	3,254,011	2,846,867	2,444,573	3,533,899	2,333,899
Totals	\$41,180,496	\$43,554,799	\$39,666,542	\$44,912,399	\$41,965,399
Anticipated Deficit (Before Prior Year Carryover)	(\$1,712,231)	(\$1,331,548)	(\$1,685,626)	(\$207,553)	(\$857,553)

**General Fund Budget
by Department**

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Revenues				
Non-Departmental	33,403,560	35,589,692	33,575,968	39,881,020
Central Administration	38,415	30,200	14,600	14,600
Administrative Services	401,400	245,110	739,776	76,710
Police	1,076,430	1,326,594	1,299,772	1,325,772
Community Development	1,781,800	2,106,700	1,714,765	1,570,800
Public Works	366,660	346,855	277,895	277,595
Parks, Recreation and Community Services	2,400,000	2,578,100	358,140	1,558,349
Totals	\$39,468,265	\$42,223,251	\$37,980,916	\$44,704,846
Expenditures				
Non-Departmental	3,254,011	2,846,867	2,444,573	3,283,899
Central Administration	2,510,617	2,798,828	5,826,311	5,803,353
Administrative Services	6,217,319	7,185,866	2,696,480	4,893,368
Police	15,559,805	16,452,182	16,660,793	16,913,667
Community Development	2,819,094	3,036,576	2,921,459	4,011,332
Public Works	7,207,694	7,484,034	6,993,170	7,329,118
Parks, Recreation and Community Services	3,611,956	3,750,446	2,123,756	2,677,662
Totals	\$41,180,496	\$43,554,799	\$39,666,542	\$44,912,399
Anticipated Deficit (Before Prior Year Carryover)	(\$1,712,231)	(\$1,331,548)	(\$1,685,626)	(\$207,553)

General Fund Revenue Detail

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
<u>Taxes</u>				
Secured Property Taxes Real Property	7,419,990	7,690,000	8,160,000	8,288,000
Secured Property Taxes County Admin. Fee	(110,000)	(113,000)	(113,000)	(106,579)
Secured Property Taxes Redemptions	6,240	6,000	6,000	6,700
Secured Property Taxes In Lieu VLF	5,020,040	5,220,842	5,220,842	5,527,560
Secured Property Taxes Excess ERAF	1,470,040	1,530,000	1,530,000	1,617,000
Secured Property Taxes RDA Tax Increment	166,400	169,125	169,125	173,500
Secured Property Taxes ROPS Residual	348,400	360,000	360,000	360,000
Secured Property Taxes In Lieu-MVMCC	77,240	80,330	80,330	80,330
Unsecured Property Taxes Unsecured	144,040	146,600	146,600	161,196
Supplemental Property Tax Supplemental	218,400	188,000	188,000	185,000
Special Assessments SB1186 Access Fee	18,000	18,000	-	-
Real Property Transfer Tax PTT	362,085	372,948	372,948	425,000
Sales & Use Tax General Sales Tax	9,717,030	9,701,020	8,861,377	10,411,277
Sales & Use Tax Audit Recovery	(5,000)	(5,000)	(5,000)	(5,000)
Sales & Use Tax Measure C Sales Tax	2,648,625	2,700,000	2,536,119	2,947,126
Sales & Use Tax Public Safety Sales Tax	471,500	500,200	500,200	500,200
Hotel Tax TOT	1,786,590	1,826,822	1,370,117	1,560,000
Business Licenses Business License Tax	1,089,310	1,302,000	1,302,000	1,250,000
Business Licenses Business License Tax-Audit	160,000	2,000	-	-
Franchise Fees Cable Television	1,125,450	1,090,000	1,100,000	1,050,000
Franchise Fees PG&E	675,000	650,000	650,000	650,000
Residential Development Tax Development	5,200	5,000	5,000	5,000
Subtotal Taxes	32,814,580	33,440,887	32,440,658	35,086,310
<u>Licenses and Permits</u>				
Construction Permits Building	523,000	670,000	551,150	575,000
Construction Permits Elect., Plumb., Mechanical	295,000	352,000	272,760	232,000
Construction Permits Inspection Fees	255,500	257,000	238,980	170,000
Construction Permits Grading Inspections	63,000	70,000	70,000	70,000
Police Permits Permits	8,000	15,000	7,500	7,500
Police Permits Parking Permits	10,000	-	-	-
Police Permits Preferential Parking	3,315	-	-	870
Other Permits Home Occupation Permit	8,000	9,000	9,000	9,000
Other Permits HOP-Audit	500	-	-	-
Other Permits Tree Removal Permits	4,000	6,000	6,000	4,000
Subtotal Licenses and Permits	1,170,315	1,379,000	1,155,390	1,068,370
<u>Intergovernmental</u>				
State-Motor Vehicle in Lieu Vehicle in Lieu-Code 11005.	28,000	26,500	26,500	26,500
State-HOPTR Secured Homeowner's Exemption	34,340	34,400	34,400	34,000
Peace Officers Standards & Training POST	10,480	45,250	15,000	35,000
Other State Revenues State Mandated Costs	16,800	4,200	2,200	2,200
Other State Revenues NENA Conference Reimburseme	2,800	2,800	2,800	2,800
Other State Revenues CA Bldg Standards Admin	300	-	-	-
Other State Revenues Abandoned Vehicle	36,000	42,000	42,000	42,000
Other State Revenues CARES/Covid 19 Reimbursemen	-	-	663,066	-
Federal Grants COPE	134,000	134,000	167,328	167,328
Other Intergovernmental Revenue Novato San. Dist.	10,000	10,000	-	-
Other Intergovernmental Revenue NUSD	-	157,744	157,744	157,744
Other Intergovern. Revenue Mass Notification Systems	3,650	3,200	-	-
Subtotal Intergovernmental	276,370	460,094	1,111,038	467,572

General Fund Revenue Detail

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
<u>Charges for Services</u>				
Business License Application Fees	15,450	15,000	15,000	15,000
Business License Application Fees-Audit	3,090	1,000	1,000	1,000
Misc Publications/Reports	310	400	400	400
Administrative Fees	160,000	160,000	-	-
Administrative Fees CR	6,500	6,500	6,500	2,000
MVMCC Admin Fees	50,000	50,000	50,000	50,000
Application Fees	415	-	-	-
Returned Check Charges	310	310	310	310
Insurance Special Events	3,090	4,400	4,400	4,400
Admin Fees-Training	7,500	9,000	9,000	7,600
Total General Government Fees	246,665	246,610	86,610	80,710
Flat Fees	9,000	12,000	12,000	11,000
CR Private Projects	177,000	154,000	143,995	150,000
Final Inspection	1,000	1,000	1,000	-
Total Zoning and Subdivision Planning Fees	187,000	167,000	156,995	161,000
Building Plan Check Fees	137,000	200,000	200,000	142,000
Building Plan Check/Planning	15,000	19,000	19,000	15,000
Bldg Plan Check/School	2,000	-	-	-
Energy Plan Check Fees	38,000	84,000	84,000	35,000
Crime Prevention Plan Check Fees	500	-	-	-
Total Plan Checking Fees	192,500	303,000	303,000	192,000
Flat Fees	110,000	70,000	60,000	60,000
CR Staff	80,000	26,000	10,000	10,000
Final Inspection	60,000	120,000	85,695	85,695
Total Engineering and Inspection Fees	250,000	216,000	155,695	155,695
Program Fees	1,654,500	1,701,600	201,295	1,026,158
Registration Fees	-	10,000	1,000	13,000
Team Fees	161,100	205,000	10,000	145,854
MTSC Membership Fee	13,000	13,000	-	6,000
Instruction Fees-Seniors	155,000	200,000	5,000	62,000
Recreational Swim	53,600	-	-	-
Trips & Special Events	18,000	20,000	-	5,000
Concessions	19,000	20,000	-	5,000
Application Fees	7,500	7,500	1,000	8,000
MTSC Building Attendant Fees	10,000	10,000	80	4,793
Total Parks & Recreation Fees	2,091,700	2,187,100	218,375	1,275,805
Police Services DUI/Restitution	4,000	6,000	5,000	5,000
Police Services Vehicle Impound Fees	28,000	35,000	30,000	30,000
Police Services Special Police Services	18,000	12,000	22,000	15,000
Police Services Alarm Fees	42,000	42,000	35,000	36,000
Police Services Record Releases	14,000	15,000	10,000	10,000
Total Police Fees	106,000	110,000	102,000	96,000

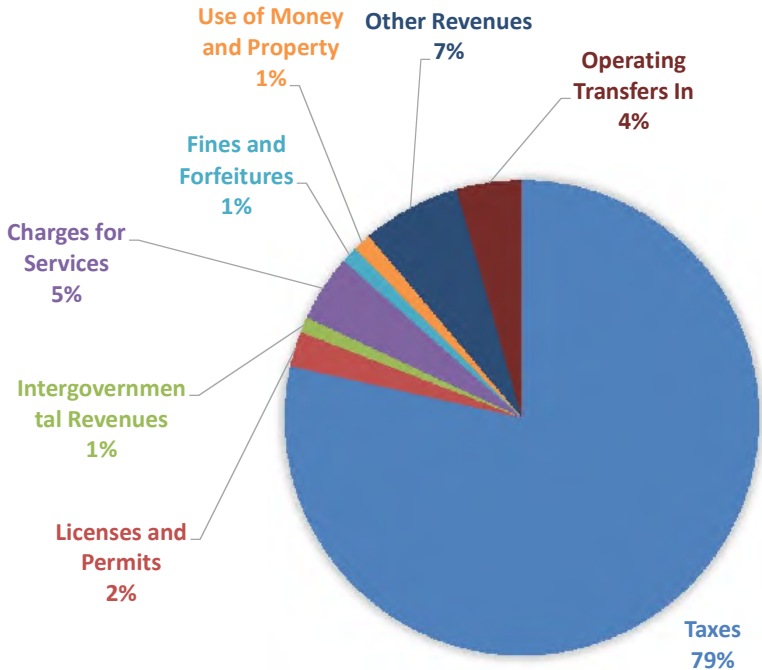
General Fund Revenue Detail

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Other Service Charges Legal Fees Recovered	38,000	30,000	10,000	10,000
Other Service Charges Admin Fees Contracts	46,500	35,000	27,000	40,000
Other Service Charges Construction Signs	1,500	300	300	-
Other Service Charges City Surcharge	1,600	1,600	1,600	1,600
Other Service Charges Plan Storage Fees	21,000	25,200	25,400	21,000
Total Other Fees	108,600	92,100	64,300	72,600
Subtotal Charges for Services	3,182,465	3,321,810	1,086,975	2,033,810
<u>Fines and Forfeitures</u>				
Fines & Forfeitures Vehicle Code Fines	222,200	222,200	222,200	235,000
Code Enforcement Fines Hearing Appeals	6,000	10,000	10,000	3,100
Code Enforcement Fines Resale Permit Fines	195,500	190,000	31,980	90,000
Parking Fines Parking Fines	90,000	130,000	120,000	120,000
Penalties Business License Penalties	13,000	36,000	36,000	45,000
Penalties Business License Penalties-Audit	500	-	-	-
Penalties TOT Penalties	-	-	-	5,000
Penalties Cost Recovery Penalties	5,000	3,000	3,000	100
Subtotal Fines and Forfeitures	532,200	591,200	423,180	498,200
<u>Use of Money and Property</u>				
Investment Earnings Invest Earnings	125,000	40,000	40,000	144,000
Investment Earnings Invest Earnings-Notes Receivable	-	-	6,250	13,000
Investment Earnings Home Loan Interest Revenue	-	-	-	4,140
Investment Earnings Misc	1,100	260	260	300
Rents Margaret Todd	37,500	37,000	20,500	33,300
Rents Downtown Building Custodians	3,000	2,050	2,050	2,050
Rents Parks	49,660	34,350	30,750	36,794
Rents Hill Community Room	12,500	12,500	4,125	10,000
Rents Hamilton Community Center	40,000	45,600	6,000	24,000
Rents Dog Park	-	23,600	8,600	-
Rents 901 Sherman Avenue	9,000	7,000	2,640	5,600
Rents Other Recreation Facilities	158,000	225,000	85,000	178,700
Rents Rent- O'Hair	72,500	72,500	72,500	72,500
Rents City Owned Property-Other	-	44,000	20,000	20,000
Rents AT&T Wireless Antenna	-	19,500	2,000	2,000
Rents Misc Rents	20,000	10,000	10,000	10,000
Subtotal Use of Money and Property	528,260	573,360	310,675	556,384
<u>Other Revenues</u>				
Sale of Property Sale of Equipment	650	-	-	-
Insurance/Litigation Settlements Insurance Settlements	-	16,655	-	-
Private Donations/Contributions Senior Citizen Club Dor	13,000	10,000	3,000	13,000
Miscellaneous Reimbursements Citation Nuisance Fines	4,000	24,000	24,000	24,000
Miscellaneous Reimbursements Utility Reimb	-	900	900	900
Miscellaneous Reimbursements Transit Shelters	2,400	-	-	-
Miscellaneous Reimbursements Novato Fire District	1,300	1,300	-	-
Miscellaneous Reimbursements Tam-Enfrente Path Mai	-	-	2,500	2,500
Miscellaneous Reimbursements Rideshare Van Pool	2,000	2,000	2,000	2,000
Miscellaneous Reimbursements Recycling Revenue	1,000	1,000	1,000	1,000

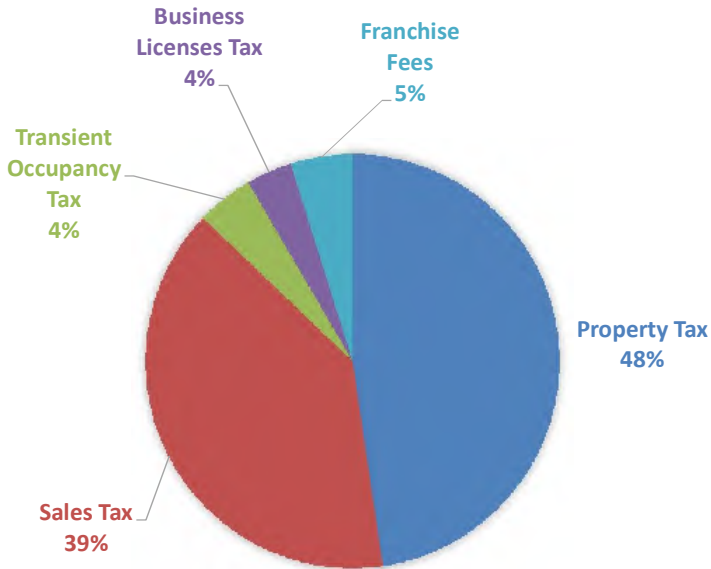
General Fund Revenue Detail

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Miscellaneous Reimbursements Miscellaneous	-	1,000	1,000	1,000
Bad Debt Writeoffs NSF Checks	300	300	100	100
Other Brochure Advertising	8,500	-	-	2,000
Other Misc Revenue	4,250	5,700	5,000	2,700
Other Discounts Taken	8,000	12,000	10,000	10,000
Subtotal Other Revenues	45,400	74,855	49,500	59,200
<u>Operating Transfers In</u>				
Operating Transfers In Measure F Sales Tax	-	442,545	-	-
Operating Transfers In Clean Stormwater	75,000	65,000	65,000	-
Operating Transfers In Subdivision Park Trust	500	500	500	-
Operating Transfers In Gas Tax	817,000	917,000	1,000,000	1,000,000
Operating Transfers In Street Improvements (Measure A)	(500,000)	617,000	-	-
Operating Transfers In Development Impact Fees	38,175	2,000	-	-
Operating Transfers In NPFA	13,000	13,000	13,000	13,000
Operating Transfers In ARP	-	-	-	650,000
Operating Transfers In Hamilton Trust	475,000	325,000	325,000	325,000
Other Financing Sources Use of Fund Balance (Budget)	-	-	-	2,947,000
Subtotal Operating Transfers In	918,675	2,382,045	1,403,500	4,935,000
Grant Total, All Revenues	<u>39,468,265</u>	<u>42,223,251</u>	<u>37,980,916</u>	<u>44,704,846</u>

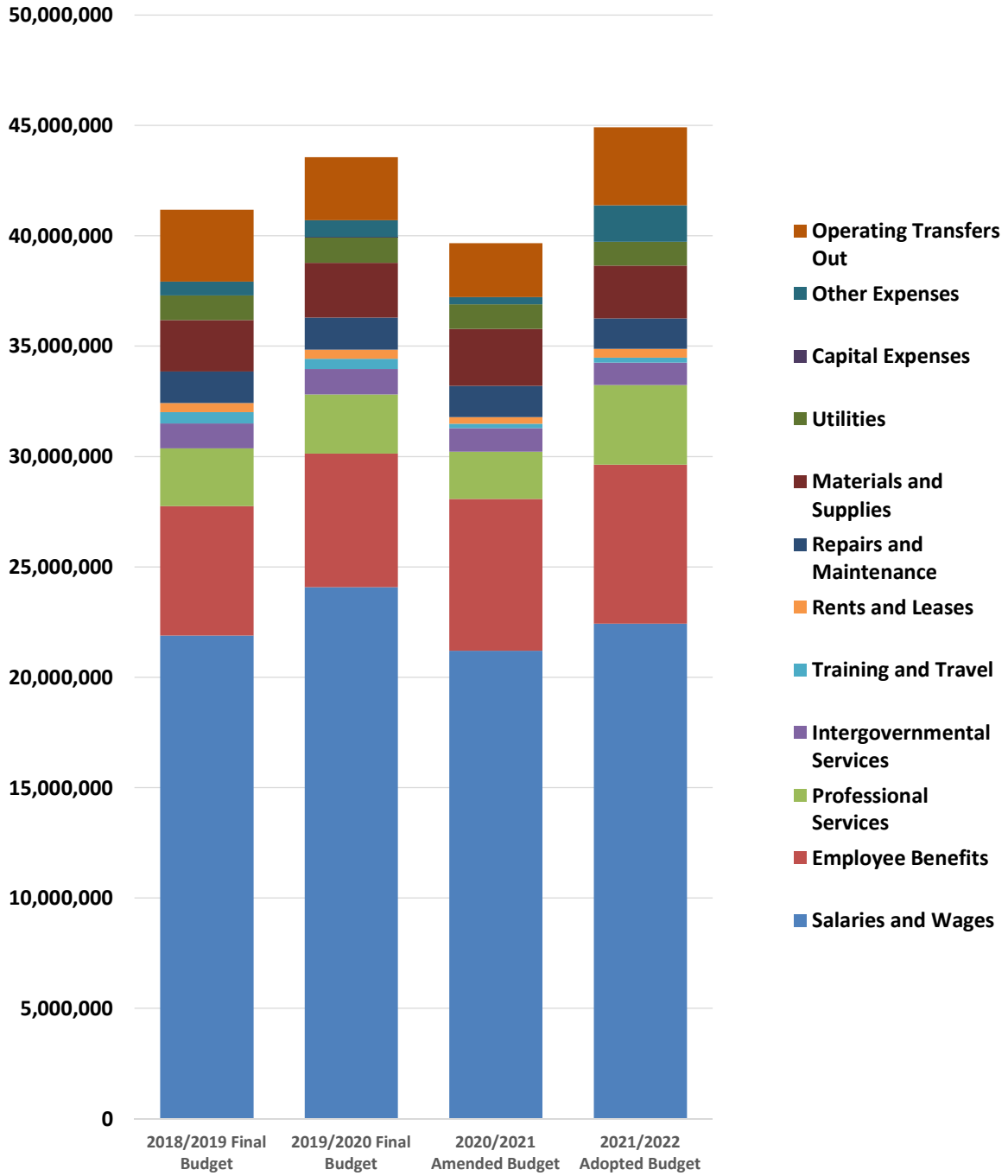
General Fund Revenues by Category



Tax Revenues by Type



**General Fund Expenses by Category
2018/2019 to 2021/2022 Budgets**



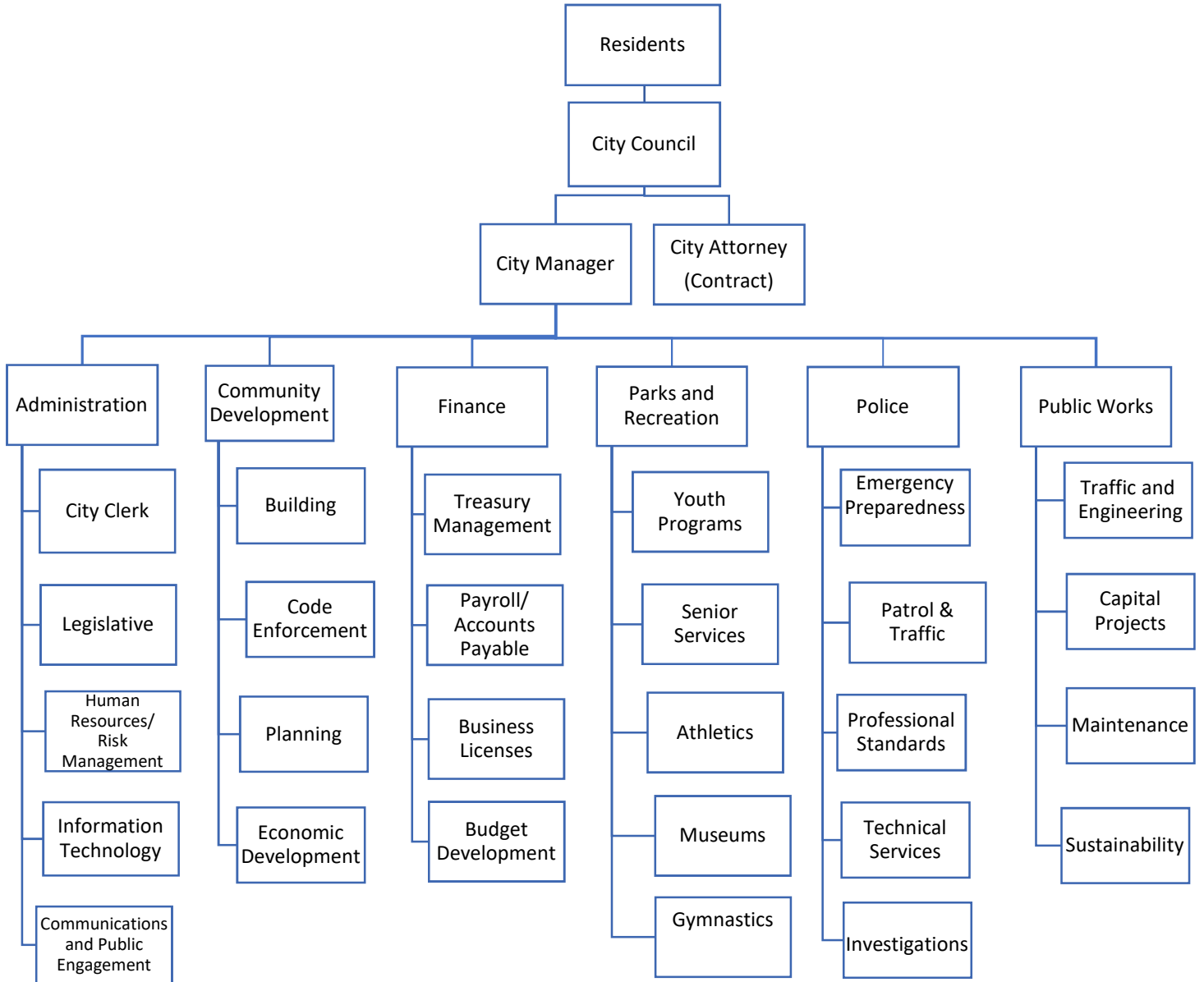
Revenue and Expenses by Category
All Funds

	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
<u>Expenditures</u>			
Salaries & Wages	25,581,141	22,575,265	23,481,405
Employee Benefits	6,346,021	7,128,256	7,445,851
Professional Services	4,302,820	3,145,931	4,731,403
Intergovernmental Services	1,678,871	1,549,496	1,523,539
Training & Travel	459,959	199,104	237,813
Rentals & Leases	424,863	314,989	415,121
Repairs & Maintenance	2,107,896	2,051,323	2,253,540
Materials & Supplies	3,277,547	3,339,024	3,210,864
Utilities	2,442,724	2,473,974	2,569,529
Capital Expenses	3,135,960	3,170,345	2,975,500
Debt Service	3,590,760	3,631,082	3,253,215
Other Expenses	2,696,099	2,507,859	2,892,032
Operating Transfers Out	35,280,020	10,584,920	12,616,508
Expenditure Totals	\$ 91,324,681	\$ 62,671,568	\$ 67,606,320
<u>Revenue</u>			
Taxes	39,819,901	36,384,634	39,824,170
Licenses & Permits	1,379,000	1,155,390	1,068,370
Intergovernmental	11,257,580	7,433,687	8,619,261
Charges for Services	5,485,669	2,592,108	3,741,279
Fines & Forfeitures	591,200	423,180	498,200
Use of Money & Property	4,573,721	3,715,140	4,532,776
Other	2,307,706	2,465,037	9,351,432
Operating Transfer In	9,698,184	3,933,248	6,405,508
Revenue Totals	75,112,961	58,102,424	74,040,996



PERSONNEL ALLOCATIONS

Functional Organization Chart



Personnel Allocation

	Actual	Amended Budget	Amended Budget	Adopted Budget	Change
<u>DEPARTMENT SUMMARY</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2021/22</u>
ADMINISTRATION (Central Administration)	10.00	10.00	15.80	15.80	0.00
FINANCE (Administrative Services)	16.37	17.20	7.00	9.00	2.00
POLICE	81.50	81.50	78.50	78.50	0.00
COMMUNITY DEVELOPMENT	22.00	21.00	21.00	21.00	0.00
PUBLIC WORKS	55.50	55.50	51.00	51.00	0.00
PARKS, RECREATION & COMMUNITY SERVICE	23.30	23.30	15.20	15.20	0.00
TOTAL	208.67	208.50	188.50	190.50	2.00

Personnel Allocation by Fund

	Actual 2018/19	Amended Budget 2019/20	Amended Budget 2020/21	Adopted Budget 2021/22	Change 2021/22
Measure F	6.75	4.50	0.00	0.00	0
RDA Successor Agency	0.20	0.20	0.20	0.20	0
Capital Improvement Fund	0.42	0.00	0.00	0.00	0
Affordable Housing Fund	0.12	0.12	0.02	0.02	0
Automation Surcharge Fund	0.50	0.50	0.50	0.50	0
Hamilton Community Facilities Fund	3.07	3.07	3.07	3.07	0
Pointe Marin Community Facilities Fund	2.00	2.00	2.00	2.00	0
Parks Measure A Fund	2.50	0.50	0.50	0.00	-1
Total Other Funds	15.56	10.89	6.29	5.79	-1
	7.5%	5.2%	3.3%	3.0%	
Total General Fund	193.11	197.61	182.21	184.71	3
	92.5%	94.8%	96.7%	97.0%	
Total All Funds	208.67	208.50	188.50	190.50	2

<u>DEPARTMENT</u>	<u>Actual</u> <u>2018/19</u>	<u>Amended</u> <u>Budget</u> <u>2019/20</u>	<u>Amended</u> <u>Budget</u> <u>2020/21</u>	<u>Adopted</u> <u>Budget</u> <u>2021/22</u>	<u>Change</u> <u>2021/22</u>
<u>ADMINISTRATION (Central Administration)</u>					
City Manager					
City Manager	1.00	1.00	1.00	1.00	-
Sustainability Coordinator	-	1.00	-	-	-
Management Analyst I / II	-	0.50	-	-	-
Executive Secretary	0.80	0.80	-	-	-
Subtotal	1.80	3.30	1.00	1.00	0.00
Measure F					
Management Analyst II	1.00	0.50	-	-	-
Subtotal	1.00	0.50	0.00	0.00	0.00
Public Engagement/Economic Development					
Assistant City Manager	1.00	1.00	0.35	0.35	-
Economic Development Manager	-	1.00	-	-	-
Sr. Management Analyst / Webmaster	1.00	-	-	1.00	1.00
Management Analyst II / Webmaster	1.00	1.00	1.00	0.00	-1.00
Management Analyst II	-	-	0.50	0.50	-
Sr Office Assistant	1.00	1.00	1.00	1.00	-
Subtotal	4.00	4.00	2.85	2.85	0.00
Measure F					
Hamilton Property Project Manager	1.00	-	-	-	-
Subtotal	1.00	0.00	0.00	0.00	0.00
City Clerk					
City Clerk	1.00	1.00	1.00	1.00	-
Executive Secretary	0.20	0.20	-	-	-
Assistant City Clerk	1.00	1.00	1.00	1.00	-
Subtotal	2.20	2.20	2.00	2.00	0.00

Human Resources

Assistant City Manager	-	-	0.35	0.35	-
Human Resources Manager	-	-	1.00	1.00	-
Human Resources Analyst	-	-	1.00	1.00	-
Human Resources Assistant	-	-	1.00	1.00	-
Management Analyst II	-	-	0.50	0.50	-
Sr. Office Assistant	-	-	1.00	1.00	-
Subtotal	-	-	4.85	4.85	0.00

Information Technology Services

Assistant City Manager	-	-	0.10	0.10	-
Information Technology Manager	-	-	1.00	1.00	-
Senior IT Analyst	-	-	1.00	1.00	-
Network & Systems Administrator	-	-	1.00	1.00	-
Information Technology Technician	-	-	2.00	2.00	-
Subtotal	-	-	5.10	5.10	0.00

TOTAL ADMINISTRATION
(Central Administration)

10.00	10.00	15.80	15.80	0.00
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FINANCE (Administrative Services)

Administration

Assistant City Manager	0.60	0.60	-	-	-
Principal Analyst	-	1.00	-	-	-
Management Analyst II	0.60	0.60	-	-	-
Subtotal	1.20	2.20	0.00	0.00	0.00

Human Resources

Human Resources Manager	0.90	0.90	-	-	-
Human Resources Analyst	1.00	1.00	-	-	-
Principal HR Analyst	1.00	1.00	-	-	-
Human Resources Assistant	1.00	1.00	-	-	-
Sr. Office Assistant	-	1.00	-	-	-
Subtotal	3.90	4.90	0.00	0.00	0.00

Finance

Finance Director	-	0.90	0.90	0.90	-
Deputy Finance Director	-	-	-	1.00	1.00
Finance Manager	0.90	-	-	-	-
Accounting Supervisor	0.90	0.90	-	-	-
Senior Accountant	-	-	0.90	0.90	-
Payroll/Accounting Technician	1.00	1.00	1.00	1.00	-
Senior Accounting Assistant	1.00	1.00	1.00	1.00	-
Accounting Assistant I / II	1.00	1.00	1.00	1.00	-
Accountant I/II	-	-	1.00	2.00	1.00
Senior Management Analyst	-	-	1.00	1.00	-
Subtotal	4.80	4.80	6.80	8.80	2.00

RDA Successor Agency

Finance Director	-	0.10	0.10	0.10	-
Finance Manager	0.10	-	-	-	-
Accounting Supervisor	0.10	0.10	-	-	-
Senior Accountant	-	-	0.10	0.10	-
Subtotal	0.20	0.20	0.20	0.20	0.00

Capital Improvement Fund

Accounting Supervisor	0.17	-	-	-
Business Analyst	0.25	0.25	-	-
Subtotal	0.42	0.00	0.00	0.00

Information Technology Services

Information Technology Manager	1.00	1.00	-	-
Senior IT Analyst	1.00	1.00	-	-
Network & Systems Administrator	1.00	1.00	-	-
GIS/Engineering Technician	1.00	1.00	-	-
Information Technology Technician	1.00	1.00	-	-
Subtotal	5.00	5.00	0.00	0.00

Measure F

Business Analyst	0.75	-	-	-
Subtotal	0.75	0.00	0.00	0.00

Citywide Programs

Human Resources Manager	0.10	0.10	-	-
Management Analyst I / II	-	-	-	-
Subtotal	0.10	0.10	0.00	0.00

TOTAL FINANCE (Administrative Services)	16.37	17.20	7.00	9.00
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POLICE

Administration

Police Chief	1.00	1.00	1.00	1.00	-
Captain	2.00	2.00	1.00	2.00	1.00
Lieutenant	-	-	1.00	0.00	-1.00
Sr. Management Analyst	1.00	-	-	-	-
Executive Assistant	1.00	1.00	1.00	1.00	-
Community Services Officer	-	-	1.00	1.00	-
Subtotal	5.00	4.00	5.00	5.00	0.00

Technical Services

Evidence Technician	1.00	1.00	1.00	1.00	-
Dispatch Supervisor	1.00	1.00	1.00	1.00	-
Sr. Dispatcher	2.00	2.00	2.00	2.00	-
Dispatcher	7.00	7.00	7.00	7.00	-
Records Supervisor	1.00	1.00	1.00	1.00	-
Records Specialist	3.50	3.50	2.00	2.00	-
Subtotal	15.50	15.50	14.00	14.00	0.00

Professional Standards

Sergeant	1.00	1.00	1.00	1.00	-
Management Analyst I / II	1.00	1.00	1.00	1.00	-
Office Assistant II	-	-	0.50	0.50	-
Subtotal	2.00	2.00	2.50	2.50	0.00

Criminal Investigations

Lieutenant	1.00	1.00	1.00	1.00	-
Sergeant	1.00	1.00	1.00	1.00	-
Officer	4.00	4.00	4.00	4.00	-
Subtotal	6.00	6.00	6.00	6.00	0.00

Patrol Administration & Operations

Lieutenant	2.00	2.00	2.00	2.00	-
Sergeant	5.00	5.00	5.00	5.00	-

Corporal	4.00	4.00	4.00	4.00	-
Officer	26.00	26.00	26.00	26.00	-
K-9 Officer	3.00	3.00	3.00	3.00	-
Subtotal	40.00	40.00	40.00	40.00	0.00
Traffic					
Sergeant	1.00	1.00	1.00	1.00	-
Officer	3.00	3.00	3.00	3.00	-
Community Service Officer	1.00	1.00	1.00	1.00	-
Subtotal	5.00	5.00	5.00	5.00	0.00
Special Police Services					
Officer-Major Crimes Task Force	1.00	1.00	-	-	-
Officer-COPE Grant	1.00	1.00	1.00	1.00	-
Sergeant-NRT	1.00	1.00	1.00	1.00	-
Officer-NRT	2.00	2.00	2.00	2.00	-
Officer-SRO	1.00	2.00	2.00	2.00	-
Subtotal	6.00	7.00	6.00	6.00	0.00
Measure F					
Dispatcher	1.00	1.00	-	-	-
Records Specialist	0.50	0.50	-	-	-
Office Assistant II	0.50	0.50	-	-	-
Subtotal	2.00	2.00	0.00	0.00	-
TOTAL POLICE	81.50	81.50	78.50	78.50	0.00

COMMUNITY DEVELOPMENT

Administration

Community Development Director	0.78	0.78	0.78	0.78	-
Sustainability Coordinator	1.00	-	-	-	-
Management Analyst I	-	-	1.00	0.00	-1.00
Senior Management Analyst				1.00	1.00
Subtotal	1.78	0.78	1.78	1.78	0.00

Code Enforcement

Supervising Code Enforcement Officer	1.00	1.00	1.00	1.00	-
Code Enforcement Officer	1.50	1.50	1.00	1.00	-
Housing Inspector	1.00	1.00	1.00	1.00	-
Subtotal	3.50	3.50	3.00	3.00	0.00

Planning

Community Development Director	0.20	0.20	0.20	0.20	-
Planning/Environmental Svcs Manager	1.00	1.00	1.00	1.00	-
Principal Planner	1.00	1.00	1.00	1.00	-
Senior Planner	1.90	1.90	1.00	1.00	-
Planner I	2.00	1.00	1.00	0.00	-1.00
Planner II	-	1.00	1.00	2.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Subtotal	7.10	7.10	6.20	6.20	0.00

Clerical Services

Development Permit Supervisor	0.50	0.50	0.50	0.50	-
Permit Technician	1.00	1.00	1.00	1.00	-
Senior Office Assistant	1.00	1.00	1.00	1.00	-
Office Assistant II	2.00	2.00	2.00	2.00	-
Subtotal	4.50	4.50	4.50	4.50	0.00

Building

Chief Building Official	1.00	1.00	1.00	1.00	-
Building Plans Examiner I & II	-	-	1.00	1.00	-

Senior Building Inspector	1.00	1.00	1.00	1.00	-
Building Inspector I & II	2.50	2.50	2.00	2.00	-
Subtotal	4.50	4.50	5.00	5.00	0.00
Affordable Housing Programs					
Community Development Director	0.02	0.02	0.02	0.02	-
Sr. Planner	0.10	0.10	-	-	-
Subtotal	0.12	0.12	0.02	0.02	0.00
					0.00
Automation Surcharge					
Development Permit Supervisor	0.50	0.50	0.50	0.50	-
Subtotal	0.50	0.50	0.50	0.50	0.00
TOTAL COMMUNITY DEVELOPMENT	22.00	21.00	21.00	21.00	0.00

PUBLIC WORKS

Engineering Administration

Public Works Director	0.85	0.85	0.85	0.85	-
PW Admin Manager	0.75	0.75	0.75	0.75	-
Engineering Project Coordinator	0.30	0.30	-	-	-
Management Analyst II	1.00	1.00	1.00	1.00	-
Sustainability Coordinator I & II	-	-	1.00	1.00	-
Senior Office Assistant	0.20	0.20	0.20	0.20	-
Subtotal	3.10	3.10	3.80	3.80	0.00

Engineering Operations

Deputy PW Director / City Engineer	0.30	-	--	--	-
Engineering Services Manager	-	0.30	0.30	0.30	-
PW Admin Manager	0.25	0.25	0.25	0.25	-
Senior Civil Engineer	0.40	0.40	0.40	0.40	-
Assistant Engineer	0.50	0.50	0.50	0.50	-
Public Works Inspector	1.00	1.00	1.00	1.00	-
Engineering Project Coordinator	1.00	1.00	1.00	0.00	-1.00
Senior Office Assistant	0.80	0.80	0.80	0.80	-
Subtotal	4.25	4.25	4.25	3.25	-1.00

Project Development

Public Works Director	0.15	0.15	0.15	0.15	-
Deputy PW Director / City Engineer	0.10	-	-	-	-
Engineering Services Manager	-	0.10	0.10	0.10	-
Assistant Engineer	0.20	0.20	0.20	0.20	-
Subtotal	0.45	0.45	0.45	0.45	0.00

Capital Projects Engineering

Deputy PW Director / City Engineer	0.60	-	-	-	-
Engineering Services Manager	-	0.60	0.60	0.60	-
Senior Civil Engineer	0.60	0.60	0.60	0.60	-
Assistant Engineer	2.30	2.30	2.30	2.30	-
Engineering Project Coordinator	0.70	0.70	-	-	-

Subtotal	4.20	4.20	3.50	3.50	0.00
					0.00
Maintenance Administration					
Maintenance Superintendent	1.00	1.00	1.00	1.00	-
Management Analyst I	-	-	-	1.00	1.00
Office Assistant II	1.00	1.00	1.00	1.00	-
Subtotal	2.00	2.00	2.00	3.00	1.00
Street Maintenance					
Maintenance Supervisor	0.68	0.68	0.68	0.68	-
Senior Maintenance Worker	4.00	4.00	4.00	4.00	-
Maintenance Worker	3.00	3.00	3.00	3.00	-
Subtotal	7.68	7.68	7.68	7.68	0.00
Traffic Operations					
Maintenance Supervisor	0.25	0.25	0.25	0.25	-
Senior Maintenance Worker	1.00	1.00	1.00	1.00	-
Maintenance Worker	1.00	1.00	1.00	1.00	-
Subtotal	2.25	2.25	2.25	2.25	0.00
Median Island Maintenance					
Maintenance Supervisor	0.30	0.30	0.30	0.30	-
Senior Maintenance Worker	1.00	1.00	1.00	1.00	-
Maintenance Worker	3.00	4.00	4.00	4.00	-
Subtotal	4.30	5.30	5.30	5.30	0.00
Parks Maintenance					
Maintenance Supervisor	0.70	0.70	0.70	0.70	-
Senior Maintenance Worker	2.00	2.00	2.00	2.00	-
Maintenance Worker	4.00	5.00	4.00	4.00	-
Subtotal	6.70	7.70	6.70	6.70	0.00
Building Maintenance					
Building Maintenance Supervisor	1.00	1.00	1.00	1.00	-
Facilities Maintenance Lead	-	1.00	1.00	1.00	-

Senior Custodian	1.00	-	-	-	-	
Custodian	6.50	6.50	5.00	5.00	-	
Subtotal	8.50	8.50	7.00	7.00	0.00	
Hamilton Community Facilities						
Maintenance Supervisor	0.07	0.07	0.07	0.07	-	
Maintenance Worker	3.00	3.00	3.00	3.00	-	
Subtotal	3.07	3.07	3.07	3.07	0.00	
Pte Marin Community Facilities						
Maintenance Worker	2.00	2.00	2.00	2.00	-	
Subtotal	2.00	2.00	2.00	2.00	0.00	
Measure F						
Maintenance Worker	2.00	2.00	-	-	-	
Subtotal	2.00	2.00	0.00	0.00	0.00	
Parks Measure A						
Maintenance Worker	2.00	-	-	-	-	
Subtotal	2.00	0.00	0.00	0.00	0.00	
Equipment/Vehicle Maintenance						
Supervising Equipment Technician	1.00	1.00	1.00	1.00	-	
Senior Equipment Technician	1.00	1.00	1.00	1.00	-	
Equipment Technician	1.00	1.00	1.00	1.00	-	
Subtotal	3.00	3.00	3.00	3.00	0.00	
TOTAL PUBLIC WORKS		55.50	55.50	51.00	51.00	0.00

PARKS, RECREATION & COMMUNITY SERVICES

Administration

Assistant City Manager	0.40	0.40	0.20	0.20	-
Deputy Director	0.20	0.20	0.20	0.20	-
Recreation & Operations Manager	0.70	0.75	-	-	-
Management Analyst	1.37	1.37	-	-	-
Recreation Supervisor	0.21	0.21	0.21	0.21	-
Recreation Coordinator	0.50	0.50	0.50	1.00	0.50
Subtotal	3.38	3.43	1.11	1.61	0.50

Youth Enrichment Programs

Deputy Director	0.20	0.20	0.20	0.20	-
Management Analyst	0.03	0.03	-	-	-
Recreation Supervisor	0.90	0.90	0.90	0.90	-
Recreation Coordinator	1.75	1.75	-	-	-
Senior Office Assistant	0.10	0.10	0.10	0.10	-
Child Care Teacher	1.75	1.75	-	-	-
Subtotal	4.73	4.73	1.20	1.20	0.00

Cultural Programs/Museum Administration

Recreation Services Manager	0.05	-	-	-	-
Subtotal	0.05	0.00	0.00	0.00	0.00

Senior Citizens

Recreation & Operations Manager	0.25	0.25	-	-	-
Recreation Supervisor	0.95	0.95	0.95	0.95	-
Recreation Coordinator	1.00	1.00	-	-	-
Senior Office Assistant	0.90	0.90	0.90	0.90	-
Subtotal	3.10	3.10	1.85	1.85	0.00

Athletics

Deputy Director	0.60	0.60	0.60	0.60	-
Recreation Supervisor	3.94	3.94	2.94	2.94	-
Recreation Coordinator	1.00	1.00	1.00	1.00	-

Gymnastics Instructor	4.25	4.25	4.25	4.25	-
Senior Office Assistant	1.00	1.00	1.00	0.75	-0.25
Office Assistant II	0.75	0.75	0.75	1.00	0.25
Subtotal	11.54	11.54	10.54	10.54	0.00
Parks Measure A					
Recreation Coordinator	0.50	0.50	0.50	0.00	-0.50
Subtotal	0.50	0.50	0.50	0.00	-0.50
TOTAL PARKS, RECREATION & COMMUNITY SERVICES	23.30	23.30	15.20	15.20	0.00
GRAND TOTAL PERSONNEL	208.67	208.50	188.50	190.50	2.00



OPERATING BUDGETS BY DEPARTMENT

Central Administration

Central Administration provides overall leadership to City departments and implements and communicates the policy direction of the City Council through several management, legal and administrative functions. Central Administration provides the tools needed by other City departments to provide efficient and effective services and engagement with the community.

Department Mission Statement

The mission of Central Administration is to facilitate the relationship between local government and the residents. Each individual in the Department is dedicated to transparency, equity and inclusion and the ongoing improvement of services offered to the Novato community.

Department Programs

Mayor and City Council

The City Council establishes overall goals and objectives for the City through the adoption of policies and the City Council Strategic Plan, and by setting priorities for the development and implementation of programs and services.

City Manager's Office

The City Manager and his staff members provide overall administrative leadership and manage the processes that lead to the implementation of the Council's goals and objectives. The City Manager oversees day-to-day operations of the City's departments, programs and services, including public safety, and communicates policies from the City Council. The City Manager has the duty and responsibility to uphold the City of Novato's mission to provide excellent services that enrich the quality of life within the community, and promotes the City's core values including equity and fairness, honesty, integrity and ethical behavior and respect for all.

City Clerk

The City Clerk serves as the liaison between the public and the City Council and ensures transparency and open government. The City Clerk coordinates appointments to the City's commissions, committees and boards and acts as a compliance officer for federal, state, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act. The City Clerk, along with the City Manager, prepares the City Council meeting agendas and related documents, completes the necessary arrangements for accessible and effective meetings and ensures that all City Council actions are properly executed, recorded, and archived.

City Attorney

The City contracts with Colantuono, Highsmith & Whatley, PC for legal services. In addition to having a partner specifically designated as City Attorney for routine legal services, the firm has

attorneys specializing in various areas of municipal law who are utilized by the City on an as-needed basis. Legal services include review and approval of contracts and related documents, counsel on development projects and issues, advice on questions of law and procedure, litigation management, prosecution of certain provisions of the Novato Municipal Code, written opinions on City-related matters, and representation of all City officers and officials in actions brought against them while performing their official City functions.

Communications and Community Engagement

The Communications and Community Engagement program plans and coordinates efforts to meaningfully engage and effectively communicate with the community. The Division works to improve public access to timely, accurate, and helpful information about the City and its services; provides a variety of easy, accessible, and meaningful ways to engage with the City; and promotes transparency in the City's decision-making process and outcomes of key issues affecting the daily lives of the Novato community.

Human Resources and Risk Management

The Human Resources Division is responsible for human resources services including employee and labor relations, policy and procedure review and development, recruitment and selection, classification and compensation, benefits administration, workers' compensation, employee recognition and engagement, training and development, administration of personnel rules and regulations, policies and procedures, and compliance with federal and state employment laws.

Risk Management functions include administration of multiple risk programs and participating in the Bay Cities Joint Powers Insurance Authority Risk Pool to reduce the City's exposure to losses resulting from workers' compensation, and liability claims.

Information Technology

The Information Technology Division manages data and telecommunications systems networks and provides services and support to end-users in all departments. The Division is responsible for network applications used by all employees and assists departments with business-specific application deployment and support. The Division is also responsible for Internet, telephone system, remote access services, Geographical Information Systems (GIS) and for managing support provided by professional and technical consultants.

Department Goals

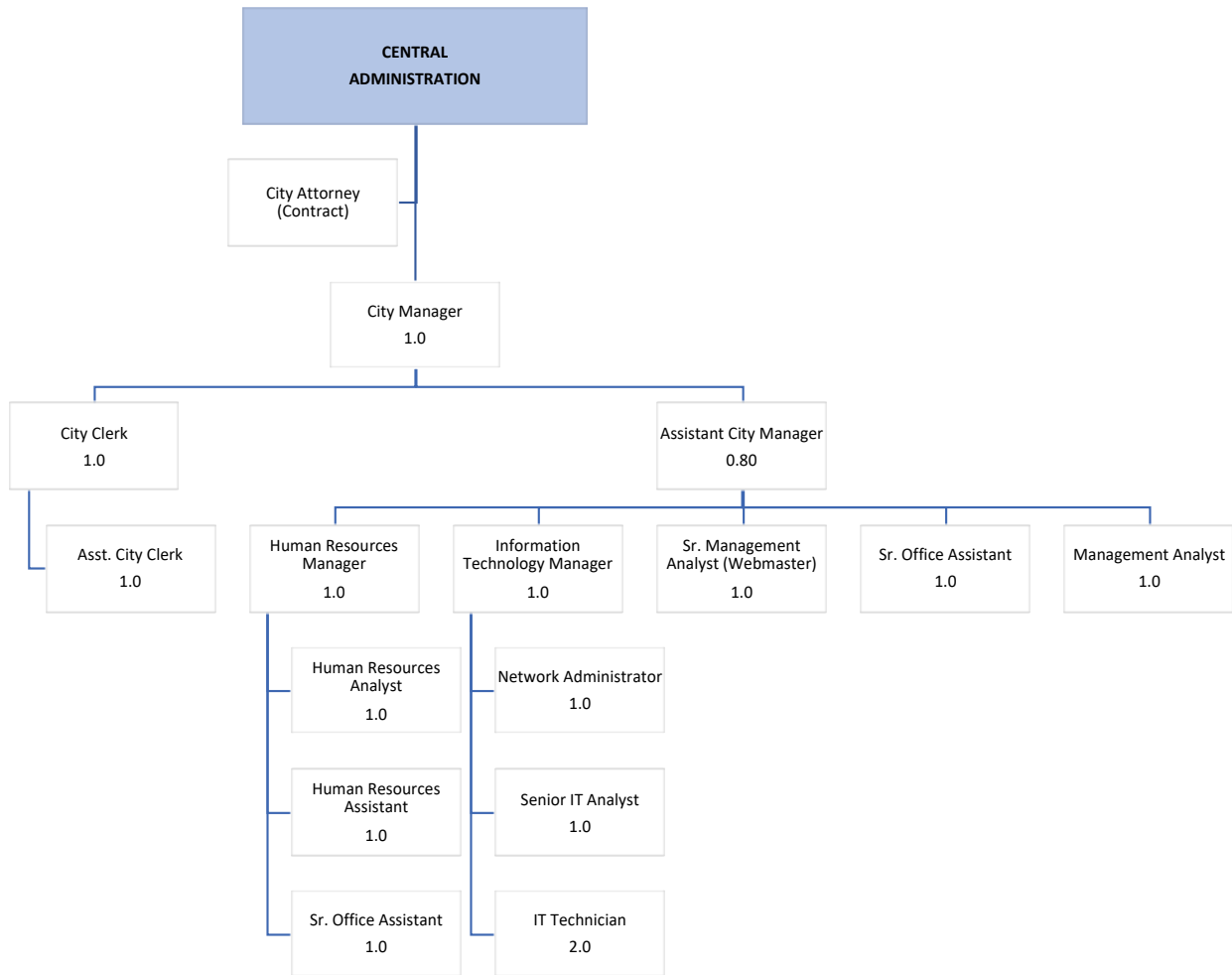
- Facilitate the creation and adoption of a City Council Strategic Plan covering the period of July 1, 2021 through June 30, 2023.
- Complete the re-districting process in response to updated data provided from the 2020 Census.
- Implement Public Records Act software to improve efficiency and transparency for public records requests.

- Purchase and install equipment to create a virtual public participation option for future City Council Meetings to increase public participation.
- Finalize a refresh of the City's website to be more intuitive and accessible.
- Install digital communications platform to streamline communications and improve workflow.
- Improve internal communication by working with departments to improve communication of news to staff, and improve external communication to provide accurate and timely information, with a focus on crisis management.
- Update the City's Personnel Rules and related policies.
- Create diversity and equity targets for recruiting with the goal of ensuring, at a minimum, that City staff reflects the community we serve.
- Implement various initiatives and proactive approaches to reduce workers' compensation costs and improve risk systems and processes, efficiently providing customer service to City departments as well as the community.
- Deploy new technology solutions for facilities and fleet in the Public Works Department, and online permits for the Community Development Department.

Fiscal Impacts

For the 2021/22 fiscal year, the Department is using considerable one-time funds, from both local sources and the American Rescue Plan, to fund Public Records Act tracking software, the redistricting project, new and improved community outreach tools, TrakIT on-line permitting software, and numerous network security and similar software tools. Without these one-time funds, the Department would not be able to meet these important goals.

Department Staffing



	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Staffing				
City Manager	1.80	3.30	1.00	1.00
Measure F	2.00	0.50	-	-
Public Engagement/Economic Development	4.00	4.00	2.85	2.85
City Clerk	2.20	2.20	2.00	2.00
Human Resources	-	-	4.85	4.85
Information Technology	-	-	5.10	5.10
Total Staffing	10.00	10.00	15.80	15.80

Department Budget

	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
<u>Revenues</u>				
City Manager	415	-	-	-
City Clerk	-	200	200	200
Risk Management	-	-	4,400	4,400
City Atty Cost Recovery	38,000	30,000	10,000	10,000
Total Revenues	38,415	30,200	14,600	14,600
<u>Expenses</u>				
City Council	74,328	83,891	85,708	88,552
City Manager	458,183	592,916	460,235	548,659
Public Information	439,631	460,851	397,684	232,518
Economic Development	459,031	460,874	(94,413)	153,208
Environmental Sustainability	-	185,081	-	-
City Clerk	516,444	552,215	405,799	523,767
City Attorney General	325,000	333,000	333,000	373,000
City Atty Cost Recovery	38,000	30,000	30,000	30,000
Administration	-	-	(19,347)	199,982
Human Resources	-	-	1,050,486	908,496
Information Technology	-	-	1,345,094	1,271,211
Risk Management	-	-	1,732,065	1,373,960
City Atty Litigation	200,000	100,000	100,000	100,000
Total Expenses	2,510,617	2,798,828	5,826,311	5,803,353
<u>Expenses by Category</u>				
Salaries and Wages	1,080,884	1,314,472	1,919,810	2,070,198
Employee Benefits	199,211	261,073	454,477	518,565
Professional Services	1,021,193	770,521	1,045,331	1,234,331
Intergovernmental Services	-	182,500	10,000	10,000
Training and Travel	47,507	52,491	59,568	57,593
Rentals and Leases	-	-	107,794	107,794
Repairs and Maintenance	35,024	30,000	194,050	117,050
Materials and Supplies	104,595	163,368	1,868,878	1,511,019
Utilities	4,203	6,403	153,403	153,803
Other Expenses	18,000	18,000	13,000	23,000
Total Expenses	2,510,617	2,798,828	5,826,311	5,803,353

Finance

The Finance Department is responsible for the safekeeping of the City's financial assets through proper accounting and investing, providing fiscal support to City departments, and promoting fiscal transparency with the City Council and community.

Department Mission Statement

The mission of the Finance Department is to provide comprehensive and effective financial services. As an internal and external service provider, the Department takes pride in being an attentive and resourceful team providing superior service and communication to all City programs and activities and the greater Novato community.

Department Programs

General Accounting and Administration

This function is responsible for a broad array of general accounting and reporting functions.

- Preparing internal financial reports and all required state and federal reports for the City, Successor Agency of the dissolved Redevelopment Agency and special assessment districts;
- Preparing financial and budget reports to City Council including revenue trend analysis and projections, as well as future financial and economic conditions;
- Manage annual financial audit and coordinate preparation of the Comprehensive Annual Financial Report with external auditors;
- Calculate annual tax rates for bond indebtedness;
- Maintain the general ledger;
- Design and implementation of internal controls;
- Cost recovery rate calculations; and
- Supervise accounts payable, payroll, business license, cashiering, accounts receivable, and purchasing functions.

Budget Development and Management

Budget management functions include developing the operating budget and assisting with the capital improvement program budget; monitoring and controlling expenditures to ensure that appropriations are not exceeded; and authorizing and processing budget transfers and amendments, travel requests, requisitions, and payment authorizations.

Payroll

Payroll services included processing biweekly payroll for approximately 300 full-time and part-time employees; maintaining leave accruals balances; accounting for benefits and overtime; complying with state and federal regulations; responding to employees' questions and special needs; and preparing quarterly and annual federal and state tax returns, and W-2s.

Business License/Cashiering/Accounts Receivable

This function includes coordinating billing, collection and records maintenance for approximately 4,300 businesses through a contract service provider. This function includes invoicing and collecting accounts receivable and processing and depositing cash receipts.

Accounts Payable

The Accounts Payable services include processing payment for all City obligations for purchased materials and services within vendors' terms, with an approximate volume of 3,400 disbursements annually. The Department prepares 1099 forms for vendors, purchases office supplies for all departments and maintains DMV records for the City's vehicle fleet.

Treasury/Investments

This function invests City funds in accordance with the adopted investment policy and manages the funds so they are available when needed to meet City obligations.

Special Programs

The Department also manages a variety of programs that benefit the City but are not managed by other departments, including the annual payment to the Chamber of Commerce to promote tourism, congestion management program contributions, and memberships in various associations, such as the Association of Bay Area Governments (ABAG) and the League of California Cities (LCC), that provide information and services to assist the City Council and staff in the administration of City business. Other shared public services managed by the Finance Department include assisting with street lights districts, animal control services provided by the Marin Humane Society under contract with the County, and administration of CATV franchise and community access channel programming.

Department Goals

The Finance Department has experienced severe staffing shortages in the past several years, resulting in delayed audits and missed state and federal reporting deadlines. The adopted budget for the 2021/22 fiscal year fully funds all staffing positions; however, filling these positions, as well as training new staff, will take many months. The Department has made great strides toward restoring accounting and reporting services, but much work remains before all functions will be fully compliant with state and federal requirements as well as best practices. As such, the Department offers the following goals for the coming fiscal year:

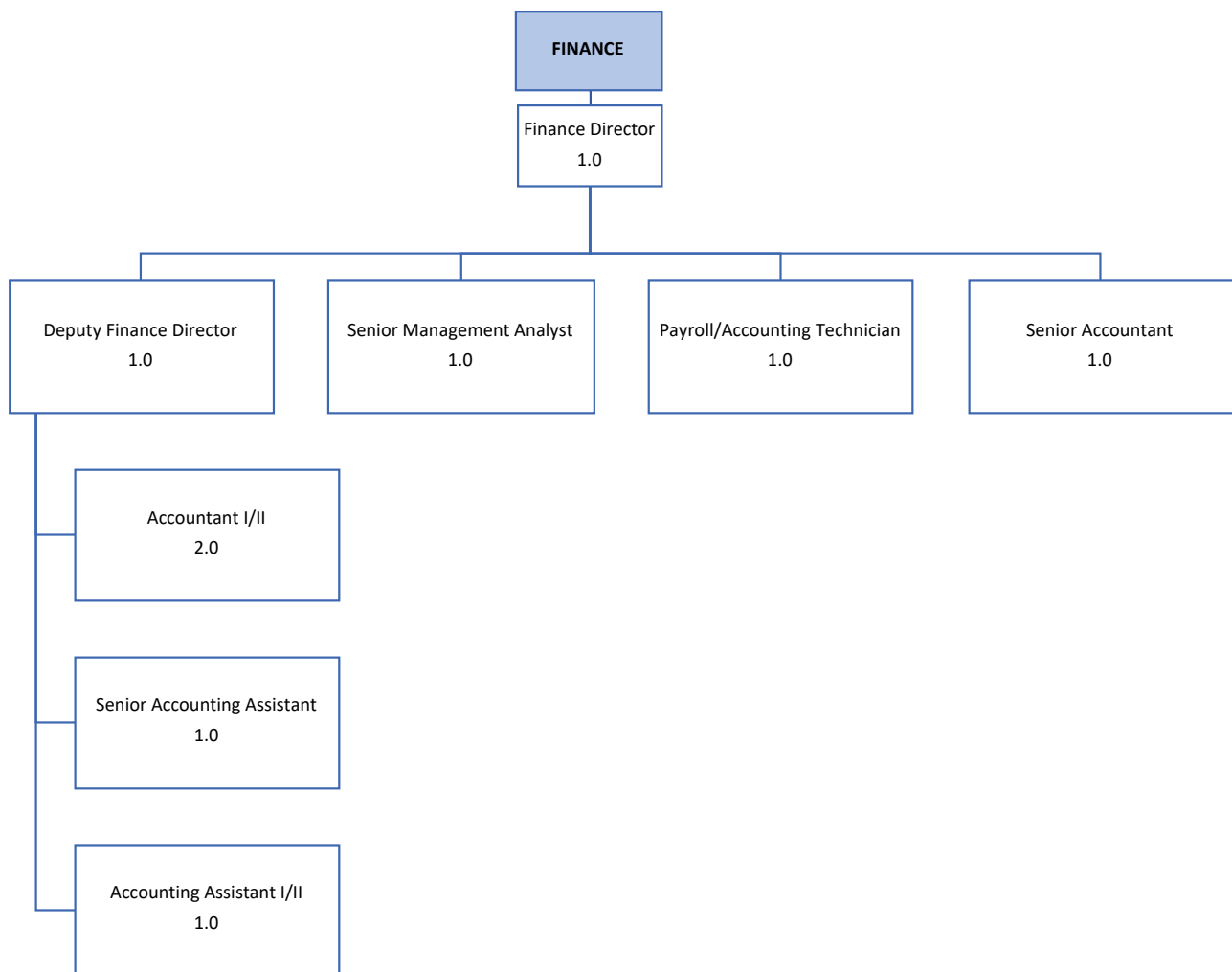
- Complete the City-wide service fee study.
- Complete annual external audit for 2020 and begin 2021 fiscal year audit.
- Begin implementing improved financial controls per independent auditor recommendations.
- Implement the position budgeting control systems.

- Train, develop and retain new finance team to ensure technical competency and provision of superior customer service.
- Design, implement and document processes and procedures that align with enterprise resource planning software.

Fiscal Impacts

As described above, the budget includes funding for all necessary staff in the Finance Department, including new Deputy Finance Director and Accountant positions. Additionally, the budget includes funds for consultants to address the backlog of accounting transactions and activities.

Department Staffing



	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Staffing				
Administration	1.20	2.20	-	-
Human Resources	3.90	4.90	-	-
Finance	4.80	4.80	6.80	8.80
RDA Successor Agency	0.20	0.20	0.20	0.20
Capital Improvement Fund	0.42	-	-	-
Information Technology	5.00	5.00	-	-
Measure F	0.75	-	-	-
Citywide Programs	0.10	0.10	-	-
Total Staffing	16.37	17.20	7.00	9.00

Department Budget

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Revenues				
Finance	348,310	190,710	26,710	26,710
Risk Management	3,090	4,400	-	-
Special Programs	50,000	50,000	50,000	50,000
Emergency Response	-	-	663,066	-
Total Revenues	401,400	245,110	739,776	76,710

Expenses

Administration	210,444	367,459	-	-
Human Resources	994,051	873,004	-	-
Finance	791,231	865,236	1,015,874	1,882,589
Information Technology	1,216,115	1,297,001	-	-
Risk Management	1,097,762	1,305,185	-	-
Memberships	30,076	30,076	30,076	32,500
Central Stores	5,000	5,000	5,000	5,000
Special Programs	1,143,145	1,655,690	817,690	2,191,629
Marin GSA	49,735	49,735	49,735	67,233
Animal Services	659,340	717,060	777,685	704,417
City Owned Property	20,420	20,420	420	10,000
Total Expenses	6,217,319	7,185,866	2,696,480	4,893,368

Expenses by Category

Salaries and Wages	1,544,750	1,914,539	664,359	1,016,414
Employee Benefits	299,926	376,293	154,929	184,589
Professional Services	818,157	986,302	304,971	767,800
Intergovernmental Services	857,075	914,795	965,420	901,650
Training and Travel	143,121	77,584	12,607	17,607
Rentals and Leases	382,059	387,059	169,265	269,265
Repairs and Maintenance	226,950	258,050	52,500	62,500
Materials and Supplies	1,185,746	1,400,618	65,803	67,807
Utilities	139,872	147,872	872	872
Capital Expenses	-	10,000	-	-
Other Expenses	619,663	712,754	305,754	1,604,864
Total Expenses	6,217,319	7,185,866	2,696,480	4,893,368

Police Department

The Police Department works with members of the community, community groups, and other City departments to prevent crime, resolve quality of life issues, and enhance a feeling of safety for residents, business owners, and visitors.

Department Mission Statement

In partnership with the community, the Police Department is committed to protect, serve, and create a safer Novato, and deliver the highest level of service for all those who live, work and visit Novato. The Department does more than just respond to calls for service; employees ensure the best possible service, protect the rights and safety of everyone, engage with the community to prevent and reduce crime, listen to the community, provide relentless follow-up as needed, and demonstrate both empathy and compassion whenever possible. The Novato Police Department values diversity and transparency.

Department Programs

Novato is a community of neighborhoods with residents active in local government represented by a talented team of public safety professionals who strive every day to serve. The Department's policing strategy is to assign officers geographically throughout the city with the expectation they build solid relationships with the residents, business owners, schools, faith communities and non-profits in their sectors.

Administration

The Chief of Police leads the Department and is responsible for the vision, direction, and policing philosophy. Two Captains directly oversee the Operations Division and Administrative Service Division. In addition to the overall management of the Department, the Administration Division handles scheduling, crime analysis, grant writing, budget development, training, policy revisions, fleet management, and many other similar functions.

Administration also oversees Community Outreach, Emergency Services and the Intern Program. The City's Emergency Services program partners with the Novato Fire Protection District to prepare for and respond to natural disasters and maintains the City's Hazard Mitigation Plan. The Intern program prepares qualified college students and other community members to enter the field of law enforcement. Interns perform duties such as serving subpoenas, providing parking enforcement, towing abandoned vehicles, and providing support for traffic, evidence, patrol and investigations. Community Outreach services include social media and messaging and development of local partnerships and relationships in the community.

Administrative Services

The Administrative Services Division, managed by a Captain, provides management for several core functions that provide technical and administrative support for the Police Department. In addition to the functions below, the Division is responsible for the Chaplain program.

Property and Evidence: The Evidence Technician receives, stores, and releases property and evidence for all police cases, and destroys controlled substances and firearms in accordance with state law.

Records Management: Records Management staff process police reports and citizen requests for service, answer calls from the public, retrieve and archive police reports, compile statistics, process subpoenas and requests for records, and manage documents for the District Attorney's office. They are the first line contact at the lobby for community members seeking assistance.

Communications/Dispatch: Communications staff answer 911 and emergency telephone lines, dispatch Police Officers to calls for service and emergencies, transfer medical and fire calls for service, respond to officer requests for information and enter data into the Computer Aided Dispatch (CAD) system, and update state and national databases.

Professional Standards: Professional Standards staff manage training for personnel following POST regulations, federal, and state, mandates. Safety equipment issued to sworn officers and interns is managed by this unit. PSU is also responsible for recruitment and selection activities of applicants, including testing and background investigations, and scheduling polygraphs, psychological and medical testing for candidates.

Budget: Staff coordinate budget management, federal and state grant management, invoicing and reimbursements, purchasing support, and executing and updating contracts.

Operations

This Division, managed by a Captain, provides proactive community-oriented policing. Patrol responds to all calls for service, 24-hours a day, 7 days a week, 365 days a year, initiating most investigations and assisting allied agencies. Two lieutenants function as Watch Commanders.

Patrol Administration & Operations: Patrol Administration is responsible for the direct supervision and coordination of all patrol activities, including officer scheduling, directed patrol activities, and ensuring minimum staffing. Oversight of the Field Training Officer Program, Fleet Management, Police Canine Program, Traffic Section, Crisis Response Unit, and liaison duties with SMART are conducted by this Division. Patrol is accomplished using marked police vehicles, police bicycles, off-road motorcycles, mountain bikes, or on foot. Directed patrol is often employed to target specific crime areas in the City.

Special Events: The Patrol Bureau provides police services for special events such as the Novato Art and Wine Festival, Fourth of July Parade, Nostalgia Days, parades, movie and television productions, school dances, athletic events, and funeral processions.

Police Explorer Program: This program provides young adults and teenagers the opportunity to view a potential law enforcement career. Explorers assist patrol officers with minor cases, providing traffic control at City events, and other duties.

Canine Program: This program consists of two officers and two specially trained police canines. Canine units are used primarily for search and rescue, criminal apprehension, officer safety, and community relations.

Traffic Unit: Traffic officers enforce state and local vehicle code laws; respond to citizen complaints on traffic issues; identify hazardous roadways; provide traffic enforcement and traffic control; and conduct specialized DUI enforcement and assist with community special events.

Investigations Unit: The Investigation section identifies, and arrests individuals involved in criminal activity and investigates complex criminal activity including property crimes, identity theft, fraud, burglary, arson and person crimes. The unit coordinates with other county departments to share information and conduct criminal analysis and investigations.

Crime Scene Investigation Team (CSI): The CSI unit is made of three officers and one community resource officer. The CSI team is responsible for responding to and investigating complex and major crime scenes to include significant traffic collision incidents where involved parties sustained major injuries or death. These types of investigations and subsequent evidence collection and scene recreation involve specialized investigative techniques.

Novato Response Team (NRT): A team consisting of one sergeant and two officers are responsible for the integration of City services to target criminal activity and quality of life issues through prevention, intervention, and enforcement strategies. Two school resource officers are also assigned to this unit and are responsible for collaborating and partnering with the Novato Unified School District campuses. The goal of the program is to build positive relationships with Novato's youth and provide dedicated police services to schools.

Prop 47 Improving Lives Via Opportunity and Treatment (PIVOT): The PIVOT program accomplishes the goal of transitioning non-criminal law enforcement issues to a civilian, specifically trained in handling behavioral health issues, substance abuse, homelessness, and the mentally ill.

Coordination of Probation Enforcement (COPE): One Novato police officer is assigned to the county's COPE unit. COPE monitors high-risk narcotic violators who have been placed on probation rather than serving time in custody. The program is supported by state revenues.

San Rafael Novato Regional Crisis Response Unit: This team is prepared to safely respond to critical incidents in either jurisdiction. The unit provides support to critical field operations

where specialized tactics and negotiation skills exceed the capability of patrol officers, usually involving violent individuals trying to avoid apprehension.

Department Goals

- Identify and procure off-site secure storage to replace loss of existing equipment storage site.
- Identify opportunities to implement Virtual Reality technology to augment existing Crisis Intervention Training, Integrated Communication and Tactics training, Principled Policing training and Use of Force Training efforts.
- Develop and implement a Small Unmanned Aerial System pilot program.
- Deploy hybrid patrol vehicles, increasing number to 58% of patrol fleet.
- Complete the Dispatch Center Expansion project.
- Increase social media outreach, youth engagement, local neighborhood meetings, and transparency with news media & public.
- Work with non-profits and partners at the County to address unhoused, mentally ill and individuals struggling with substance abuse.
- The MERA Next Generation Radio System upgrade is tentatively scheduled for installation from December 2021 through February 2022. This upgrade will enhance radio communication capabilities and interoperability with allied emergency services.

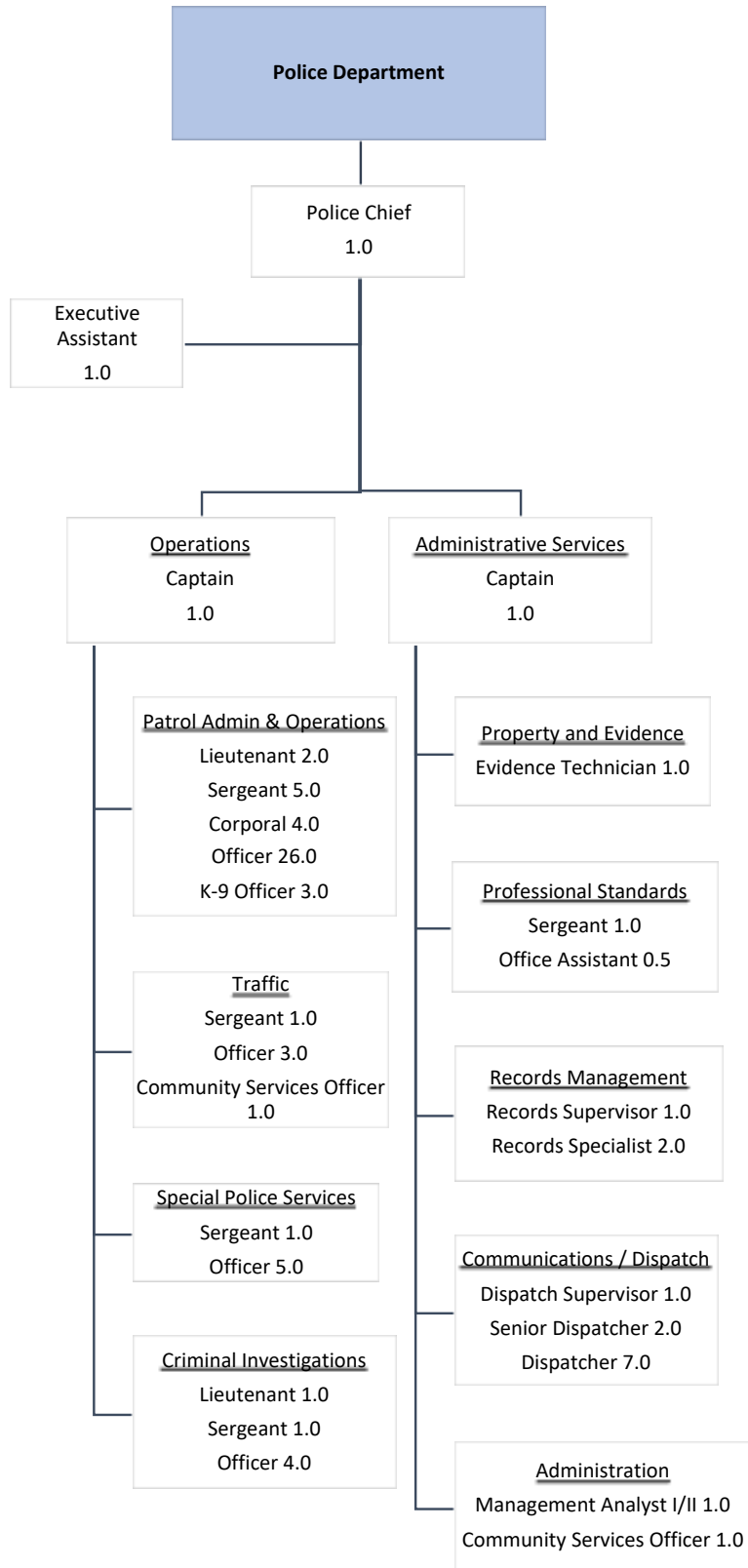
Fiscal Impacts

In FY 2021/22, the Department returns to a two Captain model, this reorganization is cost neutral. The Operations Captain oversees the Patrol Division, and the Administrative Services Captain oversees the Administrative Services functions.

Due to the emergence of the pandemic last year, three vacant positions were eliminated as a cost saving measure (dispatcher, records specialist, officer). These reductions are not expected to significantly impact service levels to the community.

As pandemic restrictions continue to ease, it is anticipated that department generated revenue will return to pre-pandemic levels.

Department Staffing



	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Staffing				
Administration	5.00	4.00	5.00	5.00
Technical Services	15.50	15.50	14.00	14.00
Professional Standards	2.00	2.00	2.50	2.50
Criminal Investigations	6.00	6.00	6.00	6.00
Patrol Administration and Operations	40.00	40.00	40.00	40.00
Traffic	5.00	5.00	5.00	5.00
Special Police Services	6.00	7.00	6.00	6.00
Measure F	2.00	2.00	-	-
Total Staffing	81.50	81.50	78.50	78.50

Department Budget

	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Revenues				
Police Administration	45,650	45,200	35,000	36,000
Records Management	31,300	19,200	12,200	12,200
Communications/Dispatch	2,800	2,800	2,800	2,800
Professional Standards	10,480	46,250	16,000	36,000
Criminal Investigations	10,000	-	-	-
Patrol Operations	694,200	723,400	724,200	736,200
Traffic Operations	130,000	186,000	162,500	162,500
Police Grants	134,000	134,000	167,328	167,328
Novato Response Team	-	157,744	157,744	157,744
Community Engagement	18,000	12,000	22,000	15,000
Total Revenues	1,076,430	1,326,594	1,299,772	1,325,772
Expenses				
Police Administration	1,346,895	1,291,140	1,270,661	1,205,202
Emergency Services	-	-	-	30,000
Records Management	855,328	748,094	669,497	593,099
Communications/Dispatch	1,296,146	1,295,569	1,254,682	1,420,025
Professional Standards	646,833	647,908	590,174	512,001
Criminal Investigations	1,232,062	1,547,949	1,380,513	1,176,177
Patrol Operatins	7,503,404	8,128,947	8,834,079	9,334,405
K-9	539,616	583,654	608,043	667,717
Traffic Operations	880,131	934,465	912,416	934,062
Police Grants	169,373	190,896	207,183	215,851
Novato Response Team	840,281	834,777	623,656	705,615
Special Response Team	25,768	39,448	34,811	17,422
Community Engagement	57,701	22,601	27,793	14,716
Special Projects	166,267	186,734	247,285	87,375
Total Expenses	15,559,805	16,452,182	16,660,793	16,913,667

	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
<u>Expenses by Category</u>				
Salaries and Wages	10,439,618	11,346,830	10,974,591	11,045,893
Employee Benefits	3,634,923	3,566,715	4,181,604	4,333,176
Professional Services	86,318	260,018	285,504	315,504
Intergovernmental Services	247,640	42,899	75,389	75,389
Training and Travel	205,740	219,043	78,028	78,028
Rentals and Leases	7,704	7,704	7,704	7,704
Repairs and Maintenance	350,822	368,322	413,322	413,322
Materials and Supplies	246,837	232,534	236,534	236,534
Utilities	28,077	28,077	28,077	28,077
Other Expenses	312,126	380,040	380,040	380,040
Total Expenses	15,559,805	16,452,182	16,660,793	16,913,667

Community Development

The Community Development Department is responsible for ensuring that new development enhances the community and protects the environment, new construction complies with health and safety codes, and existing properties are maintained and businesses operated in accordance with City codes and state law.

Department Mission Statement

The mission of the Community Development Department is to actively engage the community in defining its goals, ensure that Novato's values are reflected in the physical and natural environment of the City, to assist in providing safe and well-maintained buildings, and to focus on the long-term quality and sustainability of the community.

The Department is committed to improving the City's economic base while retaining the community's character and environmental resources. The Community Development Department strives to provide efficient and customer-oriented permit services, and to continuously seek to implement innovative improvements.

Department Programs

The Department is responsible for administering land use policies, environmental regulations, and design and building code standards for new construction based on federal, state and local requirements. The Department develops long term economic development strategies and develops necessary implementation tools, as well as manages programs such as business visitation, commercial cannabis and short-term rental licensing and tenant improvement grants. In addition, the Department manages the City's affordable housing programs.

Administration

The Community Development Director plans and manages the overall activities of the Department, provides policy direction, and manages Department personnel and budgets. In addition, the Director coordinates activities with other City departments and represents the Department at City Council and other community and regional meetings.

Affordable Housing Programs

The Department is primarily responsible for management of the City's affordable housing program, implementing the City's housing goals, policies, and programs, including monitoring and retention of the City's 1,000+ affordable housing units.

The Department takes the lead on various housing initiatives, including updates to the City's General Plan to accommodate regional housing need allocations, updating plans and codes to respond to changes in State housing legislation and actively manage the City's deed-restricted affordable housing units by coordinating resale and refinancing transactions and conducting periodic lotteries when affordable units become available.

Economic Development

The Economic Development program builds and promotes the fiscal vitality and sustainability of the community through various economic development strategies and initiatives. Program staff support the Economic Development Advisory Commission.

Economic Development efforts include a variety of activities with a combination of short-, mid- and long-range goals. Short term efforts are focused on business retention and attraction in order to re-tenant or reuse existing facilities, whereas initiatives with longer range goals include development of targeted tools to assist redevelopment of key, under-utilized properties. Program staff develop new programs and tools, as well as coordinate with a variety of other departments and programs in support of our business community.

Code Enforcement

Code Enforcement staff help ensure community safety by enforcing codes related to building, zoning and property maintenance including investigation of public complaints, home resale inspections, and multi-family housing inspections.

Complaint Investigation: Staff investigate complaints regarding municipal, building, plumbing, electrical, and mechanical codes; issue stop-work orders for illegal construction; respond to property maintenance complaints, hazardous material incidents, and graffiti abatement; and, with the Police Department and Fire District, conduct community outreach programs.

Resale Inspection and Permit Services: Staff inspect single family and condominium homes prior to sale to inform potential owners of code violations and to rectify unpermitted or hazardous construction. Additionally, staff reviews applications for permits to correct and inspect illegal construction discovered during resale inspections.

Multi-Family Housing Inspection: Staff perform semi-annual housing inspections of apartment units to identify sub-standard living conditions and illegal construction and work in partnership with property owners and tenants to improve blighted properties.

Planning

The Planning Division provides staff support for the Planning and Design Review Commissions.

Current Planning (Development Review): Current Planning functions include reviewing new development proposals for compliance with the General Plan and Municipal Code, community design standards and the California Environmental Quality Act.

Long-Range Planning: Long-Range Planning staff are responsible for implementing and updating the City's General Plan, including the Housing Element, and monitoring regional planning activities. Activities include the development and adoption of land use plans, specific plans, policies, and ordinances.

Building

The Building Division manages the review, issuance and inspection of applications for building permits in accordance with state building codes. Building and Code Enforcement staff provide support to the Novato Housing, Zoning and Building Codes Appeals Board.

Plan Review: This function includes coordinating with other divisions and departments to review, process and track building permit applications, as well as issuance of permits.

Building Inspection: Staff perform all necessary building and site inspections in accordance with the state Building Code. Inspections include engineering site work, grading and encroachment permits, and drainage for private lot development. Building Inspection staff collaborates with Code Enforcement Officers when necessary to address complex code enforcement cases.

ePermit Resource Center: Following remote permit processing changes that came about due to the pandemic, the Department launched a new approach to One Stop Shop. Though electronic services have replaced over-the-counter permit issuance, staff from Building, Planning, Engineering and Code Enforcement are available Monday through Thursday, 9:00 am to 11:00 am to offer information on City and State regulations, answer questions about individual projects, furnish necessary paperwork and provide direction on process.

Clerical Support Services

Staff in this Division are the initial point of contact for the public, including individuals, community groups, contractors, developers, and realtors. Staff in this Division screen, accept, and forward permit applications to appropriate divisions for review and approval. Division staff provide cashiering services for permit and other fees, process all legal notices, manage Department records and issue parking permits. Staff assists the public in obtaining copies of public records and scheduling resale inspections.

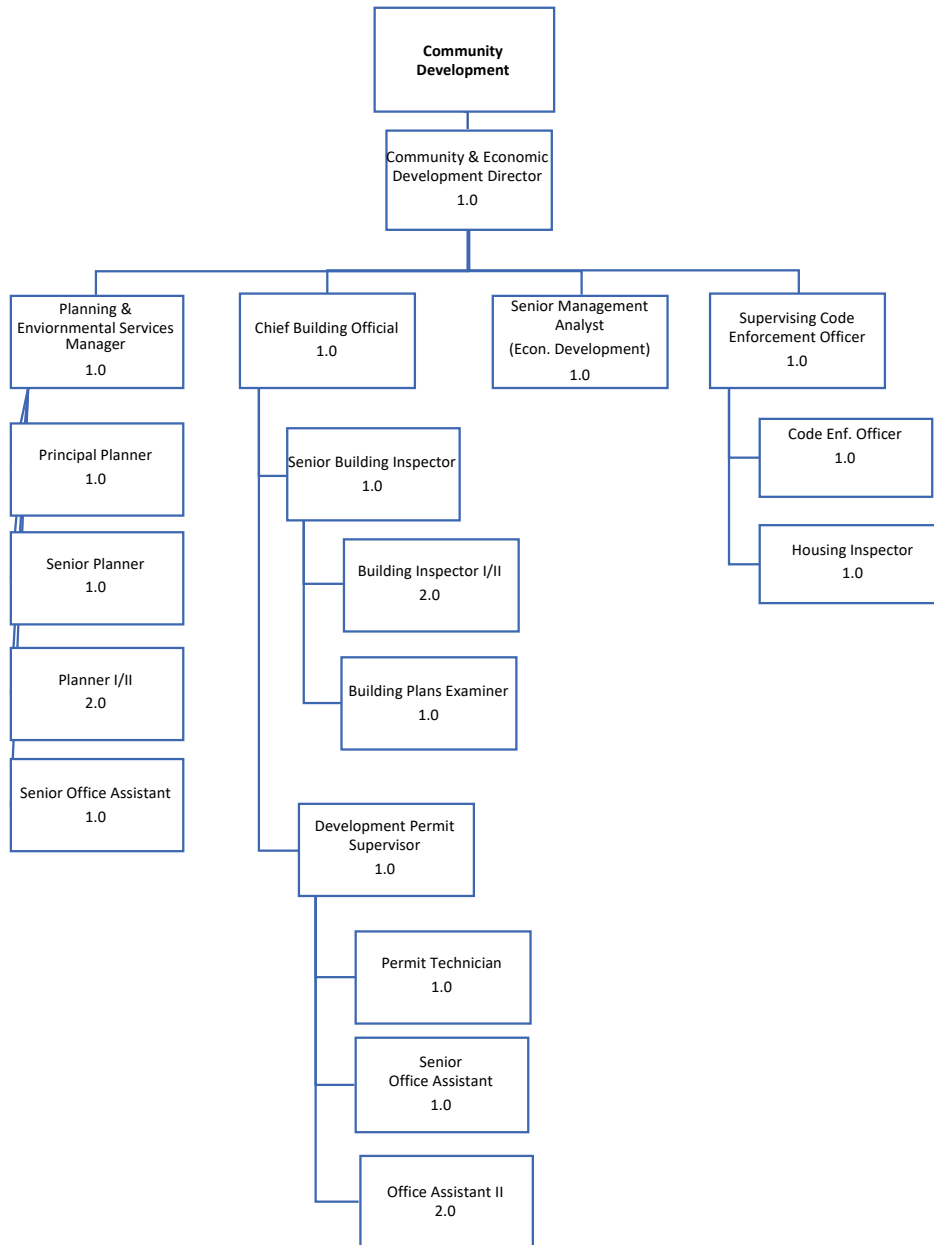
Department Goals

- Develop and initiate operation of business visitation program.
- Together with the Economic Development Advisory Commission, develop an Economic Development Action Plan for City Council consideration.
- Update General Plan Safety Element to address fire access and evacuation legislation.
- Develop commercial cannabis inspection process.
- Complete several General Plan implementing ordinances.
- Initiate policy development to address climate adaptation and resiliency as required by law.
- Begin update of the City's Housing Element.
- Complete and launch short term rental licensing program and compliance monitoring as approved by the City Council.

Fiscal Impacts

The Department will be using \$620,000 in one-time funds to update the City's Housing Element and associated environmental impact report, develop policies related to climate adaptation and resiliency, update the General Plan Safety element and complete several General Plan implementing ordinances. Without these funds, the Department would not be able to accomplish these important state-mandated goals.

Department Staffing



	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Staffing				
Administration	1.78	0.78	1.78	1.78
Code Enforcement	3.50	3.50	3.00	3.00
Planning	7.10	7.10	6.20	6.20
Clerical Services	4.50	4.50	4.50	4.50
Building	4.50	4.50	5.00	5.00
Affordable Housing Programs	0.12	0.12	0.02	0.02
Automation Surcharge	0.50	0.50	0.50	0.50
Total Staffing	22.00	21.00	21.00	21.00

Department Budget

	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
<u>Revenues</u>				
CDD Administration	2,000	-	-	-
Code Enforcement	322,000	351,000	192,980	244,100
Resale Inspection	175,000	172,000	153,980	85,000
Planning Administration	11,500	9,200	1,400	1,000
Prove Project Processing	214,500	201,000	190,995	189,000
Clerical Support Services	31,500	33,500	33,500	22,100
Building Inspection	1,025,300	1,340,000	1,141,910	1,029,600
Total Revenues	1,781,800	2,106,700	1,714,765	1,570,800
<u>Expenses</u>				
CDD Administration	216,302	220,929	216,438	248,019
Economic Programs	-	-	263,529	306,537
Sustainability	150,413	-	-	-
Code Enforcement	326,535	267,938	240,607	188,499
Resale Inspections	111,663	129,214	154,495	218,990
Planning Administration	203,089	212,227	264,368	895,299
Long-Range Planning	268,208	414,862	158,026	292,843
Private Project Processing	469,663	413,423	435,756	445,235
Clerical Support Services	402,361	470,906	390,640	432,121
Building Inspection	670,860	907,077	797,600	983,789
Total Expenses	2,819,094	3,036,576	2,921,459	4,011,332
<u>Expenses by Category</u>				
Salaries and Wages	2,193,733	2,370,485	2,054,468	2,360,867
Employee Benefits	430,727	482,239	564,552	610,569
Professional Services	33,208	53,208	195,208	850,100
Intergovernmental Services	2,000	-	-	-
Training and Travel	29,620	29,200	15,060	34,800
Rentals and Leases	-	-	-	-
Repairs and Maintenance	26,679	25,406	19,133	25,346
Materials and Supplies	73,973	46,884	43,884	100,125
Utilities	8,729	8,729	8,729	9,100
Other Expenses	20,425	20,425	20,425	20,425
Total Expenses	2,819,094	3,036,576	2,921,459	4,011,332

Public Works

The Public Works Department manages the planning, environmental documentation, design, construction, maintenance, and operation of all city rights-of-way, properties, and facilities.

Department Mission Statement

The Department is dedicated to ensuring that residents, businesses, and visitors experience a safe, clean, enjoyable, and sustainable Novato.

Department Programs

The Public Works Director serves as the City Engineer, Traffic Engineer, Floodplain Administrator and manages the Administrative, Engineering and Maintenance Divisions to work collaboratively to achieve the safe and successful design, construction, operation and maintenance of the City's assets and infrastructure.

Administrative Division

The Administrative Division provides fiscal oversight, contract management, recordkeeping, and reporting in addition to the following core service programs:

Property Management includes oversight of the property management services for the City's special assessment districts and Community Facilities Districts as well as city-owned properties including Marin Valley Mobile Country Club (MVMCC) and other properties throughout the city.

Sustainability Program focuses on the delivery of the City's climate change action goals and programs, including energy and water efficiency measures, waste reduction, vehicular trip reduction, environmentally friendly landscaping and efficient land use patterns to reduce greenhouse gas emissions and conserve natural resources, and on adaptation measures to climate change impacts such as sea level rise and wildfire.

Commission/Committee Support includes staff assistance to City Council-established advisory groups, including the Street Improvement Oversight Advisory Commission, Bicycle/Pedestrian Advisory Committee, the Streetscape Committee, the MVMCC Park Acquisition Committee, as well as to other local agencies and advisory boards including Novato Sanitary District, Novato Fire Protection District, North Marin Water District, Transportation Authority of Marin (including the Novato Safe Routes to Schools program), Marin Public Works Association (MPWA), Caltrans, and Metropolitan Transportation Commission.

Engineering Division

The Engineering Division provides technical services within five operational areas:

Engineering Operations includes management of the Pavement Management Program and Traffic Engineering Program, as well as acquisitions and dispositions of City properties. The Traffic Engineering program includes the operation of the city's 32 traffic signals, establishment of speed limits/traffic controls/parking restrictions, investigations and recommendations in responses to resident's requests, the collection and interpretation of bicycle/pedestrian/vehicular traffic data, and coordination with Caltrans for the operations and maintenance of state-owned interchanges along US-101 and CA-37.

Permitting includes review and issuance of encroachment permits, grading permits, transportation permits, License Agreements, and inspection of private work and utility work within the public right-of-way.

Stormwater and Floodplain Management includes National Pollutant Discharge Elimination System (NPDES) permit compliance, Stormwater Pollution Prevention Program, Marin County Stormwater Pollution Prevention Program liaison, and the Federal Emergency Management Administration, National Flood Insurance Program and Community Rating System.

Capital Project Delivery provides for the planning, environmental review, design development, right-of-way acquisition, and construction management of Capital Improvement Program projects for the city. These projects generally include improvements to transportation, drainage, utilities, parks, and buildings as defined in the Capital Improvement Program.

Private Project Engineering includes review and approval of private project improvements within the public right-of-way, stormwater management, and land subdivisions.

Maintenance Division

The Maintenance Division is responsible for the long-term care of all city-owned property, infrastructure, and facilities. The Maintenance Division also provides seasonal and periodic services including winter storm preparedness, hazardous materials cleanup and disposal, traffic management services, emergency/disaster response, and event set-up and support.

Streets includes the maintenance of streets, pathways, traffic signals, traffic signs and roadway striping, storm drains, Community Facility District levee and pump station operations and maintenance, and ensures NPDES program compliance. The Streets Section also provides street sweeping on a routine basis, completing the citywide circuit every four to five weeks.

Parks and Median Islands performs weed abatement, turf maintenance, landscape irrigation, street tree maintenance, landscaping improvements, and litter removal on median islands, roadside landscapes, around city buildings, and within city pedestrian easements. The section also maintains city park facilities and athletic fields including mowing, turf care, irrigation, tree and shrub trimming, debris and garbage collection, graffiti removal, restroom cleaning, park and playground structure maintenance and pool facility operations and maintenance.

Building/Custodial oversees all building maintenance efforts and custodial services for 28 city-owned buildings, including the preventive maintenance of all large systems (HVAC, plumbing, electrical, fire and security alarms, elevators, etc.), preparation for facility usage, and building deferred maintenance.

Fleet/Equipment provides scheduled maintenance on 163 fleet vehicles, 25 trailers, 125 pieces of small equipment, two large pump facilities and five emergency generators. This section also provides facilitates equipment repairs, acquires new vehicles/equipment and disposes of surplus vehicles/equipment, monitors the City's fuel tank systems and the vehicle emissions program, and ensures compliance with operating permit requirements and environmental regulations.

Department Goals

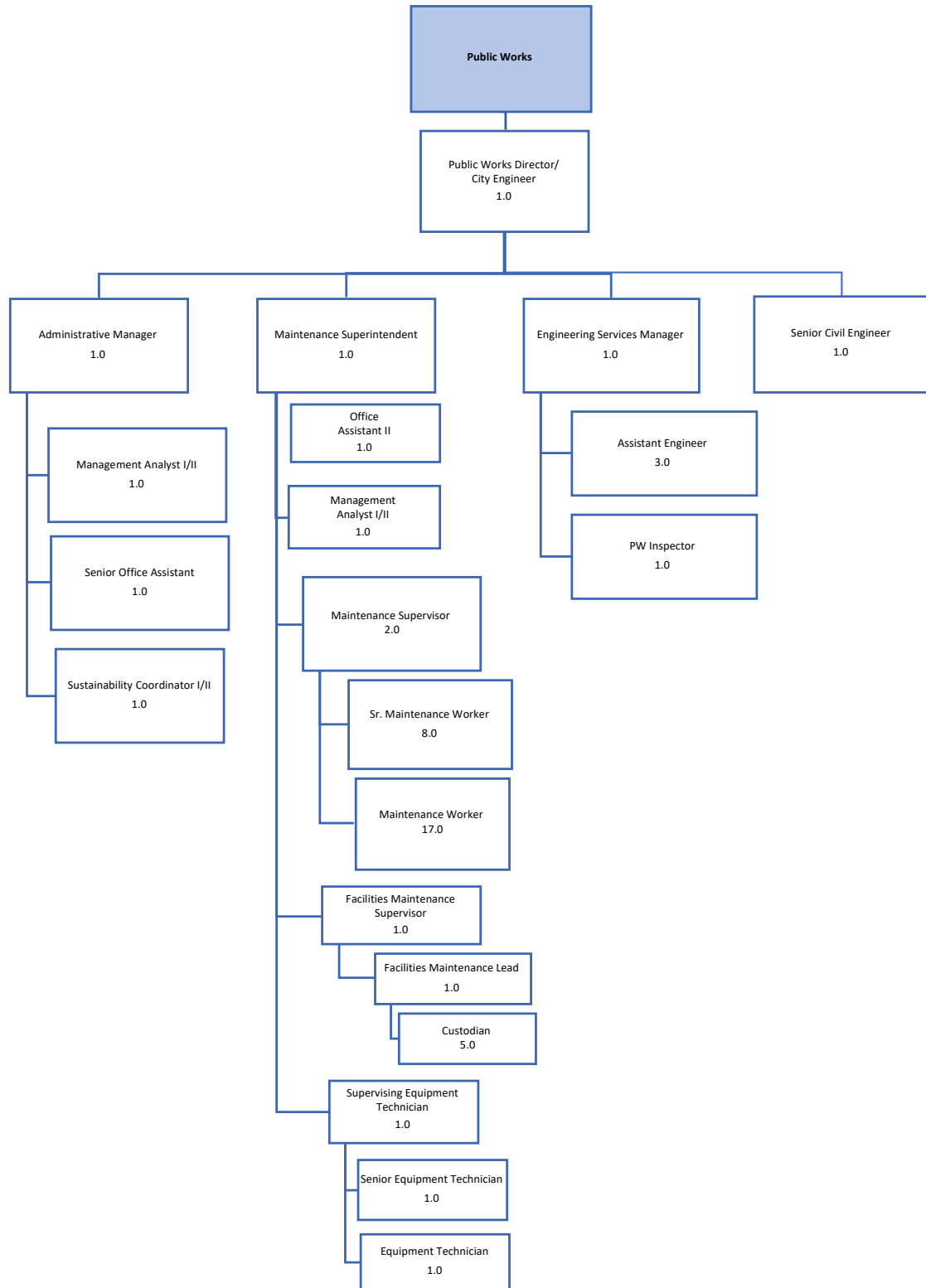
- Complete the installation of an emergency backup generator at the City Administrative Office to support continuity of government during extended power outages.
- Install yellow retroreflective traffic signal backplate tape at all City-owned traffic signals as a safety enhancement as recommended by the Federal Highway Administration.
- Complete the installation of a new MVMCC sanitary sewer pump station, force main pipeline, and backup generator at the southern pump station within the park.
- Resurface and restripe San Marin Drive from Simmons Lane to San Marin High School in accordance with the approved plans and specifications.
- Inspect 25% of the City's storm drain inlets and clean-out all inlets requiring debris removal prior to the onset of the winter rain season.

Fiscal Impacts

The economic impacts of the Covid-19 pandemic on government services resulted in the elimination of 3.5 full-time equivalent positions within the Maintenance Division. In addition to the reduction in staffing levels, the Department cut approximately \$400,000 from the operating budget in fiscal year 2020/21 and will maintain those reductions through fiscal year 2021/22. These cuts will result in the reduction of maintenance services such as landscape maintenance/weed abatement, pothole repairs, graffiti and litter abatement and building repairs. Public Works staff members are working to improve efficiency and reduce the impacts of these budget reductions as much as possible.

The City Council committed \$3.3 million from the American Rescue Plan (ARP) to enhance the capital program for 2021/22, including funding for playground and play structure upgrades at several city parks, installation of an EV charging station at City Hall, crosswalk and pedestrian safety enhancements city wide, and improvements to Novato Boulevard at San Marin/Sutro. These improvements would not be possible this year without the ARP funds.

Department Staffing



	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
Staffing				
Engineering Administratin	3.10	3.10	3.80	3.80
Engineering Operations	4.25	4.25	4.25	3.25
Project Development	0.45	0.45	0.45	0.45
Capital Projects Engineering	4.20	4.20	3.50	3.50
Maintenance Administration	2.00	2.00	2.00	3.00
Street Maintenance	7.68	7.68	7.68	7.68
Traffic Operations	2.25	2.25	2.25	2.25
Median Island Maintenance	4.30	5.30	5.30	5.30
Parks Maintenance	6.70	7.70	6.70	6.70
Building Maintenance	8.50	8.50	7.00	7.00
Hamilton Community Facilities	3.07	3.07	3.07	3.07
Pointe Marin Community Facilities	2.00	2.00	2.00	2.00
Measure F	2.00	2.00	-	-
Parks Measure A	2.00	-	-	-
Equipment/Vehicle Maintenance	3.00	3.00	3.00	3.00
Total Staffing	55.50	55.50	51.00	51.00

Department Budget

	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
Revenues				
Storm Water Polution Prevention	10,000	10,000	-	-
Private Engineering Projects	325,000	288,000	227,695	227,695
Capital Projects Engineering	1,500	300	300	-
Maintenance Administration	2,000	2,000	2,000	2,000
Street Maintenance	1,600	18,255	4,100	4,100
Traffic Operations	2,400	-	-	-
Parks Maintenance	4,660	5,250	5,250	5,250
Civic Center Maintenance	3,000	2,050	2,050	2,050
MTSC Maintenance	16,500	1,000	16,500	16,500
City Owned Property Management	-	20,000	20,000	20,000
Total Revenues	366,660	346,855	277,895	277,595

	2018/2019	2019/2020	2020/2021	2021/2022
	Final Budget	Final Budget	Amended Budget	Adopted Budget
Expenses				
Traffic and Engineering Administration	767,098	703,607	700,427	753,050
Storm Water Pollution Prevention	60,051	63,855	45,666	47,233
Engineering Operations	462,356	495,959	474,490	500,394
Permitting	249,087	275,490	286,001	176,369
Sustainability Programs	-	5,209	152,125	164,748
Private Project Engineering	197,550	188,770	214,799	241,942
Capital Project Engineering	(152,494)	(103,708)	(228,513)	(124,070)
Maintenance Administration	361,825	409,828	394,099	433,222
Street Maintenance	1,151,230	1,198,554	1,214,101	1,250,776
Storm Drain Maintenance (NPDES)	299,739	293,204	249,452	395,817
Traffic Operations	353,383	355,204	356,065	152,580
Median Island Maintenance	623,834	804,228	654,594	894,735
Parks Maintenance	1,245,823	1,102,015	929,196	940,583
Hamilton Pool Landscape	162,455	109,792	104,490	112,616
Civic Center Maintenance	782,575	983,694	930,448	861,259
Novato Museum Maintenance	2,500	2,500	2,500	2,500
RC/Gymnastics Maintenance	143,009	134,660	86,151	96,953
Lu Sutton Maintenance	39,419	43,550	(14,667)	1,100
MTSC Maintenance	305,966	262,316	301,782	317,150
Hamilton Pool Building Maintenance	24,945	-	-	5,400
Other Hamilton Facilities Maintenance	127,343	135,307	124,964	89,761
City Owned Property Management	-	20,000	15,000	15,000
Total Expenses	7,207,694	7,484,034	6,993,170	7,329,118
<u>Expenses by Category</u>				
Salaries and Wages	4,080,592	4,422,472	4,029,035	4,321,522
Employee Benefits	918,072	953,105	1,070,272	1,124,467
Professional Services	411,083	345,295	243,040	299,582
Intergovernmental Services	16,059	19,341	17,841	20,698
Training and Travel	47,271	47,271	25,171	23,865
Rentals and Leases	14,599	10,599	10,599	10,599
Repairs and Maintenance	745,114	738,021	714,521	721,655
Materials and Supplies	428,509	372,360	359,809	329,596
Utilities	909,424	938,599	899,911	862,563
Other Expenses	(363,029)	(363,029)	(377,029)	(385,429)
Total Expenses	7,207,694	7,484,034	6,993,170	7,329,118

Parks, Recreation and Community Services

The Parks, Recreation, and Community Services Department (PRCS) provides a wide variety of programs, services, events, recreational opportunities and facilities that enhance the quality of life for all residents. Through these social and recreational activities, PRCS strives to foster a sense of community in Novato and provides opportunities for all ages to be healthy and active.

Department Mission Statement

The mission of the Parks, Recreation and Community Services Department is to enrich individual and community life.

Department Programs

Administration

Under the direction of the PRCS Deputy Director, administration manages and coordinates all PRCS programs, activities, facilities, and community outreach efforts. Administration oversees program registration; facility reservations and use policies; development and publication of the seasonal activity guides; community special events; grants; community partnerships and agreements, and the planning, acquisition, and development of parks, recreation, and cultural facilities.

Youth Enrichment

The Youth Enrichment program provides year around enrichment opportunities for youth participants of all ages including educational, social and recreational classes, week long summer day camps, single-day program offerings during holidays and vacation weeks and a handful of special events.

Senior Citizens Programs

The Senior Citizens program is operated at the Margaret Todd Senior Center (MTSC) where, “We believe that active and engaged adults live healthier, happier lives.” MTSC offers enrichment and fitness classes, special events, game groups, and outreach services that bring people together, encourage social connections, and create new learning experiences. Outreach occurs in collaboration with the Novato Senior Citizens Club to provide additional resources and services. The facility is also the City’s largest rentable indoor community space and is reserved throughout the year.

Athletics

The Athletics program offers year-round recreational sports programs and leagues for youth and adults. Sports activities include instructional, recreational and competitive programs. PRCS emphasizes learning basic skills before competing, developing a sense of fair play, encouraging a love for the game and participation in active recreation that supports life-long health and wellness. The Athletics program staff also manages athletic facility rentals throughout the year.

Gymnastics

Gymnastics programming is offered year around in the Department's 10,000 square foot, dedicated gymnastics facility. Experienced staff provide movement education and gymnastics instruction to youth of all ages and abilities. Home to hundreds of participants and the Novato Gymnastics Team, the Novato Gymnastics Center offers high quality instruction and programs focused on building self-esteem, safety, technique, and foundation of skills. Novato Gymnastics Center was voted Best Children's Indoor Sports Center in Marin County in 2017, 2018 and 2019 by Pacific Sun Readers.

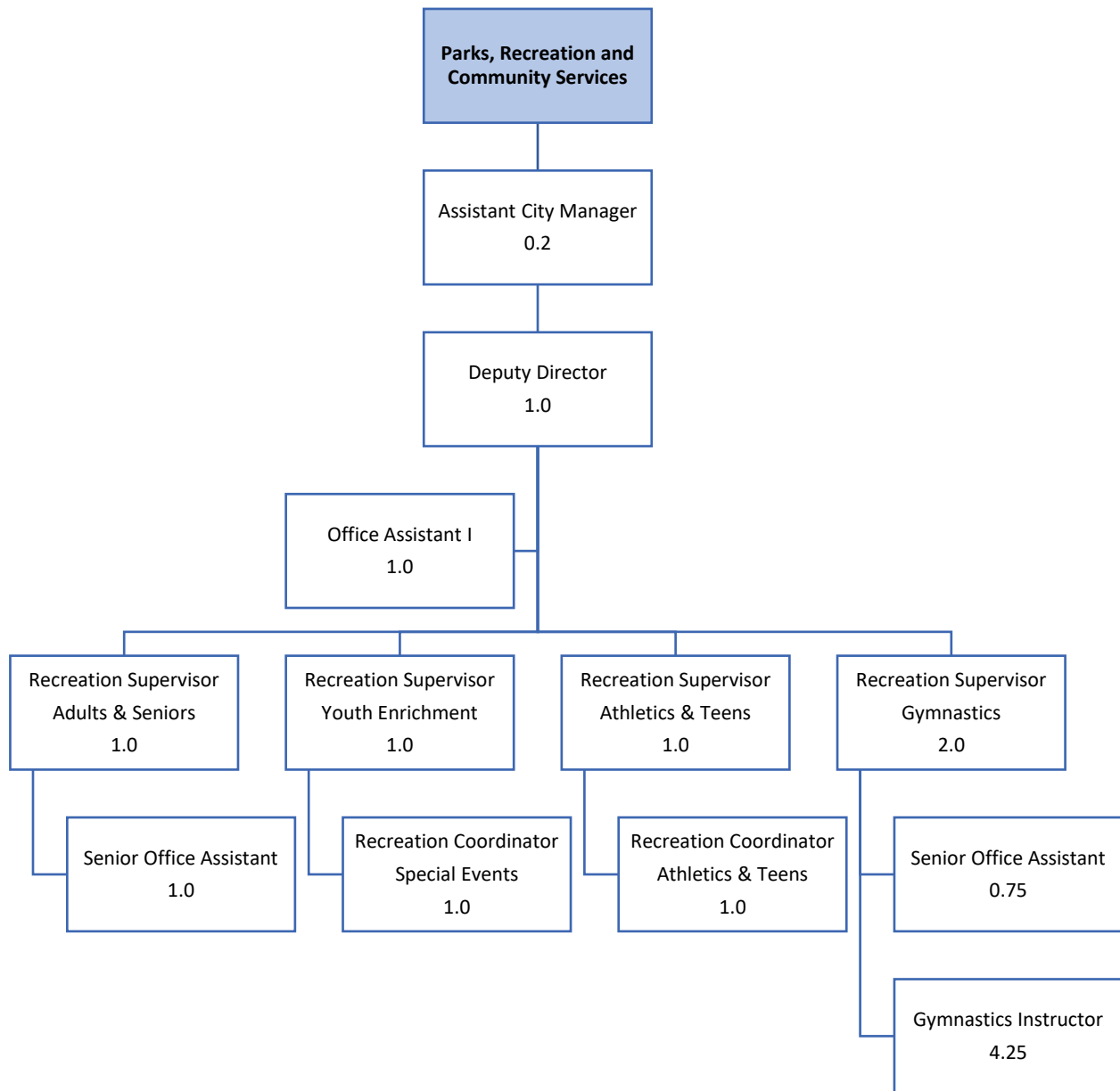
Department Goals

- Complete and implement the facility fee study.
- Complete the Pioneer Park Playground Improvement Project.
- Recruit two new contract instructors to provide afterschool enrichment/holiday break programming.
- Expand summer camp specifically serving youth with adaptive needs to 3 weeks.
- Develop and review the viability of implementing a new Counselor in Training (CIT) summer program for teens.
- Share three unique pieces of content per week on social media promoting adult/senior programming.
- Increase facility rentals at Margaret Todd Senior Center by 5% from FY 2018/19.
- Increase senior/adult programming by 12 new sessions compared to FY 2020/21.
- Increase adult athletic league participation by 10% from FY 2018/19.
- Recruit two new contract instructors/agencies to expand youth athletic programming.
- Increase athletic facility rentals by 10% from FY 2018/19.
- Restore gymnastics program participation to 80% of FY 2018/19 actuals.
- Rebuild gymnastics weekly participation to 80% of FY 2018/19 participation numbers.
- Re-establish six distinct gymnastics competitive levels and identify a minimum of 10 developmental gymnasts with potential to join the Competitive Team program by July of 2022.

Fiscal Impacts

Over the next fiscal year, the Department will focus on rebuilding service levels after the significant reorganization of the Department and COVID-19 pandemic impacts. Anticipated community expectations for the return of pre-pandemic programs, events, and services will result in high participation numbers and increased revenue. However, with the increase in program offerings compared to Fiscal Year 2020/21, the Department does anticipate expenditures increasing especially with the return of many part-time Seasonal Staff needed to support these added programs and services. With the uncertainty of continued pandemic related restrictions, and a focus on recovery, PRCS is cautiously optimistic that programs and services will return to 80% of pre-pandemic normal over the next year.

Department Staffing



	2018/2019 Final Budget	2019/2020 Final Budget	2020/2021 Amended Budget	2021/2022 Adopted Budget
Staffing				
Administration	3.38	3.43	1.11	1.11
Youth Enrichment	4.73	4.73	1.20	1.70
Cultural Programs/Museum Administration	0.05	-	-	-
Senior Citizens	3.10	3.10	1.85	1.85
Athletics	11.54	11.54	10.54	10.54
Parks Measure A	0.50	0.50	0.50	0.00
Total Staffing	23.30	23.30	15.20	15.20

Department Budget

	2018/2019	2019/2020	2020/2021	
	Final Budget	Final Budget	Amended	2021/2022
			Budget	Adopted Budget
<u>Revenues</u>				
PRCS Administration	74,000	90,600	43,765	69,044
Activities Guide	8,500	-	-	2,000
Hamilton Pool	53,600	-	-	-
Youth Enrichment	741,300	746,900	30,960	234,420
Senior Citizens Program Administration	75,000	89,000	7,080	45,593
Senior Citizens Classes	155,000	200,000	5,000	62,000
Athletics Programs	568,000	660,000	194,735	465,048
Gymnastics	724,600	791,600	76,600	680,244
Total Revenues	2,400,000	2,578,100	358,140	1,558,349
<u>Expenses</u>				
PRCS Administration	498,289	617,460	292,019	317,577
Activities Guide	63,479	62	21,549	7,247
Hamilton Pool	6,000	-	-	-
PRCS Special Events	71,531	77,425	67,872	118,891
Youth Enrichment	846,822	818,237	206,642	392,174
Museum Administration and Classes	7,928	-	1,840	-
Senior Citizens Program Administration	276,812	230,054	197,178	235,285
Senior Citizens Classes	171,707	154,628	91,146	137,718
Athletics Programs	830,403	854,364	352,050	545,674
Gymnastics	838,985	998,216	893,460	923,096
Total Expenses	3,611,956	3,750,446	2,123,756	2,677,662
<u>Expenses by Category</u>				
Salaries and Wages	2,545,434	2,714,193	1,557,525	1,860,520
Employee Benefits	389,663	409,057	454,741	429,569
Professional Services	248,059	260,924	63,142	143,827
Intergovernmental Services	3,367	3,367	3,367	3,367
Training and Travel	34,526	29,420	3,720	20,970
Rentals and Leases	7,048	6,397	6,397	6,397
Repairs and Maintenance	44,220	38,226	28,226	40,226
Materials and Supplies	298,362	269,605	2,878	146,226
Utilities	22,797	17,297	17,800	16,600
Other Expenses	18,480	1,960	(14,040)	9,960
Total Expenses	3,611,956	3,750,446	2,123,756	2,677,662



NON-GENERAL FUND BUDGETS

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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General Government Operating Funds

111 - Measure F Sales Tax

This fund was used to account for revenues and expenses from Measure F, a five-year 1/2 cent local sales tax approved by Novato voters in November, 2010. The purpose of Measure F was to offset or prevent additional budget reductions and to maintain or restore vital general fund services. Measure F expired March 31, 2016. This account will remain open until all funds have been spent consistent with the intent of Measure F.

Revenues

Taxes	15,000	7,500	-	-
Use of Money and Property	85,000	75,000	-	60,000
Other Revenues	18,750	17,500	-	-
Total Revenues	118,750	100,000	-	60,000

Expenses

Salaries and Wages	677,318	377,785	164,800	-
Employee Benefits	106,813	66,720	-	-
Professional Services	397,800	572,500	-	-
Intergovernmental Services	41,588	48,233	-	-
Training and Travel	3,000	-	-	-
Rentals and Leases	18,500	-	-	-
Repairs and Maintenance	56,000	-	-	-
Materials and Supplies	72,000	-	-	-
Other Expenses	180,000	185,000	95,000	-
Operating Transfers Out	5,603,260	5,213,062	725,557	-
Total Expenses	7,156,279	6,463,300	985,357	-

112 - City Owned Property

This fund was consolidated into fund 116, Emergency and Disaster Response Reserve, in FY 19/20 and is no longer used.

Revenues

Use of Money and Property	12,000	24,500	24,500	-
Total Revenues	12,000	24,500	24,500	-

Expenses

Other Expenses	-	1,190,298	1,190,298	-
Operating Transfers Out	-	915,000	-	-
Total Expenses	-	2,105,298	1,190,298	-

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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113 - Successor Agency Admin

This fund is used to account for revenues and expenses in support of the Successor Agency responsible for managing the remaining assets of the the former Novato Redevelopment Agency.

Revenues

Intergovernmental	67,384	67,384	67,384	70,000
Total Revenues	67,384	67,384	67,384	70,000

Expenses

Salaries and Wages	27,408	34,199	32,458	25,350
Employee Benefits	5,292	7,366	3,519	2,219
Professional Services	16,440	14,260	14,260	14,260
Materials and Supplies	7,016	-	-	-
Utilities	-	-	-	-
Other Expenses	9,939	9,939	9,939	-
Operating Transfers Out	1,289	1,620	-	1,787
Total Expenses	67,384	67,384	60,176	43,616

114 - Pension Reserve

This fund was established to stabilize the City's annual pension expense by consistently charging the general fund the "normal cost" as determined by CalPERS. In years where the retirement plans are over-funded and the CalPERS required contribution is less than the normal cost, the difference will be deposited into the fund. Fund balance will be used in years when the required contribution is greater than the normal cost. However, in recent years, this fund has not had sufficient cash to stabilize rates as planned.

Revenues

Use of Money and Property	12	15	15	-
Total Revenues	12	15	15	-

115 - Insurance Reserve

The purpose of this fund is to set aside cash to pay uninsured losses to city facilities and property. This fund differs from the Self Insurance program operated through a joint powers agreement with other Marin cities which covers liability calims brought against the City. In the 2021/22 fiscal year, the City Council directed an additional \$1.2 million deposit to this fund.

Revenues

Use of Money and Property	6,200	6,500	-	-
Operating Transfers In	-	-	-	1,200,000
Total Revenues	6,200	6,500	-	1,200,000

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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116 - Emergency & Disaster Reserve

This fund was established to provide a financial buffer during significant economic downturns affecting revenues and or cost intensive response emergencies or disasters. City Council policy requires this fund contain a minimum of 15% of general fund operating expenses. The reserve balance for FY21/22 is projected to be 19.5%, exceeding the policy requirement.

Revenues

Use of Money and Property	-	-	-	120,000
Operating Transfers In	-	4,658,761	-	-
Total Revenues	-	4,658,761	-	120,000

Expenses

Professional Services	-	75,000	-	-
Other Expenses	400,000	400,000	-	-
Operating Transfers Out	300,000	405,000	-	-
Total Expenses	700,000	880,000	-	-

117 - Civic Center

This fund was created in 1971 to accrue sufficient resources to construct/support a new Civic Center.

Revenues

Use of Money and Property	1,175	1,175	1,000	-
Total Revenues	1,175	1,175	1,000	-

Expenses

Operating Transfers Out	28,369	43,369	-	-
Total Expenses	28,369	43,369	-	-

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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118 - Long-Term Maint-Facilities

The purpose of this fund is to facilitate the maintenance of all the City's buildings and park facilities. Annually the City Council allocates General Fund resources to this fund based on funding needs, ability to implement maintenance projects, other funding sources available, and availability of General Fund resources. For 2021/22, the City Council allocated \$500,000 from the General Fund for long-term facility maintenance projects. When programmed for a specific project, funds are transferred to the Capital Improvement Program.

Revenues

Use of Money and Property	9,200	9,200	2,800	2,800
Operating Transfers In	307,500	150,000	500,000	500,000
Total Revenues	316,700	159,200	502,800	502,800

Expenses

Operating Transfers Out	1,188,207	731,000	500,000	500,000
Total Expenses	1,188,207	731,000	500,000	500,000

119 - Long-Term Maint-Infrastructure

The purpose of this fund is to facilitate the maintenance of infrastructure including street pavement, traffic signals, streetlights, bridges, retaining walls, multi-use paths and storm drains. Annually the City Council allocates General Fund or other resources to this fund based on funding needs, ability to implement maintenance projects, other funding sources available, and availability of General Fund resources. For 2021/22, the City Council allocated \$1.0 million from the General Fund and American Rescue Plan for long-term facility maintenance projects. When programmed for a specific project, funds are transferred to the Capital Improvement Program.

Revenues

Use of Money and Property	7,600	7,600	7,600	7,600
Operating Transfers In	499,090	250,000	-	1,000,000
Total Revenues	506,690	257,600	7,600	1,007,600

Expenses

Operating Transfers Out	778,358	891,606	-	250,000
Total Expenses	778,358	891,606	-	250,000

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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121 - Risk Mitigation Reserve

This fund was consolidated into fund 116, Emergency and Disaster Response Reserve, in FY19/20 and is no longer used.

Expenses

Operating Transfers Out	-	3,000,000	-	-
Total Expenses	-	3,000,000	-	-

210 - Affordable Housing Programs

This fund was created by the City Council to fund a variety of affordable housing programs including programs managed by a contract service and the City's purchase and resale of affordable housing units at Hamilton.

Revenues

Charges for Services	110,000	110,000	110,000	258,575
Use of Money and Property	26,750	12,750	12,750	12,750
Operating Transfers In	56,000	80,000	41,000	41,000
Total Revenues	192,750	202,750	163,750	312,325

Expenses

Salaries and Wages	15,790	16,486	16,920	17,157
Employee Benefits	3,096	3,838	3,937	4,062
Professional Services	150,000	173,234	173,234	288,650
Other Expenses	-	-	750,000	750,000
Operating Transfers Out	759	778	804	836
Total Expenses	169,645	194,336	944,895	1,060,705

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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Special Revenue Funds

211 - Clean Storm Water

The purpose of this fund is to manage operating revenues and expenditures for Novato's clean stormwater program. The program's goal is to prevent pollutant discharge from entering streets and storm drains before flowing into creeks and wetlands. This revenue is collected through a special property tax assessment.

Revenues

Taxes	371,000	370,000	369,000	369,000
Use of Money and Property	625	160	625	625
Total Revenues	371,625	370,160	369,625	369,625

Expenses

Intergovernmental Services	244,072	230,000	230,000	230,000
Materials and Supplies	7,800	15,800	15,800	15,800
Operating Transfers Out	120,000	110,000	155,000	46,250
Total Expenses	371,872	355,800	400,800	292,050

212 - Underground Utilities

This fund accounts for resources used for undergrounding City overhead utilities. Funds are often collected for several years before sufficient to fund a specific project.

Revenues

Use of Money and Property	7,300	8,250	8,250	8,250
Total Revenues	7,300	8,250	8,250	8,250

Expenses

Operating Transfers Out	274,513	283,273	500,000	-
Total Expenses	274,513	283,273	500,000	-

213 - Parking Improvement

The Parking Improvement fund accounts for assessments collected from merchants in the Old Town Parking Improvement Area to be used for services and programs related to parking facilities in Old Town.

Revenues

Use of Money and Property	625	-	-	-
Total Revenue	625	-	-	-

Expenses

Utilities	550	550	-	-
Operating Transfers Out	20,000	13,000	-	-
Total Expenses	20,550	13,550	-	-

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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214 - Subdivision Park (Quimby)

This fund accounts for park in-lieu fees collected from residential subdivision developers to be used for parks and recreation facilities. Revenues will vary depending on residential properties constructed and funds are often collected for several years before sufficient to construct a park project.

Revenues

Charges for Services	30,000	350,000	50,000	125,000
Use of Money and Property	3,500	3,500	3,500	3,500
Total Revenues	33,500	353,500	53,500	128,500

Expenses

Other Expenses	-	-	-	-
Operating Transfers Out	624,500	921,027	-	-
Total Expenses	624,500	921,027	-	-

215 - Art in Public Places

This fund accounts for fees paid by developers to be used for public art projects. Funds are often collected for several years before sufficient to construct a specific project.

Revenues

Charges for Services	1,500	1,500	10,000	10,000
Use of Money and Property	1,125	1,125	1,125	1,125
Total Revenues	2,625	2,625	11,125	11,125

Expenses

Other Expenses	21,116	-	-	-
Operating Transfers Out	-	19,616	-	-
Total Expenses	21,116	19,616	-	-

216 - General Plan Surcharge

The General Plan Surcharge fund was created to account for fees collected from developers that are restricted in use for updates to the City's General Plan.

Revenues

Charges for Services	76,000	80,000	76,000	65,000
Use of Money and Property	3,050	3,050	2,900	2,900
Total Revenues	79,050	83,050	78,900	67,900

Expenses

Professional Services	147,500	147,500	147,500	7,500
Materials and Supplies	2,500	2,500	2,500	-
Total Expenses	150,000	150,000	150,000	7,500

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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217 - Automation Surcharge

This fund was created to account for the surcharge collected from developers and builders to cover a portion of the costs for maintenance of the City's building and development permit software.

Revenues

Charges for Services	80,000	85,000	81,000	77,200
Use of Money and Property	1,050	825	785	785
Total Revenues	81,050	85,825	81,785	77,985

Expenses

Salaries and Wages	44,986	47,514	46,154	46,154
Employee Benefits	8,461	8,785	9,792	10,621
Professional Services	10,000	6,702	6,702	6,700
Training and Travel	1,500	-	-	-
Repairs and Maintenance	38,500	38,500	38,500	43,750
Operating Transfers Out	2,063	2,138	2,205	2,605
Total Expenses	105,510	103,639	103,353	109,830

218 - Hamilton CFD Maintenance

This fund was established to account for the special tax assessment for landscaping, pump and levee maintenance in the Hamilton Community Facilities District.

Revenues

Taxes	588,988	595,905	566,110	566,110
Use of Money and Property	1,950	1,750	1,488	1,488
Other Revenues	230,000	230,000	230,000	230,000
Operating Transfers In	8,098	9,000	8,550	9,000
Total Revenues	829,036	836,655	806,148	806,598

Expenses

Salaries and Wages	232,201	260,931	389,563	309,574
Employee Benefits	56,743	60,944	91,133	83,478
Professional Services	54,950	54,350	54,350	54,000
Rentals and Leases	2,000	-	-	-
Repairs and Maintenance	23,304	23,304	23,304	25,304
Materials and Supplies	31,417	33,417	33,417	33,417
Utilities	121,490	121,490	130,000	129,500
Other Expenses	46,250	46,250	46,250	46,250
Operating Transfers Out	85,103	120,691	11,026	11,466
Total Expenses	653,458	721,377	779,043	692,989

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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219 - Pointe Marin CFD Maint.

This fund was established to account for the special tax assessment for landscaping maintenance in the Pointe Marin Community Facilities District.

Revenues

Taxes	190,948	191,698	191,698	191,698
Use of Money and Property	4,250	4,550	4,550	4,550
Total Revenues	195,198	196,248	196,248	196,248

Expenses

Salaries and Wages	149,783	149,880	64,164	67,389
Employee Benefits	36,520	38,427	27,946	31,255
Professional Services	300	16,173	300	300
Repairs and Maintenance	2,785	2,785	2,785	2,785
Materials and Supplies	3,500	3,500	3,500	3,500
Utilities	20,000	20,000	25,700	25,700
Other Expenses	6,500	6,500	6,500	6,500
Operating Transfers Out	6,499	6,479	-	7,146
Total Expenses	225,887	243,744	130,895	144,575

220 - Hamilton Art Center

This fund accounts for the revenues received and administration and maintenance expenses of the Hamilton Arts Center.

Revenues

Use of Money and Property	470,500	470,100	455,000	455,000
Total Revenues	470,500	470,100	455,000	455,000

Expenses

Repairs and Maintenance	278,895	285,000	260,000	275,000
Operating Transfers Out	600,000	500,000	300,000	-
Total Expenses	878,895	785,000	560,000	275,000

221 - Chapter 27 Assessments

This fund accounts for assessment district activities to complete missing frontage improvements, often in cooperation with property owners.

Revenues

Charges for Services	300	-	300	300
Use of Money and Property	2,050	2,300	2,300	2,300
Total Revenues	2,350	2,300	2,600	2,600

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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222 - LAD-San Marin

This fund accounts for the tax assessment revenues in the San Marin assessment district and associated expenses for median island landscaping.

Revenues

Taxes	61,808	64,343	66,252	67,900
Use of Money and Property	130	385	550	600
Total Revenues	61,938	64,728	66,802	68,500

Expenses

Operating Transfers Out	6,920	6,920	-	-
Professional Services	35,369	35,727	41,977	41,977
Intergovernmental Services	3,170	3,170	3,170	3,170
Materials and Supplies	450	450	450	450
Utilities	13,912	16,292	17,614	17,614
Other Expenses	3,037	6,235	3,037	3,037
Total Expenses	62,858	68,794	66,248	66,248

223 - LAD-Country Club

This fund was created to account for the collection of tax assessments in the Country Club area which were used for median island landscaping and maintenance. The assessments were discontinued in the 1990s and the remaining funds continue to be retained for future landscape needs.

Revenue

Use of Money and Property	700	760	760	-
Total Revenue	700	760	760	-

224 - LAD-Wildwood Glen

This fund accounts for the tax assessment revenues in the Wildwood Glen assessment district and associated expenses for median island landscaping.

Revenue

Taxes	10,189	10,606	10,606	10,872
Use of Money and Property	45	100	100	100
Total Revenue	10,234	10,706	10,706	10,972

Expenses

Professional Services	6,500	6,500	7,000	7,000
Intergovernmental Services	94	94	95	95
Materials and Supplies	300	300	300	300
Utilities	2,429	2,360	3,455	3,655
Other Expenses	1,124	1,142	-	-
Total Expenses	10,447	10,396	10,850	11,050

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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225 - LAD-Hillside

This fund accounts for the tax assessment revenues in the Hillside assessment district and associated expenses for median island landscaping.

Revenues

Taxes	21,234	22,746	23,000	23,575
Use of Money and Property	460	610	680	680
Total Revenues	21,694	23,356	23,680	24,255

Expenses

Professional Services	36,833	13,310	17,092	17,092
Intergovernmental Services	136	136	-	-
Materials and Supplies	300	300	300	300
Utilities	4,009	5,000	3,788	6,000
Other Expenses	3,618	4,000	2,500	2,500
Total Expenses	44,896	22,746	23,680	25,892

226 - Light & LAD-Downtown

This fund accounts for the tax assessment revenues in the downtown area and associated expenses for street lighting and landscaping.

Revenues

Taxes	6,444	6,685	6,685	6,685
Use of Money and Property	1,025	1,025	1,025	1,025
Total Revenues	7,469	7,710	7,710	7,710

Expenses

Utilities	2,850	2,850	2,850	3,300
Total Expenses	2,850	2,850	2,850	3,300

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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227 - LAD San Pablo

This fund accounts for the tax assessment revenues in the San Pablo assessment district and associated expenses for landscaping.

Revenues

Taxes	13,585	14,256	14,256	14,256
Use of Money and Property	430	440	470	470
Total Revenues	14,015	14,696	14,726	14,726

Expenses

Professional Services	300	500	23,000	23,000
Intergovernmental Services	38	38	40	40
Materials and Supplies	200	200	200	200
Utilities	4,481	4,595	4,327	6,078
Other Expenses	2,511	2,201	1,801	1,801
Operating Transfers Out	8,098	9,175	9,000	9,000
Total Expenses	15,628	16,709	38,368	40,119

228 - Scottsdale AD

This fund accounts for the tax assessment revenues in the Scottsdale assessment district and associated expenses for landscaping.

Revenues

Use of Money and Property	95	100	100	-
Total Revenues	95	100	100	-

229 - State Gas Tax

The Gas Tax fund accounts for the City's share of gas tax revenues distributed by the State of California. Gas tax funds may only be used for eligible projects to maintain and improve streets, street lighting, signals, sidewalks, and related facilities. Funds are transferred to the Capital Improvement program annually for project implementation.

Revenues

Intergovernmental	2,308,640	2,832,310	2,223,931	2,341,814
Use of Money and Property	8,600	14,000	14,000	14,000
Total Revenues	2,317,240	2,846,310	2,237,931	2,355,814

Expenses

Operating Transfers Out	3,079,248	3,956,738	1,729,000	2,300,000
Total Expenses	3,079,248	3,956,738	1,729,000	2,300,000

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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231 - Special Police Projects

This fund accounts for special police projects and programs that are funded by grants or other resources that cannot be included in the General Fund budget. This includes crime prevention, child abuse prevention and response, DARE, secret witness, asset seizure and other programs.

Revenues

Intergovernmental	102,400	96,000	107,000	107,000
Use of Money and Property	1,125	780	780	2,000
Other Revenues	10,000	-	-	-
Operating Transfers In	7,000	7,000	7,000	7,000
Total Revenues	120,525	103,780	114,780	116,000

Expenses

Salaries and Wages	83,400	100,000	100,000	100,000
Professional Services	14,000	-	-	-
Training and Travel	5,000	-	-	-
Materials and Supplies	48,000	6,000	10,000	10,000
Total Expenses	150,400	106,000	110,000	110,000

232 - State COPS Grant

This fund is used to track revenues and expenditures associated with the State Citizens Option for Public Safety (COPS) grant, which funds front-line police operations.

Revenues

Intergovernmental	100,000	100,000	135,000	135,000
Total Revenues	100,000	100,000	135,000	135,000

Expenses

Professional Services	20,000	-	-	-
Training and Travel	10,000	-	-	-
Repairs and Maintenance	40,000	-	-	-
Materials and Supplies	70,000	70,000	70,000	70,000
Capital Expenses	100,000	130,000	150,000	150,000
Total Expenses	240,000	200,000	220,000	220,000

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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233 - Operating Grants

This fund accounts for revenues and expenditures related to operating grants not included elsewhere in the budget, including the CalRecycle grant to encourage recycling and waste reduction.

Revenues

Intergovernmental	-	-	151,400	151,400
Use of Money and Property	305	355	355	355
Total Revenues	305	355	151,755	151,755

Expenses

Operating Transfers Out	-	-	151,755	-
Total Expenses	-	-	151,755	-

234 - Capital Grants

This fund accounts for revenues and expenditures related to state and federal grants for capital projects, including grants from the Transportation Authority of Marin.

Revenues

Intergovernmental	2,976,671	7,251,792	4,301,000	790,000
Total Revenues	2,976,671	7,251,792	4,301,000	790,000

Expenses

Operating Transfers Out	2,976,671	7,252,278	1,543,000	303,000
Total Expenses	2,976,671	7,252,278	1,543,000	303,000

235 - Marin VRF

This fund accounts for revenues from a \$10 vehicle registration fee assessed annually on each vehicle registered in the County. Funds are distributed from the County to the City every three years and used for street related improvement projects. Funds may be collected for several years before before being allocated to a specific project.

Revenues

Intergovernmental	-	450,000	-	-
Use of Money and Property	1,500	4,260	4,260	4,260
Total Revenues	1,500	454,260	4,260	4,260

Expenses

Operating Transfers Out	456,206	387,775	430,000	-
Total Expenses	456,206	387,775	430,000	-

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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236 - Streets Measure A

The fund accounts for revenues received from Measure A for local streets and roads. The funds are received from the Transportation Agency of Marin and transferred to the Capital Improvement Program for specific street improvement or maintenance projects. Measure A, a 1/2 cent county-wide sales tax approved in 2004, expires in 2024.

Revenues

Taxes	597,495	3,175,396	881,792	1,939,961
Intergovernmental	150,000	-	-	-
Use of Money and Property	5,600	16,250	16,250	16,250
Total Revenues	753,095	3,191,646	898,042	1,956,211

Expenses

Operating Transfers Out	2,852,119	2,999,396	1,565,000	925,000
Total Expenses	2,852,119	2,999,396	1,565,000	925,000

237 - Park Measure A

This fund accounts for revenues received from Measure A, the Marin Parks, Open Space and Farmland Preservation ballot measure approved by voters in 2012. Measure A, which increased sales tax by 1/4 cent county wide, is used to assist Marin's municipalities in managing parks, open space, recreation programs and vegetation to promote biodiversity and reduce wildfire risk. The tax terminates on March 31, 2022. Funds that remain in the account after termination of the tax will continue to be spent on projects and programs consistent with the voter initiative.

Revenues

Taxes	430,554	435,000	300,000	400,000
Use of Money and Property	4,450	2,310	2,310	2,310
Other Revenues	-	465,000	-	-
Total Revenues	435,004	902,310	302,310	402,310

Expenses

Salaries and Wages	190,076	44,023	44,270	-
Employee Benefits	43,410	7,760	4,451	-
Professional Services	29,000	104,731	142,220	142,220
Repairs and Maintenance	-	4,093	4,093	4,093
Materials and Supplies	22,500	65,851	48,351	109,070
Utilities	-	170,825	170,825	218,562
Operating Transfers Out	172,170	19,284	50,000	100,000
Total Expenses	457,156	416,567	464,210	573,945

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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238 - Clean Stormwater CIP

This fund accounts for capital projects, including maintenance and emergency response, in connection with the City's Clean Storm Water program.

Revenues

Use of Money and Property	2,025	2,460	2,460	2,460
Operating Transfers In	45,000	45,000	-	46,250
Total Revenues	47,025	47,460	2,460	48,710

Expenses

Operating Transfers Out	82,789	59,234	-	-
Total Expenses	82,789	59,234	-	-

239 - Street & Storm Drain Maint.

This fund is used for ongoing maintenance and emergency needs in connection with the City's streets and storm drains.

Revenues

Use of Money and Property	2,430	2,490	2,490	2,490
Total Revenues	2,430	2,490	2,490	2,490

240 - Restricted Revenue

This fund accounts for revenues received from developers to be used on future capital projects. Funds are held until sufficient funds have accumulated to fund a specific project.

Revenues

Charges for Services	811,600	460,308	50,000	-
Total Revenues	811,600	460,308	50,000	-

Expenses

Operating Transfers Out	811,600	460,308	50,000	-
Total Expenses	811,600	460,308	50,000	-

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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241 - Development Impact Fees

This fund was established by the City Council and is used to account for impact fees paid by real estate developers. The resources are used in conjunction with other City funds to complete public facilities as identified in the Development Impact Fee report.

Revenues

Charges for Services	250,000	250,000	250,000	250,000
Use of Money and Property	105,000	120,000	120,000	120,000
Total Revenues	355,000	370,000	370,000	370,000

Expenses

Operating Transfers Out	2,324,078	2,823,428	405,000	33,000
Total Expenses	2,324,078	2,823,428	405,000	33,000

243 - NPFA

This fund accounts for operational transactions of certain city properties, including the Gymnastics/ Downtown Community Center building and properties at Hamilton Field.

Revenues

Use of Money and Property	200,250	200,575	194,950	198,950
Total Revenues	200,250	200,575	194,950	198,950

Expenses

Professional Services	-	17,400	17,400	-
Repairs and Maintenance	57,100	65,582	65,582	65,582
Utilities	-	6,900	6,400	6,400
Operating Transfers Out	13,000	13,000	-	13,000
Total Expenses	70,100	102,882	89,382	84,982

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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245 - American Rescue Plan

This new fund accounts for revenues and expenses associated with the federally-funded American Rescue Plan. The program is designed to assist communities in recovering from the economic and other impacts of the COVID-19 pandemic.

Revenues

Intergovernmental	-	-	-	4,556,475
Other Revenues	-	-	-	4,556,475
Total Revenues	-	-	-	9,112,950

Expenses

Professional Services	-	-	-	150,000
Repairs and Maintenance	-	-	-	120,000
Other Expenses	-	-	-	352,000
Operating Transfers Out	-	-	-	4,200,000
Total Expenses	-	-	-	4,822,000

Debt Service Funds

501 - General Obligations Bond

This fund accounts for the accumulation of resources and payment of principal and interest on general obligation bonds from Measure B.

Revenues

Taxes	1,604,825	1,484,879	1,514,577	1,147,803
Use of Money and Property	12,250	8,100	8,100	15,000
Total Revenues	1,617,075	1,492,979	1,522,677	1,162,803

Expenses

Professional Services	1,425	1,425	1,500	1,500
Debt Service	1,761,436	1,770,877	1,776,543	1,033,819
Other Expenses	25,000	25,000	25,000	25,000
Total Expenses	1,787,861	1,797,302	1,803,043	1,060,319

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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502 - Pension Obligation Bonds

This fund accounts for the accumulation of resources and payment of principal and interest on pension obligation bonds.

Revenues

Operating Transfers In	1,391,387	1,439,808	1,490,012	1,549,812
Total Revenues	1,391,387	1,439,808	1,490,012	1,549,812

Expenses

Professional Services	3,200	3,200	3,200	7,000
Debt Service	1,388,187	1,436,607	1,490,012	1,542,812
Total Expenses	1,391,387	1,439,807	1,493,212	1,549,812

Proprietary Funds

601 - Equipment Maintenance

This internal service fund is used for the purpose of accumulating and spending funds for the operation and maintenance of the City's vehicles, equipment and rolling stock purchased by the City's Vehicle Replacement Fund (602). Resources are generated by charging the user departments fees for the operation and maintenance of equipment and vehicles.

Revenues

Other Revenues	872,053	841,247	841,247	871,483
Operating Transfers In	-	200,000	-	-
Total Revenues	872,053	1,041,247	841,247	871,483

Expenses

Salaries and Wages	290,418	309,827	347,663	315,266
Employee Benefits	70,680	73,199	81,748	86,781
Professional Services	3,200	3,200	3,200	3,200
Intergovernmental Services	7,728	7,728	7,728	9,030
Training and Travel	1,250	1,250	1,250	1,250
Repairs and Maintenance	78,102	78,102	78,102	78,102
Materials and Supplies	378,586	334,490	334,490	334,490
Other Expenses	29,384	29,384	29,384	29,384
Operating Transfers Out	12,705	12,958	13,000	13,519
Total Expenses	872,053	850,138	896,565	871,022

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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602 - Equipment Replacement

This internal service fund is used to accumulate and spend money for the acquisition and replacement of city vehicles, rolling stock and other equipment. Revenues are generated from charges to user departments, interest earnings, proceeds from the sale of vehicles and equipment and transfers from other funds. This process allows the City to set aside sufficient funds over time to replace a vehicle or piece of equipment which can be expensive.

Revenues

Use of Money and Property	44,000	47,500	47,500	47,500
Other Revenues	563,036	577,444	577,444	583,566
Operating Transfers In	321,000	476,570	483,186	64,446
Total Revenues	928,036	1,101,514	1,108,130	695,512

Expenses

Intergovernmental Services	218,217	226,570	236,446	270,100
Capital Expenses	419,680	858,960	800,000	700,000
Debt Service	247,155	250,000	246,740	25,412
Operating Transfers Out	997,343	850,000	-	-
Total Expenses	1,882,395	2,185,530	1,283,186	995,512

603 - Technology Replacement

This internal service fund is used for the purpose of accumulating and spending funds for replacement and updating of the City's investment in technology and computer resources. Revenues are transferred to this fund from the General Fund or other funding sources as approved by the City Council.

Revenues

Use of Money and Property	3,250	3,925	3,925	3,925
Other Revenues	95,000	95,000	95,000	95,000
Operating Transfers In	22,000	-	-	-
Total Revenues	120,250	98,925	98,925	98,925

Expenses

Materials and Supplies

Capital Expenses	8,454	-	-	-
	222,791	112,000	134,000	134,000
Total Expenses	231,245	112,000	134,000	134,000

All Non-General Funds

	2019 Final Budget	2020 Final Budget	2021 Amended Budget	2022 Adopted Budget
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651 - MVMCC

This enterprise fund accounts for the revenues and expenses of the Marin Valley Mobile Country Club.

Revenues

Charges for Services	787,174	827,051	877,833	921,394
Use of Money and Property	2,451,975	2,454,086	2,454,212	2,454,344
Other Revenues	10,460	6,660	8,780	8,708
Other Revenues	3,249,609	3,287,797	3,340,825	3,384,446

Expenses

Salaries and Wages	150,045	157,505	169,485	175,101
Employee Benefits	44,060	30,500	25,155	26,500
Professional Services	303,040	351,840	355,800	355,860
Training and Travel	3,700	3,700	3,700	3,700
Rentals and Leases	12,996	13,104	13,230	13,362
Repairs and Maintenance	141,505	152,505	157,205	258,825
Materials and Supplies	280,050	259,370	241,930	242,030
Utilities	903,560	944,885	1,000,223	1,081,705
Capital Expenses	485,000	2,025,000	2,086,345	1,991,500
Debt Service	147,428	133,276	117,787	651,172
Other Expenses	20,000	20,000	20,000	22,700
Total Expenses	2,491,384	4,091,685	4,190,860	4,822,455

701 - Hamilton Trust

This fund was established to receive payments from the developer of the Navy property at Hamilton Field, pursuant to a development agreement. 80% of the projected investment earnings are transferred to the General Fund and used to maintain City infrastructure and facilities.

Revenue

Use of Money and Property	530,610	487,500	-	406,000
Total Revenue	530,610	487,500	-	406,000

Expenses

Professional Services	30,500	29,000	-	-
Operating Transfers Out	531,000	405,000	-	366,000
Total Expenses	561,500	434,000	-	366,000



CAPITAL IMPROVEMENT PLAN

City of Novato Five-Year Capital Improvement Plan 2022-2026

Capital Improvement Program

The City's Capital Improvement Program is currently made up of 51 individual projects with about \$22 million in approved and new capital funds. Seven new CIP projects address new priorities and objectives that are not yet included in the program:

- CIP 22-001, Annual Pavement Rehabilitation, \$1,200,000 new funding
- CIP 22-002, Underground Fuel Tank Replacements, funding programmed in 23/24
- CIP 22-003, DeLong Diablo Corridor Enhancements, \$100,000 matching for \$1,142,000 HSIP
- CIP 22-004, Pioneer Park Play Area Upgrades, \$177,000 new funding from Prop 68 Grant
- CIP 22-005, Crosswalk Enhancements and Traffic Management, \$1,000,000 new funding
- CIP 22-006, Citywide Play Structure Upgrades, \$500,000 in one-time funds
- CIP 22-007, CDD Permitting & CPRA Software Procurement, \$500,000 in one-time funds

CIP Budget Development Process

Each fiscal year the City's five-year Capital Improvement Program (CIP) is updated based on citywide priorities and needs, capital revenue projections, and community input. Updates to the CIP typically include the removal of completed projects, new or modified funding for ongoing projects that will continue into the next fiscal year, and proposed new projects that may be planned, designed, and/or implemented during the next five years. CIP projects are organized by the following categories:

- "MUNI" - Municipal Facilities (7% of CIP Budget)
- "PRCF" - Parks, Recreation and Community Facilities (8% of CIP Budget)
- "TDU" - Transportation, Drainage and Utilities (83% of CIP Budget)
- "TOI" - Technology and Organizational Investments (2% of CIP Budget)

Recently Completed Projects

- 98-008 - Preparation of the Storm Drain Master Plan
- 01-005 - Hill Recreation Area Central Hub Project
- 16-013 - Lamont Avenue Bicycle Lanes
- 19-001 - Annual Paving Project (Redwood Blvd., Wilson Ave., Novato Blvd.)
- 19-002 - Hamilton Pump Station Cathodic Protection Project
- 19-004 - Hamilton Swimming Pool Resurfacing Project

Municipal Facilities Projects Table of Contents

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11-006	Civic Center Master Planning	CIP - 5
14-003	Corporation Yard Water Quality Improvements	CIP - 6
17-002	Accessibility Enhancements – Municipal Buildings 2016-2023	CIP - 7
18-008	Municipal Buildings Deferred Maintenance 2017-2023	CIP - 8
18-009	Police Department Equal Access & Waterproofing	CIP - 9
18-010	Police Department HVAC Replacement	CIP -10
19-005	Hamilton Arts Center Deferred Maintenance	CIP -11
19-006	MTSC - Exterior Siding and Roof	CIP -12
19-007	Exterior Building Paint (NPD, City Hall, Admin)	CIP -13
20-002	Energy Efficiency Utility Upgrades	CIP -14
20-004	City Administrative Office Backup Generator	CIP -15
22-002	Underground Fuel Tank Replacement	CIP -16



City Administrative Offices

Project No.: 11-005
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Complete

Project Objective:

This project will construct an office building on city-owned property to house city staff from Central Administration, Community Development, Parks, Recreation & Community Services, and Public Works (Engineering Division).

Location:

922 Machin Ave.

Project Description and Background:

City offices, with the exception of the Police Department and the Maintenance Division of Public Works, were located in several small buildings at the Civic Center Complex. In 2004, the Civic Center structures were deemed unfit for occupation and City offices were temporarily relocated to leased office space at 75 Rowland Way. This project is constructing a new office building in the downtown area and eliminate ongoing lease costs. Construction was completed in 2013, but a construction defect lawsuit was pending through 2019. With the lawsuit resolved in late 2019, remaining funding will be used to correct deficiencies such as leaking roof & window flashing, HVAC balancing, and other minor improvements to better suit operational needs of the building.

Cost Estimate and Revenue Considerations:

Costs are based on the awarded construction contract and estimates of remaining costs. The General Fund (portion of liens repaid by RDA) is the primary funding source for this project.

Project Schedule Estimate:

The original project was substantially complete in 2013. The project will be closed-out following the completion of some repair work modifications and to meet operational needs.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
101 - General Fund	\$14,087,500	\$13,516,872	\$891,416	\$0	\$0	\$0	\$0	
117 - Civic Center	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	
Subtotals:	\$14,187,500	\$13,616,872	\$891,416	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$14,187,500 100%

Estimated Project Development Cost: \$0 0%

Estimated Project Total: \$14,187,500

Civic Center Master Planning

Project No.: 11-006
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To determine the best use of the downtown Civic Center site.

Location:

Novato Civic Center

Project Description and Background:

Since the City was incorporated in 1960, the parcel of land bounded by Sherman Avenue, De Long Avenue, Machin Avenue and Cain Lane has been the Civic Center site. Over the years, other parcels have been incorporated, including 900 and 908 Sherman Avenue, and 909 Machin Avenue (Police building). In 2010 the historic church building at 901 Sherman Avenue on the Civic Center site was renovated into the Council Chambers and community meeting facility with an adjacent civic green. Two adjacent bungalows were demolished. In November 2013 staff moved into the new 20,000 sf Administrative Offices at 922 Machin Avenue across from the Police Building. Remaining on the site are the Community House at 908 Machin Avenue and the smaller structures at 900, 908, and 917 Sherman Avenue. Except for the Police building, the renovated Council Chamber, and the new Administration Building, the rest of the structures remain unfit for occupation. The master plan will determine possible uses for the civic center area.

Cost Estimate and Revenue Considerations:

Costs are based on an estimate of staff time to facilitate community workshops & consultant preparation of a master plan. The Civic Center Fund and Development Impact Fees-Civic are the funding sources for this project.

Project Schedule Estimate:

Workshops and master planning for the Downtown Civic Center will take significant resources to complete and are likely to be placed on-hold until the full economic impacts of the coronavirus pandemic are realized and potential funding sources are determined.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.153 - DIF - Match - Civic Fa	\$12,200	\$4,220	\$7,980	\$0	\$0	\$0	\$0	
117 - Civic Center	\$37,800	\$37,800	\$0	\$0	\$0	\$0	\$0	
Subtotals:	\$50,000	\$42,020	\$7,980	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$0 0%

Estimated Project Development Cost: \$50,000 100%

Estimated Project Total: \$50,000

Corporation Yard Water Quality Improvements

Project No.: 14-003
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To plan and implement stormwater related improvements at the corporation yard.

Location:

550 Davidson

Project Description and Background:

A stormwater quality improvement implementation plan was previously prepared for the City Corp. Yard site. The plan outlined specific mitigations and prioritized recommendations for construction. This project will support the completion of the improvements identified in the plan as well as any new requirements imposed under the State Water Board trash amendments to the MS4 permit.

Cost Estimate and Revenue Considerations:

Staff estimates based on size of site and engineer's estimate for the cost of improvements. The Clean Stormwater fund will provide the funding for the planning phase of the project.

Project Schedule Estimate:

Preliminary work was completed in FY 14/15 including a SWPPP and identification of needs. Some items on the improvement implementation plan were assessed in past years. Additional work is scheduled for FY 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
211 - Clean Stormwater	\$115,000	\$41,200	\$73,800	\$0	\$0	\$0	\$0	
Subtotals:	\$115,000	\$41,200	\$73,800	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$89,700 78%

Estimated Project Development Cost: \$25,300 22%

Estimated Project Total: \$115,000

Accessibility Enhancements - Municipal Buildings 2016-2023

Project No.: 17-002

Budget Status: Carryover

Category: MUNI

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To upgrade accessibility features at City facilities.

Location:

City-owned facilities

Project Description and Background:

This project will implement specific projects identified in the City's updated Americans with Disabilities Act (ADA) Transition Plan. A priority project list is maintained by staff and is updated as items are completed. Typical improvements include the installation of ramps, modifications to building amenities such as drinking fountains, and installation of automatic door-openers

Cost Estimate and Revenue Considerations:

Funding for this project is evaluated during each annual budget cycle. New funding proposed for upcoming fiscal years is based off of the cost estimates for remaining work to be performed and carryover funding balances. This project does not pay for ADA improvements that can be addressed as a part of routine building maintenance (lowering a coathook, for example) or for work that will be incorporated into another CIP project budget (the restrooms at the Hill Gymnasium are covered under CIP #01-005, Hill Recreation Area, for example.) The Facilities Long Term Maintenance Fund is the source for this project.

Project Schedule Estimate:

This is an annual allocation project. Project components are typically constructed under informal contracts where allowed by the PCC.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$140,000	\$121,523	\$18,477	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Subtotals:	\$140,000	\$121,523	\$18,477	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Estimated Capital Costs: \$362,700 93%

Estimated Project Development Cost: \$27,300 7%

Estimated Project Total: \$390,000

Municipal Buildings Deferred Maintenance 2017-2023

Project No.: 18-008

Budget Status: Carryover

Category: MUNI

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To perform municipal building repairs and equipment replacements to address deferred maintenance items identified in the 2013 Novato Facilities Condition Assessment and Maintenance Analysis.

Location:

City-owned facilities

Project Description and Background:

The Facility Conditions Assessment Report identified and prioritized deferred building maintenance items for repair and replacement at the 21 active-use city-owned buildings. Two previous Civic Facilities Deferred Maintenance CIP projects have addressed high priority items such as replacement of heating and air conditioning systems, fire suppression systems, roofing, siding, and flooring. Civic Facilities Deferred Maintenance Group 3 will address the items identified for repair/replacement in FY 19/20 and fund other items from previous years that have not been addressed to date.

Cost Estimate and Revenue Considerations:

Costs are based on estimates included in the Facility Conditions Assessment Report for items that exceed the Public Works Buildings Maintenance operating budget capacity or require external technical expertise to repair/replace. In some cases funds are programmed over multiple years in order to cover large expenditures in the future. Facilities Long Term Maintenance Fund is the identified funding source.

Project Schedule Estimate:

Building maintenance is an ongoing activity. Specific expenditures under this project are identified and prioritized in the Facility Conditions Assessment Reports.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
118 - LTM-Facilities	\$115,000	\$120,801	(\$5,801)	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000
Subtotals:	\$115,000	\$120,801	(\$5,801)	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000

Estimated Capital Costs: \$452,000 80%

Estimated Project Development Cost: \$113,000 20%

Estimated Project Total: \$565,000

Police Departments Equal Access and Waterproofing

Project No.: 18-009
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To upgrade accessibility features of the Novato Police Station from street to lobby and eliminate water intrusion from the front entry to the lower level of the building.

Location:

909 Machin Ave.

Project Description and Background:

The front entry way of the police station is comprised of tile surfacing over a grout pad on top of a reinforced concrete slab. Due to the relatively flat nature of the entry way, rainwater appears to pond on the tile surface and seep into small cracks in the grout pad and concrete slab below. Leaking water is beginning to cause damage in a lower level storage room and has the potential to corrode the reinforcing steel and create spalls in the structure. In addition, the front entry doors and ramp do not meet current accessibility standards. The 2013 Novato Facility Conditions Assessment Report recommended new interior paint in 2018. This project will replace the entry way surface, waterproof the concrete slab, repaint interior surfaces, upgrade the doors and ramp, and construct accessible public parking spaces with an accessible path of travel to the building.

Cost Estimate and Revenue Considerations:

\$240,000 was budgeted for this project in 2017/18. The front entry doors were retrofit to meet accessibility code, many of the interior spaces have been painted, and an injection-method for concrete crack sealing was tested below the front entry way (with limited success). A conceptual design was prepared to provide accessible parking spaces along Machin Ave. adjacent to the front entrance ramp. It appears that full replacement of the front entry tile and waterproof membrane will be required. An additional \$100,000 is added to the project for Fiscal Year 18/19 to cover the waterproofing costs and to prepare construction documents for the accessible parking spaces. Facilities Long Term Maintenance is the identified funding source.

Project Schedule Estimate:

This project was anticipated to be developed and implemented during the Fiscal Year 17/18 and continues through Fiscal Year 21/22. Construction will be coordinated with NPD staff to maintain public access and minimize impacts to facility operations.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
118 - LTM-Facilities	\$340,000	\$148,030	\$202,223	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$340,000	\$148,030	\$202,223	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$268,600 79%

Estimated Project Development Cost: \$71,400 21%

Estimated Project Total: \$340,000

Police Department HVAC Replacement

Project No.: 18-010
Category: MUNI
City Council District: District 1

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To develop preliminary plans and cost estimates to replace the heating, ventilation, and air conditioning (HVAC) system at the Novato Police Station.

Location:

909 Machin Ave.

Project Description and Background:

The 2013 Novato Facility Conditions Assessment Report identified the current air handler units (AHUs) at the police station would reach the end of useful service life and require replacement in 2017 for an estimated cost of nearly \$180,000. The current HVAC system consists of rooftop-mounted AHUs supplied by a four-pipe hot/cold water supply provided by a natural-gas boiler and exterior air chiller. Several rooms within the station also have their own dedicated heating and air conditioning systems. While the boiler and air chiller are newer, the AHUs, ductwork, and system plumbing are mostly original to the building (1979.) Due to the complex nature of the HVAC system, inconsistent temperature zones, and high annual maintenance and operating costs, a study is warranted to examine replacement of the entire HVAC system with a modern high-efficiency multi-zone system. A mechanical engineering contractor will be enlisted to prepare preliminary plans and cost estimates with staged-construction consideration for the continuous operation of the facility.

Cost Estimate and Revenue Considerations:

\$30,000 is allocated toward the preparation of preliminary plans and estimates for full HVAC system replacement. If deemed feasible, a separate CIP project will be programmed for future replacement costs. Facilities Long Term Maintenance Fund 118 is the identified funding source.

Project Schedule Estimate:

This study is anticipated to be completed during the 21/22 Fiscal Year as a part of a larger conversation about anticipated costs to address deferred maintenance items and required upgrades at the police station.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$30,000	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$30,000	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$0 0%

Estimated Project Development Cost: \$30,000 100%

Estimated Project Total: \$30,000

Hamilton Arts Center Deferred Maintenance

Project No.: 19-005
Category: MUNI
City Council District: District 5

Budget Status: Carryover
Funding Status: Complete

Project Objective:

Remediate the highest priority deferred maintenance and capital renewal projects, including American for Disabilities (ADA) modifications, window replacement, floor treatments, plumbing and electrical upgrades all within the guidelines of recommended historical preservation.

Location:

500 S. Palm Ave.

Project Description and Background:

This project will consolidate the recommended priority maintenance and capital renewal efforts into a series of contracts to address key building improvements identified in the 2013 Faithful and Gould Facility Condition Assessments and the subsequent update to the Americans with Disabilities Act (ADA) Transition Plan. Historical analysis and seismic retrofit assessments will be included in this project. The Hamilton Army Air Field Discontiguous Historic District was established on the National Historical Registry in 1998. In 2000, the City of Novato (through the Novato Public Finance Authority) acquired the 'Building 500 complex' at Hamilton, a group of buildings located in the historic center of the former Hamilton Field military base. Building 500, the former base Headquarters building, is considered the key historical building of the district. The buildings are leased to several tenants, the main tenant being the Marin Museum of Contemporary Art (MarinMOCA), other tenants include individual artists and Beso Bistro Café. The rental revenue and associated operating and building reserves for maintenance and capital expenses are captured in Special Fund 220, The Hamilton Arts Center Fund.

Cost Estimate and Revenue Considerations:

Is based on the Facilities Condition Assessment Report 2013 and estimated modification identified in the City's updated Americans with Disabilities Act (ADA) Transition Plan. Project will be funded by Hamilton Arts Center Fund (220).

Project Schedule Estimate:

Highest priority is to implement health and safety and ADA improvements and deferred maintenance, then tenant convenience within the available resources.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
220 - Hamilton Arts	\$850,000	\$144,378	\$705,622	\$0	\$100,000	\$100,000	\$100,000	\$100,000
Subtotals:	\$850,000	\$144,378	\$705,622	\$0	\$100,000	\$100,000	\$100,000	\$100,000

Estimated Capital Costs: \$912,500 73%

Estimated Project Development Cost: \$337,500 27%

Estimated Project Total: \$1,250,000

MTSC Exterior Siding and Roof

Project No.: 19-006
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

The project will replace the roof and siding of the Margaret Todd Senior Center.

Location:

1560 Hill Rd.

Project Description and Background:

The roof and siding of the Margaret Todd Senior Center have reached the end of their useful service life. The plywood siding and roof are 25-years old as of 2018. Maintenance costs to repair leaks and patch dry-rot in the siding have been increasing over the last few years and are expected to increase until the original materials are replaced. Staff will evaluate long-service life/low-maintenance siding options such as fiber-cement products when developing this project and will engage with Senior Center members and staff when making material selections.

Cost Estimate and Revenue Considerations:

Consultation with city custodial staff and informal estimates from industry professionals. Long Term Maintenance - Facilities is the funding source for this project.

Project Schedule Estimate:

Project development and construction are planned for Fiscal Years 24/25 and 25/26.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Subtotals:	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000

Estimated Capital Costs: \$470,000 94%

Estimated Project Development Cost: \$30,000 6%

Estimated Project Total: \$500,000

Exterior Building Paint (NPD, City Hall, Admin)

Project No.: 19-007
Category: MUNI
City Council District: District 3

Budget Status: Carryover
Funding Status: Complete

Project Objective:

Repaint the exterior surfaces of Novato Police Dept, City Hall, and the south facade of the City Administration Office.

Location:

Civic Center City-Owned Buildings

Project Description and Background:

Novato Police Dept, City Hall, and the south facade of the City Administration Office are all in need of exterior paint. Work would include prepping the exterior surfaces (scraping, caulking, etc.) and repainting.

Cost Estimate and Revenue Considerations:

The cost estimate is based on painting projects recently undertaken by the building maintenance team. Long Term Maintenance - Facilities is the funding source for this project.

Project Schedule Estimate:

The Novato Police Department and City Hall buildings were painted in previous years. The City Administrative building will be painted in Fiscal Year 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
118 - LTM-Facilities	\$135,000	\$119,800	\$15,200	\$100,000	\$0	\$0	\$0	\$0
Subtotals:	\$135,000	\$119,800	\$15,200	\$100,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$218,550 93%

Estimated Project Development Cost: \$16,450 7%

Estimated Project Total: \$235,000

Energy Efficiency Utility Upgrades

Project No.: 20-002

Budget Status: New

Category: MUNI

Funding Status: Incomplete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

The project intends to reduce the city's usage of water and electricity.

Location:

Citywide, City-owned facilities

Project Description and Background:

Utility rates continue to increase year-by-year and the city's water usage at parks has also increased in recent years. This project will implement irrigation improvements and install water saving "smart" irrigation controllers at high-water usage parks and medians and will serve as a platform to seek grant funding to support other energy-saving and sustainability measures.

Cost Estimate and Revenue Considerations:

\$25,000 was included as the initial budget appropriation to purchase new irrigation controllers for priority areas and to serve as "seed" money for grant opportunities. \$25,000 from the Long Term Maintenance - Facilities fund. Staff will seek grant funding for other energy-saving and sustainability measures.

Project Schedule Estimate:

Product research started in the fall of 2019. Purchase and installation of new irrigation controllers for a pilot program at Indian Valley College occurred in May 2020. Staff will continue product research and evaluation identifying water efficiency measures to implement.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$50,000	\$21,339	\$28,661	\$0	\$50,000	\$0	\$0	\$0
Subtotals:	\$50,000	\$21,339	\$28,661	\$0	\$50,000	\$0	\$0	\$0

Estimated Capital Costs: \$80,000 80%

Estimated Project Development Cost: \$20,000 20%

Estimated Project Total: \$100,000

City Administrative Office Backup Generator

Project No.: 20-004
Category: MUNI
City Council District: District 3

Budget Status: New
Funding Status: Complete

Project Objective:

The project will supply the city administrative office critical equipment with electricity in the case of extended power outages.

Location:

922 Machin Ave.

Project Description and Background:

Three power outages at the city administrative offices occurred in the first few months of 2019. The office phone and computer systems at every city building except for the Police department are all controlled through the network in the administrative building, so the installation of a backup generator is essential to the city's ability to provide core services during power outages. Recent outages have also demonstrated potential risks to expensive network servers--a backup generator will help mitigate risk to that equipment as well.

Cost Estimate and Revenue Considerations:

Consultation with city maintenance staff and informal estimates from industry professionals. Received a CalOES grant for \$184,000 which will replace \$150,000 previously budgeted from Fund 116 Emergency and Disaster Response and add \$34,000 to the total project.

Project Schedule Estimate:

Project development started in late 2020 and installation was completed in summer of 2021. Project will be finalized and closed out in Fiscal Year 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
112 - City-Owned Property Fun	\$65,000	\$55,962	\$9,038	\$0	\$0	\$0	\$0	\$0
116 - Emerg. & Disaster Respon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
234.205 State Grants OES	\$184,000	\$0	\$184,000	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$249,000	\$55,962	\$193,038	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$224,100 90%

Estimated Project Development Cost: \$24,900 10%

Estimated Project Total: \$249,000

Underground Fuel Tank Replacement

Project No.: 22-002
Category: MUNI
City Council District: District 3

Budget Status: New
Funding Status: Incomplete

Project Objective:

Permanently close, remove, or possibly replace the two single-walled underground fuel storage tanks located near the Novato Police Department in accordance with State Water Board requirements to do so before December 31, 2025;

Location:

Novato City Police Department

Project Description and Background:

This project is consistent with the General Plan Public Facilities Objective 1: Management of Public Facilities and Infrastructure. Manage City facilities and infrastructure in a safe, functional and well-maintained manner as practicable.

Cost Estimate and Revenue Considerations:

Costs are roughly estimated at \$250,000.

Project Schedule Estimate:

Project Planning - From Fiscal Year 21/22 through Fiscal Year 22/23
 Possible Construction - Fiscal Years 2023-25

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0
Subtotals:	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0

Estimated Capital Costs:	\$200,000	80%
Estimated Project Development Cost:	\$50,000	20%
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Estimated Project Total:	\$250,000	

Parks, Recreation and Community Facilities

ID	Project Name	Page
11-019	Public Art Projects	CIP - 18
16-007	Reservoir Hill Vista Trail Rehabilitation	CIP - 19
17-003	Accessibility Enhancements - Parks 2016-2023	CIP - 20
17-004	Hoog Park Playground & Accessibility Enhancements	CIP - 21
18-007	Parks Deferred Maintenance Group 3 2017-2023	CIP - 22
19-003	Lieb Property Deferred Maintenance	CIP - 23
19-010	Community Garden at the Lieb Property	CIP - 24
22-004	Pioneer Park Play Area Upgrades	CIP - 25
22-006	Citywide Play Structure Upgrades	CIP - 26



Public Art Projects

Project No.: 11-019

Budget Status: Carryover

Category: PRCS

Funding Status: Ongoing

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

Identify public art sites and increase the amount of public art in Novato. Enhance the quality of life and enliven the visual environment through public art installations.

Location:

Citywide

Project Description and Background:

The Recreation, Cultural and Community Services Commission will consider potential public art sites and identify desired projects. Locations for public art do not need to be located within City-owned park or recreation facilities.

Cost Estimate and Revenue Considerations:

Cost estimates are determined on a project-by-project basis. Funding collected from the Art In-Lieu fee program is the source for public art projects

Project Schedule Estimate:

Schedule is determined on a project-by-project basis. In 2019, city staff began drafting protocols for receiving public art submissions and awarding money for public arts projects; however these efforts were delayed by the pandemic.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
215 - Public Art	\$76,000	\$12,500	\$63,500	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$76,000	\$12,500	\$63,500	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$60,800 80%

Estimated Project Development Cost: \$15,200 20%

Estimated Project Total: \$76,000

Reservoir Hill Rehabilitation

Project No.: 16-007
Category: PRCS
City Council District: District 5

Budget Status: Carryover
Funding Status: Complete

Project Objective:

This project will add decomposed granite to existing path where the existing material has been removed with use over time. In FY 18/19 the work scope increased to include drainage improvements to prevent future recurrence of path damage on Reservoir Hill.

Location:

Recreational open space abutting Hamilton Parkway

Project Description and Background:

The needs are identified in the Facilities Condition Assessment Report and were confirmed by City staff.

Cost Estimate and Revenue Considerations:

The project costs are based on estimated costs in the Facilities Condition Assessment Report for the path, and staff's preliminary estimate of drainage improvements. Project development may lead to additional improvements being identified. Facilities Long Term Maintenance is the funding source.

Project Schedule Estimate:

The project is planned to be completed in 2022.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$76,000	\$5,100	\$70,900	\$0	\$0	\$0	\$0	
Subtotals:	\$76,000	\$5,100	\$70,900	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$63,080 83%

Estimated Project Development Cost: \$12,920 17%

Estimated Project Total: \$76,000

Accessibility Enhancements - Parks 2016-2023

Project No.: 17-003

Budget Status: Carryover

Category: PRCS

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To improve accessibility at community parks.

Location:

Citywide parks

Project Description and Background:

This project would implement specific projects identified in the City's updated Americans with Disabilities Act (ADA) Transition Plan. A priority project list is maintained by staff and is the subject of public input to the City's ADA Committee. Typical improvements could include curb ramps, drinking fountains, and accessible play equipment.

Cost Estimate and Revenue Considerations:

Per the City's ADA transition plan we are required to remove all the barriers within the community parks. The following table shows an estimate of the available funding for Fiscal Year 21/22. This project does not construct ADA improvements at facilities and parks that are subject to a larger CIP project.; those ADA improvements are incorporated into the larger project budget. The Long Term Maintenance Fund - Facilities is the source for this project.

Project Schedule Estimate:

This is an annual allocation project. Project components are constructed by informal contracts, combined with larger projects or as Maintenance Division day labor projects.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.152 - DIF - Match -Recreati	\$50,000	\$670	\$49,330	\$0	\$0	\$0	\$0	\$0
118 - LTM-Facilities	\$300,000	\$202,819	\$97,181	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Subtotals:	\$350,000	\$203,489	\$146,511	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Estimated Capital Costs: \$498,000 83%

Estimated Project Development Cost: \$102,000 17%

Estimated Project Total: \$600,000

Hoog Park Playground and Accessibility Enhancements

Project No.: 17-004
Category: PRCS
City Council District: District 4

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To replace aged playground equipment and implement access improvements at Hoog Park.

Location:

Marin Oaks Dr. north of Montura Way

Project Description and Background:

The need to replace aging playground equipment was identified in the Parks Assessment Report and verified by staff. The ADA transition plan lists a number of ADA improvements required at the park, including regrading and repaving the pathways.

Cost Estimate and Revenue Considerations:

The costs are from the referenced studies/ reports plus an allowance for staff time for project development and construction management based on recent similar projects. The Long-Term Maintenance Fund - Facilities is the source for this project.

Project Schedule Estimate:

Project development is anticipated to continue through 2022 with construction following in subsequent years.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$200,000	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0
241.152 - DIF - Match -Recreati	\$0	\$0	\$0	\$0	\$140,000	\$0	\$0	\$0
101 - General Fund	\$0	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0
Subtotals:	\$200,000	\$200,000	\$200,000	\$0	\$640,000	\$0	\$0	\$0

Estimated Capital Costs: \$596,400 71%

Estimated Project Development Cost: \$243,600 29%

Estimated Project Total: \$840,000

Parks Deferred Maintenance Group 3 2017-2023

Project No.: 18-007

Budget Status: Carryover

Category: PRCS

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To perform parks infrastructure repairs and replacements to address deferred maintenance items identified in the December 2013 Novato Parks Facility Condition Assessment and Maintenance Analysis.

Location:

Citywide Parks

Project Description and Background:

The Parks Facility Conditions Assessment Report identified and prioritized deferred maintenance items for repair and replacement at parks throughout the city. Two previous Parks Deferred Maintenance CIP projects have addressed high priority items such as repairs to pathways and irrigation systems and replacement of drinking fountains and other older amenities. Parks Deferred Maintenance 2017-2023 will address the items identified for repair/replacement from FY 17/18 to 22/23 and fund other items from previous years that have not been addressed to date.

Cost Estimate and Revenue Considerations:

Costs are based on estimates included in the Parks Facility Conditions Assessment Report. Facilities Long Term Maintenance Fund is the identified funding source.

Project Schedule Estimate:

This project was initiated during the 17/18 Fiscal Year and continues through Fiscal Year 22/23. City staff is proposing to add \$50,000 in Fiscal Year 21/22 to the budget to cover the costs to replace park fencing.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
118 - LTM-Facilities	\$162,641	\$158,089	\$4,552	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
240 - Restricted Revenue	\$1,922	\$1,922	\$0	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$164,563	\$160,011	\$4,552	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Estimated Capital Costs: \$339,942 82%

Estimated Project Development Cost: \$74,621 18%

Estimated Project Total: \$414,563

Leib Property Deferred Maintenance

Project No.: 19-003
Category: PRCS
City Council District: District 3

Budget Status: Carryover
Funding Status: Complete

Project Objective:

Secure and preserve buildings and features of the recently acquired Leib Property (1521- 1525 Hill Rd.) until a future site use plan is prepared and implemented.

Location:

Project Description and Background:

Work includes new building roofs on three houses and the large barn, new exterior paint on the buildings and barn, removal/replacement of lead water pipes in the cottage, North Marin Water District water service hookups to the property, tree trimming, brush clearing and fire fuel reduction (including mowing of defensible space), removal of fuel storage tanks, and analysis/repairs to the existing septic system as needed.

Cost Estimate and Revenue Considerations:

\$100,000 of Measure F funding was appropriated for Leib Property deferred maintenance during the 17/18 Fiscal Year. The original funds were allocated for tree trimming, municipal water connections/plumbing, and building roof repairs and charged directly to Measure F. It has since been determined that an additional \$100,000 is needed to complete the balance of work described above. Given the larger expenditures required, a CIP is proposed to complete the remaining deferred maintenance work identified. No funding is shown prior to 18/19 in the table below because the \$100,000 original funding was appropriated as a direct charge to Measure F by Public Works as no CIP existed for the work at the time

Project Schedule Estimate:

The deferred maintenance work at the Leib Property has been ongoing since late 2017 and is anticipated to continue through the 2018/19 Fiscal Year.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
111 - Measure F	\$150,000	\$50,512	\$99,488	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$150,000	\$50,512	\$99,488	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$127,500 85%

Estimated Project Development Cost: \$22,500 15%

Estimated Project Total: \$150,000

Community Garden at the Leib Property

Project No.: 19-010
Category: PRCS
City Council District: District 2

Budget Status: Carryover
Funding Status: Complete

Project Objective:

This project will complete a site plan for the garden, issue a Use Permit, and construct improvements with CEQA approval. Future phases of the project will prepare construction drawings for the garden and to construct future improvements such as a driveway entrance, parking area, and a water service stub.

Location:

Lieb Property, 1521 Hill Road

Project Description and Background:

The Novato Live Well Network (NLWN) has been working to create a community garden in the city for over 10 years. On July 25, 2017, the Novato City Council approved a conceptual plan where NLWN would establish a community garden on a portion of the Lieb Property located at 1521 Hill Road. On March 26, 2019, the Novato City Council approved a resolution establishing 1.5 acres of the Lieb property located at 1521 Hill Road to establish a community garden.

Cost Estimate and Revenue Considerations:

The \$50,000 of Quimby In-Lieu Fees and \$15,000 from the Long Term Maintenance Facilities Fund are anticipated to cover the costs to perform initial studies, prepare and approve an environmental document, and support design services including the preparation of construction plans and specifications for the future project. Quimby In-Lieu Fees are proposed as the initial funding source for the project development work associated with the community garden. Funding for construction is included in Fiscal Year 21/22 out of Parks Measure A.

Project Schedule Estimate:

Work on the initial study and environmental document began in the spring of 2019. Initial studies and site planning were expected to be completed in Fall of 2020, however these efforts were delayed due to the pandemic. Project development is on track for construction in Spring of 2022.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
214 - Quimby In-Lieu Fees	\$50,000	\$43,210	\$6,789	\$0	\$0	\$0	\$0	\$0
118 - LTM-Facilities	\$15,000	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0
237 - Parks Measure A	\$50,000	\$0	\$50,000	\$100,000	\$0	\$0	\$0	\$0
Subtotals:	\$115,000	\$43,210	\$71,789	\$100,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$66,650 31%

Estimated Project Development Cost: \$148,350 69%

Estimated Project Total: \$215,000

Pioneer Park Play Area Upgrades

Project No.: 22-004
Category: PRCS
City Council District: District 2

Budget Status: New
Funding Status: Complete

Project Objective:

Replace the small play structure at Pioneer Park with new, more inclusive play equipment and install rubberized surfacing and perimeter fencing;

Location:

Pioneer Park small play area

Project Description and Background:

The Pioneer Park Play Area Upgrades project is consistent with the following General Plan objectives: Living Well Objective 2f: Park Use and Maintenance. Examine methods to improve parks to maximize use, reduce maintenance costs, and improve access and opportunities for recreation, including new products, systems and technologies; Public Facilities Objective 1: Management of Public Facilities and Infrastructure. Manage City facilities and infrastructure in a safe, functional and well-maintained manner as practicable; and Public Facilities Objective 2d: Parks and Landscaping. Identify funding to adequately maintain City parks, medians, and landscaping.

Cost Estimate and Revenue Considerations:

Funding for this project is made up of Long Term Maintenance - Facilities, Development Impact Fees, and a state grant for recreation funding.

Project Schedule Estimate:

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
118 - LTM-Facilities	\$158,000	\$0	\$191,000	\$0	\$0	\$0	\$0	\$0
240 - Restricted Revenue	\$0	(\$10,000)	\$0	\$0	\$0	\$0	\$0	\$0
241.152 - DIF - Match -Recreati	\$50,000	\$0	\$50,000	\$33,000	\$0	\$0	\$0	\$0
234-Grant Prop 68 Per Capita	\$177,000	\$0	\$177,000					
Subtotals:	\$385,000	(\$10,000)	\$418,000	\$33,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$26,400 80%

Estimated Project Development Cost: \$6,600 20%

Estimated Project Total: \$33,000

Citywide Play Structure Upgrades

Project No.: 22-006

Budget Status: New

Category: PRCS

Funding Status: Complete

City Council District:

Project Objective:

Replace, remove, or otherwise modify older play structure equipment and components at all of the City's parks in order to meet current play structure standards.

Location:

City Parks

Project Description and Background:

A2019 Playground Assessment Report identified non-standard play equipment and features. This project will work to address the items identified in the report.

Cost Estimate and Revenue Considerations:

\$1,000,000 of One Time American Recovery Plan Act funding is proposed for this project.

Project Schedule Estimate:

Work is expected to occur at various parks through 2023.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
ARPA - One Time Funds		\$0		\$500,000	\$500,000			
Subtotals:		\$0		\$500,000	\$500,000			

Estimated Capital Costs: \$800,000 80%

Estimated Project Development Cost: \$200,000 20%

Estimated Project Total: \$1,000,000

Technology and Organizational Investments

ID	Project Name	Page
11-012	Technology Planning and Efficiencies	CIP - 28
22-007	CDD Permitting and CPRA Software Procurement	CIP - 29



Technology Planning and Efficiencies

Project No.: 11-012

Budget Status: Carryover

Category: TOI

Funding Status: Complete

City Council District:

Project Objective:

To increase efficiencies by incorporating more technology into the workplace and provide training on new technologies. Several projects have been implemented throughout the life of this project.

Location:

City's data and information systems

Project Description and Background:

A strategic plan has been developed and the project is to implement the highest priorities for Information Technology and Geographical Information Systems. The remaining scope of work is to complete the roll-out of the Computerized Maintenance Management System (CMMS) and/or Asset Management System (AMS). Digitization of records and development of a secure electronic storage for digital records is also a top priority project for the coming fiscal year.

Cost Estimate and Revenue Considerations:

Measure F, Development Impact Fees - Civic Facilities, and the Civic Center funds all have previously approved funding. No carryover funding remains, and staff is seeking supplemental funding to complete the project.

Project Schedule Estimate:

Work is ongoing and expected to be completed in Fiscal Year 21-22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
241.156 - DIF - Match - Gov't Sy	\$195,200	\$195,200	\$0	\$0	\$0	\$0	\$0	\$0
101 - General Fund	\$103,600	\$117,580	(\$13,980)	\$0	\$0	\$0	\$0	\$0
111 - Measure F	\$2,754,100	\$2,754,100	\$0	\$0	\$0	\$0	\$0	\$0
115 - Insurance Reserve	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0
116 - Emerg. & Disaster Respon	\$281,200	\$281,200	\$0	\$0	\$0	\$0	\$0	\$0
602 - Equipment Replacement	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$3,444,100	\$3,458,080	(\$13,980)	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$1,722,050 50%

Estimated Project Development Cost: \$1,722,050 50%

Estimated Project Total: \$3,444,100

CDD Permitting & CPRA Software Procurement

Project No.: 22-007

Budget Status: New

Category: TOI

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

Acquire software for the Community Development Department to make online plan check and permitting available to all applicants & improve staff efficiency in processing permits. The project will also acquire software for the City Clerk’s Office to simplify the process through which the City tracks and responds to California Public Records Act Requests.

Location:

Online

Project Description and Background:

The CDD Permitting & CPRA Software Procurement project is consistent with Governance Objective 4: Technology and Communications. Implement technology and communications initiatives to improve the efficiency and effectiveness of city operations as well as maximize opportunities to be transparent, effectively inform and meaningfully engage the community.

Cost Estimate and Revenue Considerations:

City Council allocated \$500,000 of the American Recovery Plan Act one time funds for software to enhance customer service and the online portal experience.

Project Schedule Estimate:

FY 21-22 Selection, Testing

FY 22-23 Implementation

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
ARPA - One Time Funds		\$0		\$500,000				
Subtotals:		\$0		\$500,000				

Estimated Capital Costs: \$350,000 70%

Estimated Project Development Cost: \$150,000 30%

Estimated Project Total: \$500,000

**Transportation, Drainage and Utilities
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Olive Phase III (Redwood to Railroad)

Project No.: 97-001
Category: TDU
City Council District: District 3

Budget Status: Carryover
Funding Status: Complete

Project Objective:

To improve the sight distance across the railroad tracks, replace failing drainage facilities, provide a storm water treatment outfall structure, rehabilitate the pavement, and construct frontage improvements along Olive Avenue between Redwood Boulevard and Railroad Avenue.

Location:

Olive Ave. btwn Redwood Blvd and the SMART tracks

Project Description and Background:

Improvements to the north side of Olive Avenue, between Redwood Boulevard and the railroad tracks, will be constructed by the City. Drainage enhancements may include a new storm drain or enhanced channel from Redwood Blvd. to the railroad tracks. A pedestrian railroad crossing will be included in the scope of this project, but may be constructed by others under separate contract.

Cost Estimate and Revenue Considerations:

Project development estimates include environmental review and design. Construction includes contract quantities and recent bid prices, excluding environmental mitigation measures. Construction management are for inspection and material testing. Development Impact Fees Drainage will fund the drainage improvements. Collected revenue from adjacent development are for associated frontage improvements. Traffic in-lieu fees are the restricted revenue component. Gas Tax revenues will fund future project development costs.

Project Schedule Estimate:

Project development work will likely be finalized during the 21/22 fiscal year to address the purpose and need of the project and serve as a basis for potential development improvements. Pending issuance of regulatory permits, construction is planned for Fiscal Year 22/23.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
999 - Novato Bond B (pre-2012	\$41,651	\$41,651	\$0	\$0	\$0	\$0	\$0	\$0
241.158 - DIF- Match - Drainag	\$102,502	\$43,340	\$59,162	\$0	\$0	\$0	\$0	\$0
240 - Restricted Revenue	\$353,446	\$159,421	\$194,025	\$0	\$0	\$0	\$0	\$0
211 - Clean Stormwater	\$32,234	\$9,789	\$22,445	\$0	\$0	\$0	\$0	\$0
212 - Underground Utility	\$234,684	\$0	\$234,684	\$0	\$0	\$0	\$0	\$0
229 - Gas Tax HUTA	\$55,728	\$0	\$55,728	\$0	\$0	\$0	\$0	\$0
229.105 - Gas Tax RMRA	\$200,000	\$27,900	\$172,100	\$0	\$0	\$0	\$0	\$0
236.300 - TAM Measure A	\$167,715	\$167,715	\$0	\$0	\$500,000	\$200,000	\$0	\$0
119 - LTM-Infrastructure	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0
Subtotals:	\$1,187,960	\$449,817	\$738,143	\$200,000	\$500,000	\$200,000	\$0	\$0

Estimated Capital Costs: \$1,733,269 83%
 Estimated Project Development Cost: \$355,007 17%

Estimated Project Total: \$2,088,276

Redwood and San Marin Improvements (AGP-5 and NP-1)

Project No.: 99-007
Category: TDU
City Council District: District 1, District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To improve safety and reduce traffic congestion.

Location:

Redwood Blvd. and San Marin Dr.

Project Description and Background:

This project is listed in the 1996 General Plan Update as one of the improvements needed to accommodate future growth, and is also part of the City of Novato's establishment of traffic impact fees of development. This project originally proposed to modify the southbound, eastbound, and westbound approaches at Redwood Boulevard and San Marin Drive, and the eastbound right-turn lane onto the southbound U.S. 101 on-ramp, including ramp widening. The work could require widening the San Marin Drive bridge over the SMART railroad. An update to the General Plan (2035) is underway that may modify the scope of work of this project.

Cost Estimate and Revenue Considerations:

Costs are based on the 2002 update of the Development Impact Fees For Public Facilities for AGP-5 and NP-1 traffic mitigation. The preliminary construction cost estimate was \$6,032,203. The project scope and estimate will need to be updated following the General Plan update. Citywide Development Impact Fees-Streets and Intersections, is the funding source for these improvements. Traffic in-lieu fees from the Buck Center, and accrued interest, are the restricted revenue component of this project. Future SB1 Gas Tax revenues have been programmed for potential project development costs in FY 2022/23. Grant funding will likely be required for future construction capital.

Project Schedule Estimate:

This project is on hold pending the update to the General Plan (2035.) Further project development will be pending private development north of San Marin Drive, coordination with Caltrans for work proposed with the state right-of-way, and available funding.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.151 - DIF - Match - Streets	\$26,000	\$3,144	\$22,856	\$0	\$0	\$0	\$0	
240 - Restricted Revenue	\$30,604	\$6,164	\$24,440	\$0	\$0	\$0	\$0	
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Subtotals:	\$56,604	\$9,308	\$47,296	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$6,000,000 85%

Estimated Project Development Cost: \$900,000 15%

Estimated Project Total: \$6,900,000

Railroad Ave. Drainage Ditch Improvements

Project No.: 00-015
Category: TDU
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To reduce flooding risk in the northeastern area of Downtown Novato, between Sweetser Ave and Olive Ave, in the northern part of Downtown Novato.

Location:

Ditch along west side of railroad right-of-way

Project Description and Background:

Flooding has been a recurring problem in Downtown Novato. This project will reduce the risk of flooding at the intersection of Reichert Avenue and Sweetser Avenue, which has a history of flooding. A Corp of Engineering (COE) study and preliminary design was completed for the area. Staff reviewed the COE study, and determined that placement of a box culvert down Railroad Avenue is not feasible due to utility conflicts and inadequate grade. Staff determined that enhancements to the existing ditch on the west side of the railroad tracks would provide the reduced flooding risk. Sonoma Marin Area Rapid Transit (SMART), the owners of the railroad tracks and parallel drainage ditch, may construct the box culvert in the ditch with a Class I bike path on top as part of their ongoing track improvements. The City would then reimburse SMART for the cost of the construction.

Cost Estimate and Revenue Considerations:

Costs are based on the projected revenue available for street paving--Typically made up of Gas Tax (SB1 RMRA and Highway User Tax Account), TAM Measure A, and Infrastructure Long Term Maintenance funds totaling around \$150,000 for project development and roughly \$1.5M for construction capital.

Project Schedule Estimate:

Gas Tax (SB1 RMRA and Highway User Tax Account), TAM Measure A, and Infrastructure Long Term Maintenance funds.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.158 - DIF- Match - Drainag	\$89,594	\$26,136	\$63,647	\$0	\$0	\$0	\$0	\$0
999 - Novato Bond B (pre-2012)	\$61,785	\$0	\$61,785	\$0	\$0	\$0	\$0	\$0
229 - Gas Tax HUTA	\$207,155	\$43,550	\$163,605	\$0	\$0	\$0	\$0	\$0
119 - LTM-Infrastructure		\$0		\$0	\$0	\$0	\$0	\$500,000
236.600 - TAM Meas AA		\$0						
Subtotals:	\$358,534	\$69,686	\$289,037	\$0	\$0	\$0	\$0	\$500,000

Estimated Capital Costs:	\$1,500,000	90%
Estimated Project Development Cost:	\$150,000	10%
Estimated Project Total:	\$1,650,000	

Novato Blvd Improvements Diablo - Grant

Project No.: 01-004

Budget Status: Carryover

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2

Project Objective:

To enhance safety and reduce traffic congestion on Novato Boulevard between Diablo Avenue and Grant Avenue.

Location:

Novato Blvd. from Diablo Ave. to Grant Ave.

Project Description and Background:

This project is listed in the General Plan as one of the improvements needed to accommodate future growth and enable the roadway system to operate safely and efficiently. The project will widen this segment of Novato Blvd. to accommodate future traffic conditions as well as bike lanes and sidewalks in each direction. A three-lane alternative was approved by Council following considerable public input in 2018. The traffic signals on Novato Blvd. at Diablo, 7th-Tamalpais, and Grant will be reconstructed. Right-of-way acquisitions are anticipated. This project will include the Rule 20A underground utility district between Diablo Avenue and Boulevard Terrace. The environmental documentation is being prepared and utility relocation coordination is in process as of Fiscal Year 21/22.

Cost Estimate and Revenue Considerations:

Previous costs estimates were based on the City Council approved Project Study Report, CIP Project 97-003, for a 4-lane alternative (two lanes each direction with a raised center median) that was developed about 15 years ago. The preliminary cost estimate for the 3-lane alternative is \$10-15M including right-of-way acquisitions. The Citywide Development Impact Fees - Streets and Intersections and TAM Measure A Major Streets and Roads funds are the major revenue sources for these improvements. Deferred improvement agreements along this section will also be invoked.

Project Schedule Estimate:

Environmental documentation (CEQA only) is underway and should be complete by early 2022. Right-of-way acquisition will follow. Detailed project design will take approximately 12-18 months to complete and would likely coincide with right-of-way acquisition. Construction would follow right-of-way acquisition and is estimated to take about 18 months to complete.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.151 - DIF - Match - Streets	\$1,717,080	\$964,736	\$752,344	\$0	\$0	\$0	\$0	
236.400 - TAM A (Major Streets	\$3,232,382	\$1,165,219	\$2,067,163	\$0	\$0	\$9,000,000	\$0	
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PG&E Rule 20A Credits	\$1,809,845	\$0	\$1,809,845	\$0	\$0	\$0	\$0	
236.600 - TAM Meas AA		\$0		\$0	\$0	\$0	\$450,000	
Subtotals:	\$6,759,307	\$2,129,955	\$4,629,352	\$0	\$0	\$9,000,000	\$450,000	

Estimated Capital Costs: \$13,453,725 83%

Estimated Project Development Cost: \$2,755,582 17%

Estimated Project Total: \$16,209,307

Grant Ave. Bridge Rehab

Project No.: 09-003
Category: TDU
City Council District: District 1

Budget Status: Carryover
Funding Status: Complete

Project Objective:

To rehabilitate the existing vehicle bridge by providing separate bicycle and pedestrian facilities and replacing substandard railings.

Location:

Grant Ave. between and Virginia Ave and Eighth St.

Project Description and Background:

The existing bridge on Grant Avenue over Novato Creek near the intersection with Virginia Avenue, was built in 1932, and by today's standards is not wide enough to carry both vehicle and bicycle traffic. Pedestrian traffic is limited to the northerly side of the bridge (via a separate bridge adjacent to the vehicle bridge). The pedestrian bridge on the southerly side was removed in 2005 as it had deteriorated beyond repair. Both the vehicle bridge and remaining pedestrian bridge are structurally sound and do not need to be replaced. This project is planned to widen the vehicle bridge to provide pedestrian and bicycle facilities and new bridge railings. The existing pedestrian bridge will no longer be needed and will be removed.

Cost Estimate and Revenue Considerations:

Project development costs are based on an estimate to complete environmental, design, and right-of-way phases of the project. Construction costs are based on an estimate prepared by the consultant performing the engineering design services. Construction management costs are based on the federal funding guidelines. Highway Bridge Program federal grant, Development Impact Fees Transit/Bicycle, Gas Tax, and Infrastructure Long Term Maintenance are the funding sources for this project.

Project Schedule Estimate:

Project development began late in FY 07/08 when the project was initiated, and a concept plan developed. The concept plan was completed spring 2010. A request for federal funding was made and received federal authorization in October 2010. The environmental process began in the summer of 2011, and preliminary design in 2015. The environmental documentation and design are complete, with construction anticipated during FY 2022 pending appropriation of federal construction funding.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.154 - DIF - Match - Bike & T	\$239,908	\$10,397	\$229,511	\$0	\$0	\$0	\$0	
234.130 - Grant-HBP	\$4,004,871	\$845,837	\$3,159,034	\$0	\$0	\$0	\$0	
229.105 - Gas Tax RMRA	\$100,000	\$0	\$100,000	\$0	\$0	\$0	\$0	
229 - Gas Tax HUTA	\$461,631	\$424,412	\$37,220	\$0	\$0	\$0	\$0	
119 - LTM-Infrastructure	\$267,242	\$17,242	\$250,000	\$0	\$0	\$0	\$0	
236.300 - TAM Measure A		\$0		\$300,000	\$0	\$0	\$0	
Subtotals:	\$5,073,652	\$1,297,887	\$3,775,765	\$300,000	\$0	\$0	\$0	

Estimated Capital Costs: \$4,460,131 83%

Estimated Project Development Cost: \$913,521 17%

Estimated Project Total: \$5,373,652

San Marin/Simmons Signalization or Roundabout

Project No.: 11-020
Category: TDU
City Council District: District 1

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To reduce traffic congestion.

Location:

San Marin and Simmons Drives

Project Description and Background:

The 2002 update of the Development Impact Fees for Public Facilities listed installation of a traffic signal at this intersection as a needed improvement to accommodate future growth and enable the roadway system to operate safely and efficiently. The update indicated that San Marin Drive and Simmons Lane would be expected to operate with an unacceptable Level of Service (LOS) category "E" during both peak hours under future conditions. The mitigation is to install a traffic signal. A traffic signal could improve the operation to a higher LOS category "B". A roundabout also will be considered for this intersection.

Cost Estimate and Revenue Considerations:

This project is postponed to future years due to funding limitations and limited staff resources. Project development costs are an estimate to complete the design, including advertising for bids. Construction costs are based on the preliminary estimate from the development impact fee report. Construction management costs are an estimate for the signal work. Development Impact Fees will be utilized to fund this project. It's anticipated that full construction capital for possible proposed improvements will be \$1,100,000.

Project Schedule Estimate:

Further project development work pending availability of funding and staff time. Construction is not currently scheduled.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.151 - DIF - Match - Streets	\$183,433	\$19,725	\$163,708	\$0	\$0	\$0	\$0	\$132,317
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,184,250
Subtotals:	\$183,433	\$19,725	\$163,708	\$0	\$0	\$0	\$0	\$1,316,567

Estimated Capital Costs: \$1,110,000 74%

Estimated Project Development Cost: \$390,000 26%

Estimated Project Total: \$1,500,000

Rule 20A UUD #17 (Railroad Ave. - Olive to south terminus)

Project No.: 12-006
Category: TDU
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To remove all overhead wires and supporting poles on Railroad Avenue between Olive Avenue and South End and underground utilities.

Location:

Railroad Ave. btwn. Olive Ave. and S. Railroad Ave

Project Description and Background:

Railroad Avenue between Olive Avenue and Grant Avenue has experienced a lot of construction activity in recent years, and due to the Sonoma Marin Area Rail Transit is built, Railroad Avenue will be in need of road work. It is therefore desirable to underground utilities along that corridor. The undergrounding will include all of Railroad and a small section of Olive Avenue at the intersection of Railroad Avenue extending across the railroad tracks. Railroad Avenue is a collector street which makes it an eligible Rule 20A underground conversion project. Undergrounding priorities will be considered by City Council prior to moving forward with this project.

Cost Estimate and Revenue Considerations:

Costs are based on rough trench costs provided by PG&E. Once the district is developed, more accurate estimates will be developed. Underground Utility fund covers the City's streetlight portion. Utility reimbursement is the other funding source for this project.

Project Schedule Estimate:

It takes the utility companies up to three years to complete design, and PG&E will not advance this project until similar phases on the higher priority District 16 (Novato Boulevard) undergrounding are complete.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
212 - Underground Utility	\$22,275	\$8,881	\$13,394	\$0	\$0	\$163,350	\$0	
Utility Reimbursement	\$45,225	\$0	\$45,225	\$0	\$0	\$331,650	\$0	
Subtotals:	\$67,500	\$8,881	\$58,619	\$0	\$0	\$495,000	\$0	

Estimated Capital Costs: \$562,500 100%

Estimated Project Development Cost: \$0 0%

Estimated Project Total: \$562,500

Rule 20A UUD #18 (Olive Ave. - Rosalia to east terminus)

Project No.: 12-007
Category: TDU
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To remove all overhead wires and supporting poles and underground utilities on Olive Avenue between Rosalia Drive and the city limit.

Location:

Olive Ave. btwn Rosalia and City Limits

Project Description and Background:

Olive Avenue between Railroad Avenue and Rosalia Drive was undergrounded in the late 1980's. With the other two underground districts on Olive near Redwood and Railroad Avenue this project would complete undergrounding of utilities from Redwood Blvd to the city limits on Olive. Olive Avenue is a collector street which makes it an eligible Rule 20A underground conversion project. The amount of funding available may change after completion of other priority underground projects, and thus, this project should be considered partially funded at this time. Undergrounding priorities will be considered by City Council prior to moving forward with this project.

Cost Estimate and Revenue Considerations:

Costs are based on rough trench costs provided by PG&E. Once the district is developed, more accurate estimates will be developed. Underground Utility fund covering the City's streetlight portion and utility reimbursement are the funding source for this project. The availability of utility reimbursement revenues will be contingent upon the cost of previous utility reimbursement projects so this project may require additional funding.

Project Schedule Estimate:

It takes the utility companies up to three years to complete design, and PG&E will not advance this project until similar phases on the higher priority District 16 (Novato Boulevard) undergrounding are complete.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
212 - Underground Utility	\$29,700	\$4,265	\$25,435	\$0	\$326,700	\$0	\$0	
Utility Reimbursement	\$0	\$0	\$0	\$0	\$768,600	\$0	\$0	
Subtotals:	\$29,700	\$4,265	\$25,435	\$0	\$1,095,300	\$0	\$0	

Estimated Capital Costs: \$1,125,000 100%

Estimated Project Development Cost: \$0 0%

Estimated Project Total: \$1,125,000

Downtown SMART Station Phase III

Project No.: 14-002
Category: TDU
City Council District: District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To plan and construct improvements to the former train depot site to support the future Downtown SMART Station.

Location:

695 Grant Ave.

Project Description and Background:

In 2013 the City negotiated a land swap with SMART that included the city obtaining the former downtown train depot lot at the corner of Grant Avenue and Railroad Avenue. SMART has constructed a multi-use path on the easement on a portion of the site to across the western boundary of the parcel. In early 2016 the City Council approved funding the first phase of improvements for a downtown SMART station adjacent to the depot lot. Phase Two improvements to provide an operating station were approved by City Council on May 23, 2017. Public outreach meetings were held on March 17 and April 19, 2018 to identify potential depot site improvements. This project does not include any renovations to the downtown depot building.

Cost Estimate and Revenue Considerations:

Staff estimate \$300,000-\$500,000 for development of the site improvements to City standards. The Development Impact Fee (DIF) - Civic Facilities fund will provide partial funding along with a required match from the Parking Improvement Fund. Full funding for potential improvements has not been identified to date.

Project Schedule Estimate:

Project development was postponed due to the pandemic, but is anticipated to resume in FY 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
241.153 - DIF - Match - Civic Fa	\$27,000	\$27,000	\$0	\$0	\$0	\$0	\$0	\$0
213 - Public Parking	\$83,000	\$83,000	\$0	\$0	\$0	\$0	\$0	\$0
229.105 - Gas Tax RMRA	\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0	\$0
118 - LTM-Facilities	\$50,000	\$15,603	\$34,397	\$0	\$0	\$0	\$0	\$0
234.150 - Grant-PCA/STP	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$735,000	\$625,603	\$109,397	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$1,004,000 80%

Estimated Project Development Cost: \$251,000 20%

Estimated Project Total: \$1,255,000

LED Lighting Retrofits

Project No.: 15-010

Budget Status: Carryover

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To replace all remaining non-LED light bulbs with energy efficient LED fixtures.

Location:

City-Owned facilities

Project Description and Background:

In Fiscal Year 2009/10 the City received federal stimulus energy block grant funding and participated in a PG&E on-bill financing loan to convert approximately one third of the City's street lights to more energy efficient LED fixtures. The FY 17/18 project description was modified from the FY 16/17 description to include the conversion for the remaining lights in city owned parking lots, exterior building lights, and city parks lighting. The reduced operating cost of street lights with LED bulbs, including rates paid for power and maintenance is such that the project has a less than ten year payback.

Cost Estimate and Revenue Considerations:

The costs are based on actual expenses of completed work. The carryover balance should be sufficient to retrofit the remaining non-LED city owned and maintained lights. Measure F is the funding source. This project will result in on-going operations savings, and has an estimated payback period of less than ten years.

Project Schedule Estimate:

All street lights were retrofit as of May 2016. Remaining work includes city owned parking lots, exterior building lights, and parks lighting.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
111 - Measure F	\$1,158,600	\$865,746	\$292,854	\$0	\$0	\$0	\$0	
Subtotals:	\$1,158,600	\$865,746	\$292,854	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$996,396 86%

Estimated Project Development Cost: \$162,204 14%

Estimated Project Total: \$1,158,600

SMART Access Improvements

Project No.: 15-013
Category: TDU
City Council District: District 5

Budget Status: Carryover
Funding Status: Complete

Project Objective:

To construct gap closure improvements to address access deficiencies within the public right-of-way resulting from the development of the Novato Sonoma Marin Area Rail Transit (SMART) stations.

Location:

Sidewalks, curbs, sidewalks near SMART stations

Project Description and Background:

City staff has reviewed SMART station and pathway plans, and worked with SMART and Marin Transit in identifying gaps in a coordinated transportation system for pedestrians, bicyclists, bus and rail transit. To date, project expenditures have been for staff time and minor improvements to curb ramps and crosswalks immediately adjacent to the SMART stations. For example, the new roadway striping and crosswalks along Redwood Boulevard at the San Marin SMART Station were constructed in 2018 under this project. Some sidewalk gaps and curb ramps are still deficient near the Hamilton SMART Station and will be designed and constructed under this project in FY21/22.

Cost Estimate and Revenue Considerations:

Costs for individual components have been developed for the purpose of grant applications to match local funding. This project was funded with gas tax through FY 16/17. Restricted Revenue in the form of a \$100,000 railroad settlement agreement was approved to fund additional pedestrian enhancements at the SMART stations (such as accessible crosswalks) in 17/18 and is the primary funding source for the remaining improvements.

Project Schedule Estimate:

This is an ongoing project and is anticipated to continue through Fiscal Year 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
240 - Restricted Revenue	\$161,697	\$161,697	\$0	\$0	\$0	\$0	\$0	
229 - Gas Tax HUTA	\$100,000	\$87,214	\$12,786	\$0	\$0	\$0	\$0	
Subtotals:	\$261,697	\$248,911	\$12,786	\$0	\$0	\$0	\$0	

Estimated Capital Costs: \$235,527 90%

Estimated Project Development Cost: \$26,170 10%

Estimated Project Total: \$261,697

Storm Drain Improvements (Group 1)

Project No.: 15-014

Budget Status: Carryover

Category: TDU

Funding Status: Incomplete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To repair and replace storm drain facilities as identified in the Storm Drain Master Plan.

Location:

Citywide

Project Description and Background:

The Storm Drain Master Plan identifies deficiencies in the City's storm drain infrastructure based on both capacity (size) and condition of the pipes and structures. The study was approved in FY 20/21, and this project was initiated to fund the first group of repairs or replacements identified.

Cost Estimate and Revenue Considerations:

The scope of work of this project will be developed over the next two years and construction is anticipated in Fiscal Year 23/24. Infrastructure Long Term Maintenance as well as the maximum allowable Development Impact Fee (DIF) (Drainage) contribution is the funding source. DIF funds are limited to collector and arterial streets only, therefore these funds will be programmed after project scope/locations are finalized.

Project Schedule Estimate:

Project to be developed upon completion of the Storm Drain Master Plan. Project design is anticipated in FY 20/21 with construction in subsequent years.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.158 - DIF- Match - Drainag	\$56,982	\$0	\$56,982	\$0	\$0	\$50,000	\$0	\$0
236.600 - TAM Meas AA	\$0	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0
119 - LTM-Infrastructure	\$225,108	\$110,766	\$114,342	\$100,000	\$150,000	\$100,000	\$0	\$0
Subtotals:	\$282,090	\$110,766	\$171,324	\$100,000	\$150,000	\$400,000	\$0	\$0

Estimated Capital Costs: \$856,635 83%

Estimated Project Development Cost: \$175,455 17%

Estimated Project Total: \$1,032,090

Traffic Signal Upgrade Program

Project No.: 15-015

Budget Status: Carryover

Category: TDU

Funding Status: Incomplete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To upgrade existing traffic signals with new LED lenses, ADA amenities, automatic detection for vehicles and bicyclists, generator backup power systems to continue signal operations during extended power outages, and hardware/software upgrades and to provide safety enhancements such as leading pedestrian intervals (LPIs).

Location:

All 32 city-owned traffic signal locations

Project Description and Background:

This program will address traffic signal deficiencies. The 32 LED lenses previously installed in city-owned traffic signals are near the end of their service life, and the battery back-up installations are no longer functional, bike detection is inconsistent across the intersections, and recent "Public Safety Power Shutoff" events drive a need for generator backup power systems to be installed to continue signal operations during extended power outages.

Cost Estimate and Revenue Considerations:

Annual project costs are based on a preliminary engineer's estimate for the improvements mentioned above, available funding in future fiscal years, and staff resources available to plan and implement improvements each fiscal year that the project is ongoing. In addition, project costs include \$40,000 for a consultant services contract with a senior-level Registered Traffic Engineer who will continue to investigate the signal operations and make timing changes as well as recommendations for improvements. The total Traffic Engineer contract costs are estimated to be \$100,000 per year, however \$60,000 is planned to be provided from CIP 15-016, "Traffic, Bicycle, and Pedestrian Improvements" for shared work under the scope of that project.

Project Schedule Estimate:

Traffic signals receive routine monthly maintenance to ensure safe operation but are not receiving upgrades or enhancements. This project is an ongoing effort to improve Novato's signalized intersections. The project goal is to modernize all signals citywide by the end of 2023.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
111 - Measure F	\$15,000	\$15,000	\$0	\$0	\$0	\$0	\$0	
229.105 - Gas Tax RMRA	\$150,000	\$127,420	\$22,580	\$0	\$0	\$0	\$0	
236.300 - TAM Measure A	\$45,350	\$45,350	\$0	\$0	\$0	\$0	\$0	
119 - LTM-Infrastructure	\$60,000	\$35,740	\$24,260	\$50,000	\$50,000	\$50,000	\$50,000	
236.600 - TAM Meas AA	\$68,650	\$68,650	\$68,650	\$250,000	\$0	\$0	\$0	
Subtotals:	\$339,000	\$292,159	\$115,491	\$300,000	\$50,000	\$50,000	\$50,000	

Estimated Capital Costs: \$568,080 72%

Estimated Project Development Cost: \$220,920 28%

Estimated Project Total: \$789,000

Traffic, Bicycle, and Ped Improvements 2014-2024

Project No.: 15-016

Budget Status: Carryover

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To provide improvements for bicyclists, pedestrians, drivers and residents by implementing traffic calming features, crosswalk/walkway enhancements, bicycle facilities, and traffic congestion relief measures.

Location:

Locations within the public right-of-way citywide

Project Description and Background:

As areas of interest are identified by public request, collision data analysis, and operational analyses, this project will allow staff to investigate and implement solutions on a case-by-case basis where improvements are not feasible as part of another CIP project. Locations for FY 21/22 are currently being prepared by a Registered Traffic Engineer in consultation with the City Engineer.

Cost Estimate and Revenue Considerations:

Costs include \$60,000 for an annual consultant services contract with a senior-level Registered Traffic Engineer who will investigate issues and make recommendations for implementation. Annual contract costs for this service are estimated to be \$100,000, however \$40,000 will be provided from CIP 15-015, "Traffic Signal Upgrade Program" as the consultant contract will also review all of Novato's signals and prepare recommendations for upgrades. Additional funds will support construction capital through small contracts initiated under this project or as change orders to other ongoing CIP projects. This project also serves as a basis for compatible grant funding opportunities like the Safe Routes to Schools program. This project was previously funded by Infrastructure Long Term Maintenance funds. Future funding is proposed from new SB1 Gas Taxes.

Project Schedule Estimate:

This is an ongoing capital program that is proposed to continue through the remainder of the 5-year CIP cycle.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
236.600 - TAM Meas AA	\$310,000	\$47,301	\$262,699	\$0	\$50,000	\$50,000	\$50,000	
119 - LTM-Infrastructure	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0	
229.105 - Gas Tax RMRA	\$700,000	\$700,000	\$0	\$0	\$100,000	\$100,000	\$100,000	
101 - General Fund	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	
240 - Restricted Revenue	\$12,000	\$0	\$12,000	\$0	\$0	\$0	\$0	
Subtotals:	\$1,152,000	\$827,301	\$324,699	\$0	\$150,000	\$150,000	\$150,000	

Estimated Capital Costs: \$1,329,660 83%

Estimated Project Development Cost: \$272,340 17%

Estimated Project Total: \$1,602,000

North Redwood Blvd Corridor Study

Project No.: 16-011
Category: TDU
City Council District: District 1, District 3

Budget Status: Carryover
Funding Status: Complete

Project Objective:

To develop a comprehensive streetscape plan for Redwood Boulevard between Diablo Avenue and Wood Hollow Drive. Preliminary work will involve consolidation of previous design schemes and determination of constraints for development of the plan, including number of vehicle lanes, parking orientation and disposition of utilities, all through a public engagement process.

Location:

Redwood Blvd. between Diablo Ave. and Wood Hollow

Project Description and Background:

This project is a continuation of design charettes undertaken by the Community Development Department during the 2014 General Plan update work. There has been private interest over the last few years in development along the corridor, and the study will work towards providing guidance and requirements for future development.

Cost Estimate and Revenue Considerations:

The project cost is based on staff's estimate based on previous similar work. Development Impact Fees (Streets and Intersections) and future SB1 Gas Tax dollars are the identified funding sources for the conceptual design work. Staff will seek grant funding for completion of the study and future design and construction costs.

Project Schedule Estimate:

The North Redwood Boulevard Corridor Streetscape Study will likely occur within the next two years due to other citywide initiatives, funding limitations, and staff resource availability. An additional \$200,000 is programmed in Fiscal Year 24/25 to supplement other funding as conceptual design services and community outreach efforts are estimated at \$400,000. Additional funding would be required for environmental documentation, design and construction phases.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
241.151 - DIF - Match - Streets	\$200,000	\$670	\$199,330	\$0	\$0	\$0	\$0	
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	
Subtotals:	\$200,000	\$670	\$199,330	\$0	\$0	\$0	\$200,000	

Estimated Capital Costs: \$0 0%

Estimated Project Development Cost: \$400,000 100%

Estimated Project Total: \$400,000

ADA ROW Transition Plan

Project No.: 17-005

Budget Status: Carryover

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To identify and document access barriers in the public rights-of-way (streets and sidewalks) and develop a plan for correction of the barriers in order to comply with Title II of the Americans with Disabilities Act (ADA).

Location:

Citywide

Project Description and Background:

In 2014 the City launched an effort to update its Americans with Disabilities (ADA) Transition Plan. In 2015, the Plan for facilities and parks was completed, but the right-of-way portion of the plan was deferred to FY 18/19. The proposed work includes a self-evaluation and transition plan for all accessible aspects of the public right-of-way.

Cost Estimate and Revenue Considerations:

The project cost is staff's estimate based on similar efforts by neighboring cities. Note that this project is for the evaluation and plan only, and not for any physical improvements. Gas Tax is the identified funding source.

Project Schedule Estimate:

Phase 1 of the evaluation was completed in 2019/20. Phase 2 of the evaluation was completed in 20/21. Phases 3 of the evaluation is planned for 21/22 and Phase 4 will be completed in 22/23.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229 - Gas Tax HUTA	\$150,000	\$69,907	\$80,093	\$50,000	\$50,000	\$0	\$0	\$0
Subtotals:	\$150,000	\$69,907	\$80,093	\$50,000	\$50,000	\$0	\$0	\$0

Estimated Capital Costs: \$0 0%

Estimated Project Development Cost: \$250,000 100%

Estimated Project Total: \$250,000

Novato Blvd. Multi-use Path (Sutro Ave. to Stafford Lake)

Project No.: 17-006
Category: TDU
City Council District: District 1

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To partner with the County of Marin to construct improvements to the bicycle and pedestrian path along Novato Boulevard from Sutro Avenue to Stafford Lake Park.

Location:

Along Novato Blvd. Sutro to Stafford Lake

Project Description and Background:

In 2015 the County of Marin completed a bike park at Stafford Lake Park. An improved path along Novato Boulevard between Sutro Avenue and the easterly City limits is identified as a future project in the City's adopted Bicycle and Pedestrian Plan, and the County of Marin has identified a need to realign/reconstruct the existing path along the corridor. Preliminary needs include a Project Study Report to identify routes and constraints and develop cost estimates for the project to facilitate grant applications for potential trail easement acquisitions and future construction. Marin County Parks is the lead agency on this project.

Cost Estimate and Revenue Considerations:

Preliminary work within the city limits is estimated at \$200,000 to \$250,000. An agreement will be entered into with the County to define roles, responsibilities, and cost sharing. The responsibilities for actual construction costs will be determined along with the project development cost estimates. The County's portion is anticipated to include a creek crossing and property acquisition, while the City's portion would either be within existing right-of-way or through City property. Gas Tax is the identified funding source. There is no fund identified for construction.

Project Schedule Estimate:

The project development is anticipated to take 12-24 months depending upon the complexities of property acquisition and other identified constraints. Construction schedule will depend upon securing funding.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229 - Gas Tax HUTA	\$80,000	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$80,000	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs:	200,000	85%
Estimated Project Development Cost:	\$50,000	15%
Estimated Project Total:	\$250,000	

Citywide Bridge Assessment/Improvement (Group 1)

Project No.: 17-007
Category: TDU
City Council District: District 1, District 3

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To assess Novato's bridges, quantify deferred maintenance and improvements required, and submit an application to the federal Highway Bridge Program (HBP) under the Bridge Preventive Maintenance Guidelines (BPMG).

Location:

Citywide

Project Description and Background:

Novato's bridges are inspected by Caltrans every two years, and reports forwarded to the City. When an issue requiring correction is identified, the City makes application to the HBP for funding of the improvements. There are often issues identified in the reports and observations made by staff or the public that are not substantive enough to warrant an HBP project that would renovate or replace a structure, but would be eligible for funding under the BPMG. This project would complete an inventory of all Novato bridges.

Cost Estimate and Revenue Considerations:

The estimate is for staff/consultant time to generate and evaluate the inventory and complete the application. The project development and construction costs of any improvements would be included in a future CIP project. HUTA Gas Tax is the identified funding source, but additional funding will be required for construction.

Project Schedule Estimate:

Project development work is in process and will continue in Fiscal Year 21/22. Construction schedule is dependent on additional funding.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229 - Gas Tax HUTA	\$75,000	\$7,649	\$67,351	\$0	\$0	\$0	\$0	\$0
229.105 - Gas Tax RMRA		\$0		\$0	\$0	\$0	\$0	\$0
Subtotals:	\$75,000	\$7,649	\$67,351	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$500,000 83%

Estimated Project Development Cost: \$100,000 17%

Estimated Project Total: \$600,000

MTC Pavement Management Phase IV

Project No.: 18-003
Category: TDU
City Council District:

Budget Status: Carryover
Funding Status: Complete

Project Objective:

Maintain the city's Pavement Management System based on the StreetSaver Program developed by the Metropolitan Transportation Commission (MTC). Continue Novato's certification with MTC as a pavement management program user.

Location:

Novato Public Streets network

Project Description and Background:

This project is the continuation of previous CIP #13-002, which expired on June 30, 2017. This four-year cycle project will measure the pavement life of a street after construction, reconstruction, or rehabilitation and develop the most cost-effective rehabilitation strategies for pavement maintenance. Through use of the Pavement Management System, Novato remains eligible to apply for transportation grants for other projects. The Pavement Management System database must be maintained on a regular basis by inputting new streets into the system, entering maintenance treatments applied to streets, rating streets that do not receive maintenance treatments within the four-year cycle, updating the unit costs for maintenance treatments, data collection, updating the city's Geographic Information System (GIS), and programming future project funding. To remain certified with MTC the City must submit an annual report or make the database available through the internet for MTC to review.

Cost Estimate and Revenue Considerations:

Project development costs are for the rating of City streets, to maintain the database used by StreetSaver, and for staff to attend MTC pavement management trainings and submit reports and information as required. Gas Tax will be utilized for this project.

Project Schedule Estimate:

Project development costs are for the rating of City streets, to maintain the database used by StreetSaver, and for staff to attend MTC pavement management trainings and submit reports and information as required.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229.105 - Gas Tax RMRA	\$110,000	\$40,000	\$53,070	\$0	\$30,000	\$30,000	\$30,000	\$30,000
234.157 - Grant-PTAP	\$36,595	\$0	\$36,595	\$0	\$0	\$0	\$0	\$0
229.104 - Gas Tax HUTA 2103	\$8,196	\$0	\$8,196	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$154,791	\$40,000	\$97,861	\$0	\$30,000	\$30,000	\$30,000	\$30,000

Estimated Capital Costs: \$0 0%

Estimated Project Development Cost: \$266,595 100%

Estimated Project Total: \$266,595

Novato Blvd at San Marin - Sutro Improvements

Project No.: 19-009
Category: TDU
City Council District: District 1

Budget Status: Carryover
Funding Status: Incomplete

Project Objective:

To improve traffic operations, and improve pedestrian and bicycle facilities at the intersection of Novato Blvd. at San Marin Dr./Sutro Ave.

Location:

Novato Blvd. at San Marin-Sutro.

Project Description and Background:

This project was initiated by Girl Scout Ashley Leonard to provide continuous pedestrian and bicycle facilities at this intersection and improve traffic operations from the existing Level of Service (LOS) F breakdown conditions during the PM peak hour. The project will study the traffic, bicycle, and pedestrian operations of the intersection; prepare recommendations for improvements, develop conceptual designs, and gather public feedback through a formal outreach process; prepare and circulate an environmental document; develop construction plans and specifications and relocate any necessary utilities; and construct improvements.

Cost Estimate and Revenue Considerations:

Cost estimates are still to be determined. \$600,000 from One-time American Rescue plans are allocated in FY 21-22 for project design and environmental documentation. Future capital programming will likely be sourced from Federal Grants, TAM Measure A, Gas Tax, and SB1 RMRA Gas Tax, and future Developer Impact Fees.

Project Schedule Estimate:

Once the project scope is further refined through community outreach, a schedule will be prepared for the delivery of the entire project.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
229.105 - Gas Tax RMRA	\$60,000	\$49,026	\$10,974	\$0	\$0	\$0	\$0	\$0
119 - LTM-Infrastructure	\$11,258	\$11,258	\$0	\$0				
ARPA - One Time Funds	\$0	\$0	\$0	\$600,000				
Subtotals:	\$71,258	\$60,284	\$10,974	\$600,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$557,144 83%

Estimated Project Development Cost: \$114,114 17%

Estimated Project Total: \$671,258

EV Charging Stations - City Hall

Project No.: 20-003
Category: TDU
City Council District: District 3

Budget Status: New
Funding Status: Complete

Project Objective:

To install charging infrastructure to support electric vehicles in the City fleet.

Location:

City Facilities

Project Description and Background:

The City recently leased electric vehicles (EVs) to replace gasoline-powered vehicles in the motorpool. This project would draw power from the main electrical panel of the Community House and install conduit and conductors underground from that panel to the employee section of the parking lot at 922 Machin Avenue, install two dual-head level-2 charging station, and extend conduit and a pullbox further toward Machin Avenue to allow for additional chargers to be installed in the future to support further electrification of city vehicles.

Cost Estimate and Revenue Considerations:

Cost estimates are based on preliminary proposals received by staff for this work. Staff has secured funding available through MCE Clean Energy, and Transportation Authority of Marin (TAM) in the amount totaling \$100,000. SB1 RMRA Gas Tax is an additional funding source for this project.

Project Schedule Estimate:

Staff requested proposals to design and construct the city fleet EV charging infrastructure in April FY 2020. Project construction is expected to continue through FY 21/22.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
229.105 - Gas Tax RMRA	\$50,000	\$27,845	\$22,155	\$0	\$0	\$0	\$0	\$0
235.160 - TAM Measure B (VRF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MCE Marin Clean Energy	\$0	\$0	\$0	\$60,000	\$0	\$0	\$0	\$0
ARPA - One Time Funds	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0
TAM Rebates	\$0	\$0	\$0	\$40,000	\$0	\$0	\$0	\$0
Subtotals:	\$50,000	\$27,845	\$22,155	\$300,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$280,000 80%

Estimated Project Development Cost: \$70,000 20%

Estimated Project Total: \$350,000

2021 Annual Pavement Rehabilitation

Project No.: 21-001

Budget Status: Future

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To rehabilitate the pavement on streets as identified in the City's Pavement Management Program.

Location:

San Marin Drive

Project Description and Background:

This project will resurface pavement on San Marin Drive from Somerset Dr. to Simmons Ln. and Serento Wy. To Aspen Dr. as identified in the City's Pavement Management Program as funding will allow. Pavement Condition Index (PCI) and other factors are used to prepare a recommendation of priority street segments to receive pavement rehabilitation in a given fiscal year. The type of rehabilitation work will include scrub-seal and microsurfacing. This project will also upgrade pedestrian facilities to meet accessibility requirements and include bike lane striping and traffic safety enhancements like crosswalks.

Cost Estimate and Revenue Considerations:

Costs are based on the projected revenue available for street paving made up of Gas Tax (SB1 RMRA and Highway User Tax Account), TAM Measure A, and Infrastructure Long Term Maintenance funds totaling around \$200,000 for project development and about \$1,000,000 for construction capital.

Project Schedule Estimate:

Each annual paving project is designed and approved during the year in the title and either constructed that same year or the following season, weather permitting. Project development work typically begins in September and completed by May of each year. Construction usually starts in June and is completed by September of each year.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229.105 - Gas Tax RMRA	\$300,000	\$190,478	\$0	\$0	\$0	\$0	\$0	\$0
236.600 - TAM Meas AA	\$175,000	\$0	\$157,638	\$225,000	\$0	\$0	\$0	\$0
229 - Gas Tax HUTA	\$100,000	\$0	\$100,000	\$50,000	\$0	\$0	\$0	\$0
235.160 - TAM Measure B (VRF)	\$430,000	\$0	\$430,000	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$1,005,000	\$190,478	\$687,638	\$275,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$1,088,000 85%

Estimated Project Development Cost: \$192,000 15%

Estimated Project Total: \$1,280,000

Sidewalk Repair Program - Matching Funds

Project No.: 21-002
Category: TDU
City Council District: District 2, District 3, District 4

Budget Status: Future
Funding Status: Complete

Project Objective:

To partner with homeowners to repair or replace cracked or uplifted sections of sidewalk.

Location:

Citywide

Project Description and Background:

California Streets and Highway Code Sections 5600 et seq. and Novato Municipal Code Section 15-2.46 provide that owners of real property fronting on any portion of a public street or place shall maintain the sidewalk in such condition that it will not endanger persons or property or interfere with the public convenience in the use of those works or areas. Other cities in the area have adopted community sidewalk repair programs, where the city sets aside funds to match homeowner sidewalk repair costs up to a certain amount. This project will initiate Novato's Sidewalk Repair Program in 2021 and provide funding for the cost sharing of future sidewalk repairs. Exact details of the program are yet to be determined.

Cost Estimate and Revenue Considerations:

\$100,000 to \$150,000 has been programmed each year in the CIP as matching dollars for repairs. TAM Measure AA transportation tax dollars serve as the source to fund the city portion of future sidewalk repairs.

Project Schedule Estimate:

The Sidewalk Repair Program is being developed and the matching funds are anticipated to be made available to residents beginning in early 2022.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	Programmed 22/23	Programmed 23/24	Programmed 24/25	Programmed 25/26
236.600 - TAM Meas AA	\$100,000	\$1,563	\$98,437	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Subtotals:	\$100,000	\$1,563	\$98,437	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Estimated Capital Costs:	\$850,000	86%
Estimated Project Development Cost:	\$200,000	14%
Estimated Project Total:	\$1,050,000	

Update/Replace Grant Avenue Amenities

Project No.: 21-003
Category: TDU
City Council District: District 1, District 3

Budget Status: New
Funding Status: Incomplete

Project Objective:

Beautify and enhance downtown Novato by replacing dead trees, consolidating and refurbishing waste receptacles, and replacing tree lights with commercial-grade LED fixtures.

Location:

Grant Ave. from Railroad Ave. to 7th St.

Project Description and Background:

The downtown Grant Avenue improvements were constructed about 15 years ago and many of the amenities are showing their age. This project will replace dead eastern redbud trees with crepe myrtle trees, consolidate each double waste receptacle location into a single unit that can accommodate both garbage and recyclables, replace or refurbish the retrofitted waste receptacles, and replace all existing tree lights with new commercial-grade LED fixtures.

Cost Estimate and Revenue Considerations:

This project is proposed to be funded by a generous \$50,000 pledge from the Downtown Novato Business Association (DNBA), CalRecycle grants to retrofit the existing waste receptacles to accept dual waste streams, and a \$75,000 match of city Long Term Maintenance Facilities funding for a total project budget of \$177,000.

Project Schedule Estimate:

This project is substantially complete as of the end of Fiscal Year 20/21 and installed new tree lights, and refurbished and revised the waste receptacles into dual-stream for more efficient recycling. Additional scope has been added to provide optional use road closure gates and additional waste receptacle replacements.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
240 - Restricted Revenue	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
118 - LTM-Facilities	\$75,000	\$11,548	\$63,452	\$0	\$0	\$0	\$0	\$0
233-435.208 CalRecycle	\$26,000	\$26,000	\$0	\$26,000	\$0	\$0	\$0	\$0
Subtotals:	\$151,000	\$87,548	\$63,452	\$26,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$150,450 85%

Estimated Project Development Cost: \$26,550 15%

Estimated Project Total: \$177,000

Replace Retaining Wall at Pioneer Park

Project No.: 21-004
Category: TDU
City Council District: District 3

Budget Status: New
Funding Status: Complete

Project Objective:

To replace a retaining wall that is in disrepair along the front of Pioneer Park.

Location:

Simmons Lane along the front of Pioneer Park.

Project Description and Background:

In 2017 a Retaining Wall Assessment, originally developed in 2014, was updated for over 70 retaining walls throughout the City. A retaining wall replacement project was completed in 2018 for three of the highest priority walls. The wall at Pioneer park is another retaining wall that was listed as a high priority for replacement. This project will replace the timber retaining wall with steel posts and timber lagging to stabilize the slope along Simmons Lane.

Cost Estimate and Revenue Considerations:

Project costs are an estimate to complete the design, bid and construct the project. This project will be funded by a combination of gas tax and Long Term Maintenance Funds.

Project Schedule Estimate:

This project is scheduled for design in 2020 and construction in late 2021.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
119 - LTM-Infrastructure	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0
229.105 - Gas Tax RMRA	\$100,000	\$15,000	\$90,135	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$150,000	\$15,000	\$140,135	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$120,000 80%

Estimated Project Development Cost: \$30,000 20%

Estimated Project Total: \$150,000

Rowland Blvd Improvements - SB101 to SouthTerminus

Project No.: 21-005
Category: TDU
City Council District: District 5

Budget Status: New
Funding Status: Complete

Project Objective:

Reconfigure Rowland Blvd. to accommodate on-street parking, maintain one lane of traffic in each direction, include appropriate pedestrian facilities, maintain the Class 2 bicycle lanes, provide traffic calming features to reduce vehicular speeds, and include aesthetic enhancements.

Location:

Southbound US101 Ramps to the southern terminus

Project Description and Background:

The proposed new layout for Rowland Blvd. includes about 185 on-street parking spaces, a grade-separated Class 1 multiuse path, new all-way stop controls at the intersection of Rowland Blvd. and the Vintage Oaks entrance just north of the Target store, 28 tree wells, biofiltration facilities, enhanced crosswalks, wildlife viewing platforms with informational kiosks located adjacent to the wetlands, and traffic operations improvements recommended by the initial traffic studies. It is anticipated that the on-street diagonal parking spaces will be licensed to Vintage Oaks to be maintained and utilized as employee parking only.

Cost Estimate and Revenue Considerations:

The Engineer’s Estimate of probable cost for this project is \$900,000.

Project Schedule Estimate:

It is anticipated that construction will begin in the spring of 2022.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
240 - Restricted Revenue	\$400,000	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0
101 - General Fund	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$900,000	\$0	\$900,000	\$0	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$720,000 80%

Estimated Project Development Cost: \$180,000 20%

Estimated Project Total: \$900,000

2022 Annual Pavement Rehabilitation

Project No.: 22-001

Budget Status: Future

Category: TDU

Funding Status: Complete

City Council District: District 1, District 2, District 3, District 4, District 5

Project Objective:

To rehabilitate the pavement on streets as identified in the City's Pavement Management Program.

Location:

Various
Various City streets to be determined.

Project Description and Background:

This project will resurface pavement on city streets as identified in the City's Pavement Management Program and as funding will allow. Pavement Condition Index (PCI) and other factors are used to prepare a recommendation of priority street segments to receive pavement rehabilitation in a given fiscal year. The type of rehabilitation work will vary from scrub-seals and microsurfacing to grinding/paving or recycled pavement options depending on the condition of the roadways. These projects will also upgrade pedestrian facilities to meet accessibility requirements and often include bike lane striping and traffic safety enhancements like crosswalks. The Street Improvement Oversight Advisory Committee reviews the pavement management data and streets recommendation list, considers public input, and makes a further recommendation to the City Council for the final approval of each annual pavement rehabilitation project.

Cost Estimate and Revenue Considerations:

Costs are based on the projected revenue available for street paving--The anticipated funding for this project is \$900,000 from the Road Maintenance and Rehabilitation Act (SB1 RMRA) and \$300,000 from Gas Tax HUTA (Highway User Tax Account), totaling \$200,000 for project development and about \$1,000,000 for construction capital.

Project Schedule Estimate:

Each annual paving project is designed and approved during the year in the title and either constructed that same year or the following season, weather permitting. Project development work typically begins in September and completed by May of each year. Construction usually starts in June and is completed by September of each year.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$900,000	\$0	\$0	\$0	\$0
229 - Gas Tax HUTA	\$0	\$0	\$0	\$300,000	\$0	\$0	\$0	\$0
119 - LTM-Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotals:	\$0	\$0	\$0	\$1,200,000	\$0	\$0	\$0	\$0

Estimated Capital Costs: \$1,020,000 85%

Estimated Project Development Cost: \$180,000 15%

Estimated Project Total: \$1,200,000

DeLong-Diablo Ave. Corridor Enhancements

Project No.: 22-003
Category: TDU
City Council District:

Budget Status: New
Funding Status: Incomplete

Project Objective:

Modify existing right-turn slip lanes, install various traffic signal improvements, provide high visibility crosswalks, and install other pedestrian improvements. These improvements have the potential to improve public safety by reducing the incidence and severity of collisions on a key roadway segment with a history of traffic injuries.

Location:

DeLong-Diablo Corridor

Project Description and Background:

The project proposes several traffic safety elements to be installed to calm arterial traffic, improve pedestrian crossing by shortening pedestrian crossing distances and increasing the visibility of traffic signals. De Long Avenue/Diablo Avenue is a multi-lane arterial that carries regional traffic through Novato and connects with Highway 101. The corridor is also an important east-west connection for bicyclists and pedestrians and is one block from downtown Novato and Novato's transit center. Because of both the collision data and resident's concerns, project improvements along De Long Avenue/Diablo Avenue represent the City of Novato's top priority for addressing ongoing safety issues.

Cost Estimate and Revenue Considerations:

\$1,146,300 was awarded to the City for this project as a part of the Federal Highway Safety Improvement Program (HSIP) in 2019.

Project Schedule Estimate:

Project Development will likely be finalized during the 21/22 Fiscal Year with Construction to follow during the 22/23 Fiscal Year.

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	Programmed 23/24	Programmed 24/25	Programmed 25/26
234.121 - Grant-HSIP	\$1,146,300	\$0	\$1,146,300	\$0	\$0	\$0	\$0	\$0
119 - LTM-Infrastructure	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0	\$0
229.105 - Gas Tax RMRA	\$0	\$0	\$0	\$0	\$890,000	\$0	\$0	\$0
229.100 - Gas Tax HUTA 2106	\$0	\$0	\$0	\$0	\$325,000	\$0	\$0	\$0
Subtotals:	\$1,146,300	\$0	\$1,146,300	\$100,000	\$1,315,000	\$0	\$0	\$0

Estimated Capital Costs: \$1,160,300 82%

Estimated Project Development Cost: \$254,700 18%

Estimated Project Total: \$1,415,000

Citywide Crosswalk Enhancements & Traffic Management

Project No.: 22-005
Category: TDU
City Council District:

Budget Status: New
Funding Status: Complete

Project Objective:

Design and construct new crosswalk enhancements and traffic calming measures at approximately 35 locations throughout the city in response to residents' requests;

Location:

Various locations throughout the City of Novato.

Project Description and Background:

This project will incorporate Complete Streets practices in the planning, design and operation of the City's circulation network, providing pedestrian safety enhancements (where appropriate and feasible), such as bulb-outs, high-visibility signs and markings, pedestrian warning signals and other amenities in areas with high volumes of pedestrian traffic or safety concerns.

Cost Estimate and Revenue Considerations:

American Recovery Plan Act one-time funds of \$1,000,000 will be allocated to fund this annual program.

Project Schedule Estimate:

Funding Source(s)	Approved in Prior Year(s)	Estimated Expenditures through 20/21	Estimated Carryover to 21/22	21/22 Proposed Budget	22/23 Programmed	23/24 Programmed	24/25 Programmed	25/26 Programmed
ARPA - One Time Funds	\$0	\$0	\$0	\$1,000,000				
Subtotals:	\$0	\$0	\$0	\$1,000,000				

Estimated Capital Costs: \$680,000 80%

Estimated Project Development Cost: \$170,000 20%

Estimated Project Total: \$850,000



FINANCE POLICIES

BUDGET AMENDMENTS

I. PURPOSE

The purpose of this policy is to establish guidelines and procedures for amending the City's operating budget throughout the fiscal year.

II. POLICY

Appropriations may be transferred to meet higher than anticipated costs but may not impact or expand service levels. Each department has the responsibility for managing its own budget and the Budget Manager has overall responsibility for monitoring the City's operating budget.

III. OPERATING BUDGET TRANSFERS

- A. Appropriations of \$15,000 may be transferred to meet higher than anticipated costs and deficit accounts, but may not impact or extend service levels.
- B. All accounts should be reviewed on a monthly basis. At no time should the division (e.g., Planning, Finance, Patrol, Senior Citizens) total exceed its budget appropriation. If a budget amendment is required to correct a negative account balance, the transfer amount should cover expenditures for the balance of the fiscal year.
- C. All budget amendments require the Budget Manager and the Assistant City Manager signatures in order to confirm budget availability. The forms must also include the Department Head signature. The City Manager's signature is required for all amendments including transfers within a department or division.

IV. AMENDING BUDGET RESOLUTIONS

The City Council authorizes budget amendments in the form of an amending budget resolution which are first approved by the City Manager. City Council authorization is required for any unbudgeted capital outlay items in excess of \$15,000, all transfers from the Contingency Reserve Fund and Unallocated Reserve Account, transfers expanding service levels as well as all budget amendments over \$15,000.

V. INTERFUND TRANSFERS

Budget transfers between funds for \$15,000 or less require a budget amendment form with approval from the City Manager. Transfers in excess of \$15,000 require Council authorization in the form of an amending budget resolution.

VI. UNBUDGETED CAPITAL OUTLAY

Capital outlay items are purchases of fixed assets. Generally, fixed assets are non-expendable items with a unit value of \$1,000 or more and a useful life of three or more years. Examples of fixed assets include: sedans, patrol vehicles, and office equipment and furniture.

The City Manager may authorize the purchase of an unbudgeted capital outlay item(s) of \$15,000 or less in order to maintain services and programs at approved levels. To purchase item(s), appropriations may be transferred from personnel accounts (400 account series), supplies and services accounts (500 to 800 account series) to a capital outlay account (900 account series) using the budget amendment form. The City Manager may also authorize the substitution of budgeted capital outlay items. The necessary budget amendment form must be submitted prior to Finance processing a requisition for the items.

VII. COST COVERING PROGRAMS

Increases to appropriation accounts for cost covering programs supported with a like increase to revenue or donation accounts under \$15,000 may also be accomplished by submitting a budget amendment form.

Roderick J. Wood
City Manager

Attachment: Exhibit A - Budget Transfer Form

DEBT MANAGEMENT POLICY

This Debt Management Policy (the “Debt Policy”) of the City of Novato (the “Issuer”) was approved by the Issuer’s City Council on March 28, 2017. The Debt Policy may be amended by the City Council as it deems appropriate from time to time in the prudent management of the debt of the Issuer.

1. Findings

This Debt Policy is intended to comply with Government Code Section 8855(i), effective on January 1, 2017, and shall govern all debt undertaken by the Issuer.

The Issuer hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the Issuer’s sound financial position.
- Ensure the Issuer has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the Issuer’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the Issuer.
- Ensure that the Issuer’s debt is consistent with the Issuer’s planning goals and objectives and capital improvement program or budget, as applicable.

2. Policies

A. Purposes For Which Debt May Be Issued

(i) Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the Issuer.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the Issuer and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The Issuer may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the [GOVERNING BOARD].
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- The Issuer estimates that sufficient revenues will be available to service the debt through its maturity.
- The Issuer determines that the issuance of the debt will comply with the applicable state and federal law.

(ii) Short-term debt. Short-term debt may be issued to provide financing for the Issuer's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the Issuer may undertake lease-purchase financing for equipment.

(iii) Financings on Behalf of Other Entities. The Issuer may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of Issuer. In such cases, the Issuer shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

B. Types of Debt

The following types of debt are allowable under this Debt Policy:

- general obligation bonds
- bond or grant anticipation notes
- lease revenue bonds, certificates of participation and lease-purchase transactions
- other revenue bonds and certificates of participation
- tax and revenue anticipation notes
- land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- tax increment financing to the extent permitted under state law
- conduit financings, such as financings for affordable rental housing and qualified 501c3 organizations

The Issuer may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the Issuer makes a specific determination as to why a variable rate issue would be beneficial to the Issuer in a specific circumstance.

C. Relationship of Debt to Capital Improvement Program and Budget

The Issuer is committed to long-term capital planning. The Issuer intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the Issuer's capital budget and the capital improvement plan.

The Issuer shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The Issuer shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The Issuer shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the Issuer's public purposes.

The Issuer shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The Issuer shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The Issuer is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The Issuer intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the Issuer's annual operations budget.

It is a policy goal of the Issuer to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The Issuer will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the Issuer to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the Issuer shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The Issuer will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the Issuer's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the Issuer will submit written requisitions for such proceeds. The Issuer will submit a requisition only after obtaining the signature of the Finance Manager. In those cases where it is not reasonably possible for the proceeds of debt to be held by a third-party trustee, the Finance Manager shall retain records of all expenditures of proceeds through the final payment date for the debt.

ADMINISTRATIVE POLICY 4.7

Revised: July 2019
(Issued: April, 1996)

CITY OF NOVATO INVESTMENT POLICY (UPDATED)

I. POLICY

In accordance with the City of Novato Municipal Code and under authority granted by the City Council, the City Treasurer is responsible for investing the unexpended cash in the City Treasury.

The investment of the funds of the City of Novato is directed by the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53600 through 53659.

The primary objective of the investment policy of the City of Novato is **SAFETY OF PRINCIPAL**. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give the City of Novato the optimum combination of liquidity and yield/return based on cash flow projections.

II. SCOPE

The investment policy applies to all financial assets of the City of Novato as accounted for in its Annual Audit. Policy statements outlined in this document focus on the City of Novato's pooled funds, but will also apply to all other funds under the City Treasurers' span of control unless specifically exempted by statute, ordinance or this policy. The City also has a unique irrevocable trust, entered into with the developer of the Hamilton housing subdivisions, the Hamilton Trust Fund. The trust provides investment income to the General Fund.

III. STANDARD OF CARE

1. Prudence

The standard of prudence to be used by City of Novato investment officials shall be the "prudent investor" standard as defined by California Government Code §53600.3 and shall be applied within the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes,

provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.”

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose through filing appropriate disclosure forms with the City Clerk any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

3. Delegation of Authority

Through the authority granted by City Council, the responsibility of investing unexpended cash is assigned to the City Treasurer. This includes the daily management responsibility of the investment program and the maintenance of procedures for the management of all cash that is consistent with this investment policy. No person may engage in an investment transaction except as provided under the limits of this Investment Policy.

The City may contract for the use of investment manager services subject to all other provisions of this Investment Policy. The Treasurer shall maintain investment instructions for internal and external management of investments consistent with Government Code requirements.

IV. OBJECTIVES

1. Safety of Principal

Safety of principal is the foremost objective of the City of Novato. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security,

shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, will be mitigated by maintaining a diversified maturity structure.

2. **Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. **Yield and Return**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

V. **SAFEKEEPING AND CUSTODY OF SECURITIES**

1. **Safekeeping**

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party custodian bank, acting as agent for the City under the terms of City Council approved custody agreement or investment agreement, and evidenced by safekeeping receipts.

Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the City Treasurer in written form and included in quarterly reporting to City Council.

2. **Authorized Financial Dealer and Institution**

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by creditworthiness who are authorized to provide investment services in the State of California. These may include "primary"

dealers or regional dealers that are guaranteed by a primary dealer and qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration
- completed broker/dealer questionnaire
- certification of having read the City's investment policy

An annual review of the financial condition and registration of qualified bidders will be conducted by the City Treasurer.

If the City has engaged the services of a registered investment advisory firm, the firm is authorized to conduct investment transactions on the City's behalf with their own list of approved broker/dealers and financial institutions. The investment advisor's approved list must be made available to the City upon request.

3. Internal Control

The City of Novato Finance Manager is responsible for establishing and maintaining an internal controls structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The minimum controls in place for the City of Novato shall be:

- a. *Separation of transaction authority from accounting and record keeping.*
The City Treasurer, Finance Manager and their designees may make wire transfers between City accounts. Only the City Treasurer and their designees may make investments. The Finance Manager is responsible for recording all transactions.
- b. *Custodial safekeeping.* Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
- c. *Avoidance of physical delivery securities.* Book entry securities are much easier to transfer and account for since actual delivery of a negotiable document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- d. *Wire transfer agreement with the lead bank or third party custodian.*

These agreements are on file in the City's Finance Division.

4. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

5. Collateral Requirements

Collateral is required for investments in certificates of deposit, repurchase agreements and reverse repurchase agreements. In order to reduce market risk, the collateral level will be at least 102% of market value of principal and accrued interest.

Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral.

VI. AUTHORIZED INVESTMENTS

1. Authorized Investments

All concentration limits and minimum credit rating requirements shall apply at the time of purchase. In the event a security held by the City is subject to a rating change that brings it below the minimum credit ratings specified in this Policy, the City shall require investment advisors engaged in the investment of City funds to notify City staff of the downgrade and provide a plan of action to address the downgrade.

Investment of City cash is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized:

- a. Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue -producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- b. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio which can be invested in this category, although a five year maturity limitation is applicable.
- c. Federal Agency or United States Government-Sponsored Enterprise Obligations, Participations, or other Instruments, including those issued by

or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no percentage limitation of the portfolio which can be invested in this category, although a five year maturity limitation is applicable.

With the exception of items in the California Local Agency Investment Fund (LAIF), investments detailed in items d through j below are further restricted for any one issuer to a maximum of 15% of the cost value of the portfolio at the time the investment is made. The total value invested in any one issuer shall not exceed 5% of the issuers net worth. Again, a five year maximum maturity limitation is applicable unless determined otherwise by this policy.

- d. Bonds, notes, warrants, or other evidence of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency, provided that these securities are rated in one of the two highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO.
- e. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances. Banker's acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio. However, no more than 30% of the cost value of the portfolio may be invested in the bankers acceptances of any one commercial bank.
- f. Commercial paper rated in the highest letter and number rating category by one or more NRSROs., The corporation that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2).
 - (1) The entity meets the following criteria: (a) is organized and operating within the United States, as (a) general corporation, (b) has total assets in excess of five hundred million dollars (\$500,000,000), and (c) has debt, other than commercial paper, if any, that is rated in the highest rating category (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO.
 - (2) The entity meets the following criteria: (a) is organized within the United States as a special purpose corporation, trust or limited liability company, (b) has program-wide credit enhancements including, but not limited to over collateralization, letters of credit, or surety bond, and (c) has commercial paper that is rated "A-1" or higher, or the equivalent by a NRSRO.

Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the cost value of the portfolio.

- g. Negotiable Certificates of deposit issued by nationally or state chartered banks or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of the cost value of portfolio. A maturity limitation of five years is applicable.
- h. Repurchase agreements which specify terms and conditions may be transacted with banks and broker dealers. The maturity of the repurchase agreements shall not exceed 90 days. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102% of the value of the repurchase agreement. An investment agreement is required between the City of Novato and the broker dealer or financial institution for all repurchase agreements transacted.
- i. Reverse repurchase agreements which specifies terms and conditions may be transacted with broker dealers and financial institutions but cannot exceed 20% of the cost value of the portfolio value on the date entered into. The City may enter into reverse repurchase agreements only to fund short term liquidity needs. The term of reverse repurchase agreements may not exceed 90 days.
- j. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool may be used up to the statutory limit.
- k. The pooled cash program as managed by the Treasurer of Marin County may be used up to the maximum permitted by California State Law.
- l. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, in those banks and savings and loans associations which meet the requirement for investment in negotiable certificate of deposit. The issuer firm should have been in existence for at least five years. The City may waive the first \$250,000 of collateral security for such deposits if the institution is insured pursuant to federal law. Since time deposits are not liquid, no more than 25% of the cost value of the portfolio may be invested in this investment type.
- m. Medium Term Corporate Notes, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. may be purchased. Securities eligible for investment shall be rated A or better by a nationally recognized statistical rating organization. Purchase of medium term notes may not exceed 30% of the cost value of the portfolio and no more than 15% of the cost value of the portfolio may be invested in notes issued by one corporation.
- n. Supranationals which are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and

eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA", its equivalent, or better by at least one of the three large rating agencies, Moody's, Standard & Poor's, or Fitch.

Purchases of supranationals shall not exceed 30 percent of the investment portfolio of the City. Supranationals will be permitted by California Government Code § 53601 (q) and this Policy effective January 1, 2015.

Other eligible investments are those that are described under Government Code Section 53601. It is noted that special circumstances may arise that will necessitate the purchase of securities beyond the five year limitation. On such occasions, requests must be approved by City Council prior to purchase.

Various daily cash funds administered for or by trustees, paying agents and custodian banks contracted by the City of Novato may be purchased as allowed under State of California Government Code and per the Trust Indenture.

The following summary of maximum percentage limits, by instrument, is established for the City's total pooled funds portfolio, at the time purchases are made:

Investment	Percentage
Marin County Investment Pool	0 to 100%
Repurchase Agreements	0 to 100%
Local Agency Investment Fund	0 to 100% <i>up to LAIF's maximum</i>
Local Government Agency Debt	0 to 100%
US Treasury Bonds/Notes/Bills	0 to 100%
US Government Agency Obligations	0 to 100%
Bankers' Acceptances	0 to 40%
Commercial Paper	0 to 25%
Negotiable Certificates of Deposit	0 to 30%
Time Certificates of Deposit	0 to 25%
Medium Term Corporate Notes	0 to 30%
Reverse Repurchase Agreements	0 to 20%
Supranational Investments	0 to 30%

2. Legislative Changes

Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the City of Novato's Investment Policy and supersede any and all previous applicable language.

3. Interest Earnings

All moneys earned and collected from investments authorized in this policy shall be allocated quarterly to various fund accounts based on the cash balance at the end of each quarter in each fund as a percentage of the entire pooled portfolio.

4. Limiting Market Value Erosion

The longer the maturity of securities, the greater their market price volatility. Therefore, it is the general policy of the City to limit the potential effects from erosion in market values by adhering to the following guidelines:

All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.

All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

Bond reserves and other cash for which there is a restriction on the expenditure of the principal may be invested in securities maturing in a period greater than five years. On such occasions, requests must be approved by City Council prior to purchase.

Effective May 22, 2007, the City Council of the City of Novato approved an exception to its Investment Policy to allow for funds deposited in the Hamilton Trust Fund to be invested in securities that can have maturities up to thirty years.

VII. ADVISE AND REVIEW

1. Policy Review

The City of Novato's investment policy shall be reviewed and adopted by resolution of the City Council. This investment policy shall be reviewed at least annually, to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield/return, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to City Council for approval. If there are no such amendments, it should be stated.

VIII. INVESTMENT PARAMETERS

1. Diversification

The investments will be diversified by security type and institution.

2. **Maximum Maturities**

The City of Novato shall limit its maximum final stated maturities to five years unless specific authority is given to exceed. To the extent possible, the Treasurer will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Treasurer will not directly invest in securities maturing more than five (5) years from the date of purchase. The Treasurer should determine what the appropriate average weighted maturity of the portfolio should be.

Reserve funds may be invested in securities exceeding five (5) years if the maturity of such investments are made to coincide as nearly as practical with the expected use of funds. All bond reserve fund investments will be made in compliance with the bond indenture. The ability to invest these types of funds should be disclosed to the City Council including appropriate time restrictions, if any apply.

IX. REPORTING

1. **Methods**

The City Treasurer shall review and render quarterly reports to the City Manager and City Council which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value, and any other information required by law. The report shall also detail all repurchase agreements, reverse repurchase positions and associated liabilities. The report shall include a statement of any investment which is an exception to this policy and any realized losses in the prior period.

This report will be prepared in a manner which will allow the City Manager and City Council to ascertain whether investment activities during the reporting period have conformed to the investment policy.

2. **Performance Standards**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis. The investment results shall be reviewed annually with the Measure F Oversight/Citizens Finance Committee (or its successors).

3. **Marking to Market**

A statement of the market value of the portfolio shall be issued quarterly. This will ensure that the minimal amount of review has been performed on the investment

portfolio in terms of value and subsequent price volatility. Review should be consistent with the GFOA Recommended Practice on Mark-to Market Practices for State and Local Government Investment Portfolios and Investment Pools.

X. POLICY

1. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. Amendment

This policy shall be reviewed on an annual basis. Any changes must be approved by the City Council.

XI. GLOSSARY OF INVESTMENT TERMS

Accrued Interest - Interest earned but not yet received.

Active Deposits - Funds which are immediately required for disbursement.

Amortization - An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its premium (discount) over a period of time.

Asked Price - The price a broker dealer offers to sell securities.

Bankers' Acceptance (BA) - Short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at its maturity. A BA is a high grade negotiable investment instrument. Bankers' Acceptances are purchased in various denominations for a term usually not exceeding thirty, sixty, ninety days, but in no case longer than two hundred seventy days.

Basis Point - One basis point is one hundredth of one percent (.01%).

Bid Price - The price a broker dealer offers to purchase securities.

Bond - A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Value - The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or acquisition cost plus amortization of discount.

Certificate of Deposit - A deposit insured up to \$250,000 by the FDIC at a set rate for a specified

period of time.

Collateral - Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Commercial Paper - Short term unsecured promissory note issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing.

Constant Maturity Treasury (CMT) - An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Coupon - The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis - A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custody - A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for the securities.

Derivative Investments - Derivatives are investments whose value is "derived" from an underlying asset. Frequently derivatives are also indexed in some fashion either directly or indirectly. When appropriate, limited use of derivative investments tied solely to interest rate structures are allowable. However, any investment of this type must receive prior approval from the City Treasurer. Securities or investments classified as derivatives must be issued by an agency or entity authorized by this investment policy.

Discount - The difference between the cost of a security and its value at maturity when quoted at an amount lower than its value at maturity.

Diversification - Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration - The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Farm Credit Bank (FFCB) - A U.S. sponsored corporation used to finance the short and intermediate term needs of farmers and national agricultural industry.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank which guarantees deposits to a set limit (currently \$250,000) per account.

Federal Home Loan Bank (FHLB) - A federal credit agency to help finance the housing industry. The notes and bonds issued by this agency provide liquidity and home mortgage credit to savings and loan associations, mutual savings banks, cooperative banks, insurance companies and mortgage-lending institutions.

Federal Home Loan Mortgage Corporation (FHLMC) - A U.S. corporation and instrumentality of the U.S. government. Through its purchases of conventional mortgages, it provides liquidity to the mortgage markets, much like FNMA. FHLMC assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal National Mortgage Association (FNMA) - A U.S. sponsored corporation used to assist the home mortgage market by purchasing mortgages insured by the Federal Housing Veterans Administration.

Federal Reserve System - The central bank of the U.S. which consists of a seven member Board of Governors, 12 regional banks and 5,700 commercial banks that are members.

Fed Wire - A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Governmental National Mortgage Association (GNMA) - A chartered federal corporation guarantees mortgages issued by mortgage bankers, commercial banks, savings and loan associations and other institutions.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Inactive Deposits - Funds not immediately needed for disbursement.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Investment Agreements - An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Investment Grade - Securities rated BBB+ (by Standard and Poors and Fitch) and Baa1 by Moody's Investors Service.

Liquidity - Refers to the ability to rapidly convert an investment into cash.

Local Agency Investment Fund (LAIF)- A fund managed by the California State Treasury which local government agencies may use to deposit funds for liquidity and yield. Deposits can be converted to cash within twenty-four hours

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Mark to Market - The process of establishing market value.

Maturity - The date upon which the principal or stated value of an investment becomes due and payable.

operating in the United States. These are negotiable instruments and are traded in the secondary market and mature within five years.

Negotiable Certificates of Deposit - Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are investment grade negotiable instruments, paying a higher interest rate than regular certificates of deposit. The primary market issuance is in multiples of \$1 million, the secondary market usually trades in denominations of \$500,000.

New Issue - Term used when a security is originally "brought" to market.

Perfected Delivery - Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio - Collection of securities held by an investor.

Primary Dealer - A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - A transaction where the seller (bank) agrees to buy back from the buyer (City) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO) - A transaction where the seller (City) agrees

to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Risk - Degree of uncertainty of return on an asset.

Safekeeping - see Custody.

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market - A market made for the purchase and sale of securities that have already been issued.

Separate Trading of Registered Interest and Principal of Securities (STRIPS) - U.S. Treasury issued zero coupon securities.

Settlement Date - The date on which a trade is cleared by delivery of securities against funds.

Student Loan Marketing Association (SLMA) - A U.S. corporation and instrumentality of the U.S. government. Through its borrowing, funds are targeted for loans to students in higher education institutions.

Strips - U.S. Treasury or municipal securities that brokerage firms have separated into principal and interest which are marketed as zero coupon securities.

Supranationals – Bonds issued by international organizations which promote economic development for members. Examples of Supranational organizations include International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

Treasury Bills - Short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

U.S. Government Agencies - Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield - The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity - The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield to Maturity at Maturity - The rate of income return of a callable security with a variable interest rate. The Yield is calculated as if the security matures at par value and is not called.

Yield Curve - The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

Zero-Coupons - A debt security or instrument that does not pay periodic interest. They are issued at a discount to the maturity value of the security, and its value increases as its time to maturity decreases.

City Manager

CITY PURCHASING PROCEDURES

I. POLICY

All purchases of goods and services purchased on behalf of the City of Novato must be made within the applicable provisions of the California Public Contracts Code, California Government Code, the Novato Municipal Code and the City's Administrative Policies.

Pursuant to Section 2-8.5 of the Novato Municipal Code, no employee may commit payment for goods or services without adherence to the applicable City administrative policies, City and State laws. Any commitment for goods or services by an employee made outside of these policies and laws is subject to non-payment by the City and disciplinary action against the individual employee.

City employees are expected to use good judgement, proper regard and the greatest discretion for taxpayer dollars when making purchases for the City. Employees should be fair and frugal when obtaining bids from vendors and contractors. Splitting contracts is prohibited. Recognizing that certain aspects of purchasing may occasionally require judgement calls on the part of staff, questions or requests for interpretations of these procedures should be directed to the City's Finance Manager.

II. PURPOSE

The purpose of this document is to provide employees with instructions on how to purchase goods and services for the City of Novato that are consistent with the California Public Contracts Code, California Government Code, the Novato Municipal Code and the City's Administrative Policies.

III. PURCHASING AUTHORITY

The City Manager may sign for purchases associated with Public Projects (construction and professional service agreements) up to \$200,000, provided the project has been included in the approved operating or capital budgets. For all other purchases, the City Manager may sign up to \$60,000. Any purchases made above \$60,000 (with the exception of Public Projects) must be approved by the City Council. Note that the \$60,000 approval threshold is indexed to the limits contained in the Public Contracts Code 22032, as the State adjusts the dollar amount limits for public projects, the City Manager's approval threshold will automatically adjust. Division Managers must receive Department Heads approval for any purchase over \$15,000. Department Heads must notify the Assistant City Manager of any purchases over \$15,000. Department Heads and Division Managers must notify the Information Technology Manager and receive approval for the purchase of technology-related goods and services of a technical nature.

Employees shall be responsible for obtaining proper signatures before submitting to the Finance Division. All signatures must be dated.

The Finance Division is responsible for ensuring the proper department approvals are obtained prior to any purchase.

The following table outlines signatures required to authorize a specific amount of purchase:

Purchase Amount	Public Projects	All Other
>\$200,000	City Council	City Council
\$60,001-\$200,000	City Manager	City Council
\$20,001-\$60,000	City Manager	City Manager
\$10,001-\$20,000	Department Head	Department Head
<\$10,000	Division Manager	Division Manager

IV. TYPES OF PURCHASES AND BIDDING REQUIREMENTS

The following table outlines the bidding procedures that must be followed based on the type of purchase and purchase amount. Specific requirements for formal and informal bidding are contained in the California Public Contracts Code and the Novato Municipal Code. A public works project is defined by Public Contract Code Section 22002.

	Public Projects	Professional Services	Technology	Goods/Supplies/Equipment/General Services
Examples	Any publicly owned infrastructure, construction, reconstruction, renovation, demolition.	Planning, human resources, financial, engineering, architectural consultants.	Software and hardware installation, computer equipment, software, on-going maintenance, subscriptions, cell phones.	Vehicles, furniture, fixtures, office supplies, uniforms, tools, police/public safety equipment, landscape materials and supplies, graphic design, photography, printing, small/one-time repair projects.
>\$200,001	Formal bid process required.	Select vendor who can best meet the needs of the City; departments are expected to use a bid solicitation (RFP/RFI/RFQ process) for contracts over \$60,000.		Formal bid process required.
\$60,001-\$200,000	Informal bid process required.			
\$5,001-\$200,000	Work may be performed by City employees, negotiated contract, or purchase requisition. No bids are required.	Select vendor who can best meet the needs of the City; no bid process required.		Informal pricing procedures.
<\$5,000	No bids required; informal quotations desirable.			

Informal Pricing Procedures: Prior to purchasing Goods/Services/Equipment/General Services \$5,000-\$60,000, three (3) bids must be obtained (written, email, fax, etc.) and documented on the Bid Summary/Purchase Request form. The lowest responsible bidder shall be selected based on the criteria outlined in the Novato Municipal Code 2.8.8. Bids for purchases less than \$5,000 are not required, however, employees should obtain quotes and use proper judgement in selecting the best vendor to provide the good or service.

Local Preference Policy: Goods/Services/Equipment/General Services purchases over \$5,000 are subject to the local preference policy providing a 5% preference to local vendors. Employees should use the Bid

Summary/Purchase Request Form to determine lowest responsible local bids. See the Local Preference Ordinance, Municipal Code Section 2-8.17.

Sole-source purchases: The use of a sole source without observing the bid/proposal/quote process may be used when the City’s needs can only be met from one feasible vendor or source because of the unique nature of the product, equipment or service. These purchases are exempt from all bidding requirements. These purchases shall be indicated on the Bid Summary/Purchase Requisition form.

V. PROCUREMENT FORMS AND PROCESS

	Purpose	When to Use, Purchase Limits, and Examples	Process
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Agreements

	Purpose	When to Use, Purchase Limits, and Examples	Process
General Services	Authorizes agreement between City and consultant/contractor to provide specific services to the City	Translation, writing, graphic design, photography, printing, small one-time repairs.	<ol style="list-style-type: none"> 1) Complete required contract information on proper agreement template and obtain required insurance documents. 2) Receive signatures from risk management and appropriate supervisors. 3) Prepare Bid Summary /Purchase Request form with appropriate account number. 4) Submit PR and copy of above documentation to Finance Division.
Professional Services		Planning (EIR, transportation studies etc), human resources, architectural consultants, software/hardware installation and maintenance, software subscription.	
Maintenance		On-going maintenance projects.	
Construction		Any publicly owned infrastructure, construction, reconstruction, renovation, demolition or professional service required to complete project. The construction budget for every project shall be at least 10 percent greater than the award amount at the award of the contract.	

Payment Forms

	Purpose	When to Use, Purchase Limits, and Examples	Process
BID + Purchase Request	Documents bidding process. Authorizes payments for agreements and large one-time payments.	Use for all purchases >\$5,000. Vehicles and technology purchases.	<ol style="list-style-type: none"> 1) Complete form, obtain proper signatures and attach to copy of executed agreement package (see above). 2) Submit to Finance Division.

Supply Requisition	Authorizes payment of purchases against open/blanket purchase orders.	Goods/Supplies/Equipment with vendors. Amounts should not exceed \$1,500 per requisition.	<ol style="list-style-type: none"> 1) Confirm open purchase order with vendor. 2) Track purchases from vendor on form. 3) Submit form to Finance Division at the end of each month.
Payment Stamp	Authorizes one-time payments and progress payments on agreements.	<p>Use for purchases under \$5,000 for vendors who cannot process credit cards and progress payments on agreements.</p> <p>When paying invoice for a progress payment, only the purchase request # and project manager signature is required.</p>	<ol style="list-style-type: none"> 1) Receive invoice from vendor. 2) Stamp invoice and write in date, account number, purchase requisition number (if applicable), obtain appropriate signatures. 3) Submit to Finance Division.
Credit Card	<p>Issued to specific employees to make small purchases for departmental needs.</p> <p>Purchases may not be split.</p>	<p>Purchases <\$5,000 and approval of purchase is required by Division Manager.</p> <p>Purchases of >\$5,000 may be made after Bid Summary form is completed and signed.</p> <p>Purchases goods/supplies/equipment by credit card is strongly encouraged.</p>	<ol style="list-style-type: none"> 1) Purchase goods/supplies/equipment with credit card, indicate GL account number for each purchase on monthly statement, obtain appropriate signatures on statement, attach receipts. 2) Submit to Finance Division within five days of statement closing date.

Reimbursements

Payment Authorization Form	Authorizes payment to reimburse employees for out-of-pocket purchases. Purchases may not be split.	Petty cash (<\$50), Check (>\$50).	<ol style="list-style-type: none"> 1) Fill out form with amount to be reimbursed, obtain appropriate signatures, attach receipts or other appropriate backup (if applicable). 2) Submit to Finance Division for cash reimbursement or payment through AP.
	Authorizes refund or payment of funds to outside person / entity / agency.		

All employees should strive to ensure that processing of purchasing documents are done in a timely manner. In order for purchasing and payments to occur in a timely manner, all procedures outlined above must be followed.

Amendments to Agreements/Change Orders

An amendment to agreement form shall be used when changes to agreements are required. Amendments to agreements that increase the total agreement amount into the next signature threshold must be signed by the proper authority. Amendments that maintain the total cost of the agreement within a signature threshold level must be signed by the level of authority that originally signed the agreement.

VI. USE OF PETTY CASH CHANGE FUND

A petty cash fund of \$2,000 has been established by the Finance Division. The petty cash fund includes change funds. A change fund is defined as cash available to a department for use during regular business transactions. Change fund expenditures are to be made only from the Finance Division's petty cash fund.

1. Finance Division - not to exceed \$50
2. Margaret Todd Senior Center and Gymnastics Center-not to exceed \$50 at each location

Reimbursements (using Petty Cash or Check), regardless of dollar value are not allowed for:

- a. Payment of employee salaries
- b. Payments to firms for supplies and materials which are, or should be, covered by blanket purchase orders; or for items available from the City's stockroom
- c. Payment of per diem for meals; however, reimbursements for meal expenses already incurred (both training and non-training and subject to the maximum allowable as indicated in Administrative Policy 6.1 may be made with supporting documentation).

No advance payments or loans will be made. Change funds located in other departments are to be used for change purposes only. Expenditure reimbursements are to be made only from the Finance Division's petty cash fund.

VII. OTHER PROCEDURES AND DEFINITIONS

- a. **Emergency Purchases** -in a proclaimed State of Emergency, Emergency Procurement Procedures shall be followed-Novato Municipal Code 2- 13.14.
- b. **Green Purchasing Policy/Procedures** – To be developed.
- c. **Travel, Training and Expense Reimbursement**-purchasing procedures related to employee travel, training and reimbursements can be found in Administrative Policy 6.1.
- d. **Local Preference Policy** – Novato Municipal Code section 2-8.17

ATTACHMENT A

City of Novato Reserve Policies

The City of Novato endeavors to maintain adequate reserves for its General Fund and several other funds as a matter of fiscal prudence and sound financial management. These policies will guide the City in:

- Planning for contingencies and unexpected events;
- Maintaining good standing with credit rating agencies;
- Ensuring cash availability when revenue is unavailable; and
- Deciding when to use reserves and how to replenish reserves if they have been spent.

Per current governmental accounting standards (“GASB 54”), fund balances are divided into 5 categories in the financial statements:

Category	Description
Non-Spendable	Cannot be readily converted to cash or cannot legally be spent
Restricted	Externally imposed (by granting agencies, governmental entities, etc.) restrictions on spending
Committed	City Council formally-imposed (by resolution or other action) restrictions on spending
Assigned	Funds reserved by Council direction or City Manager for designated purposes
Unassigned	Residual balance not classified in any of the above categories

For purposes of this document, a fund’s “reserves” include the sum of the Committed, Assigned, and Unassigned Fund Balances for that fund.

General Fund and Emergency & Disaster Response Fund

The General Fund shall not maintain any reserves at year end, except for those designated as Assigned for capital projects, which represent budgeted funds for capital projects that have yet to be completed. Instead, the City shall maintain a separate fund on its books, called the “Emergency and Disaster Response Fund” (hereinafter the “EDRF”) which shall be the main reserve fund for the General Fund. The City maintains this fund to provide a financial buffer in the event of significant economic downturns or for unexpected severe emergencies or natural disasters.

The Government Finance Officers Association maintains a best practice for general reserve funds. While the level of reserves should be assessed on a City’s unique circumstances or risk levels, the generally recommended best practice is to keep at least two months of operating expenditures or 15% reserves.

For Novato, the EDRF shall be maintained at a level equal to 15% of annual General Fund expenditures (excluding “Transfers Out” for purposes of this calculation).

When adopting the budget for each fiscal year, the General Fund budget shall be balanced. If the General Fund budget projects a surplus of revenues over expenditures, then a fund transfer out of the General Fund to the EDRF shall be budgeted. If the General Fund budget is expected to encounter a deficit of revenues compared to expenditures, then a transfer of funds from other available, unencumbered funds shall be budgeted to balance the General Fund. If no such funds are available from another source, a fund transfer shall be budgeted from the EDRF to the General Fund in the amount of the projected deficit to ensure that the budget is balanced.

If the General Fund ends the fiscal year with a surplus of revenues over expenditures, any Unassigned fund balance that would result shall be transferred out of the General Fund and into the EDRF.

If the General Fund ends the year with an unexpected deficit which would create a negative Unassigned fund balance, funds shall be transferred from the EDRF at year end to ensure a zero Unassigned fund balance for the General Fund.

The City Council may from time-to-time authorize budget appropriations that would reduce the EDRF below its policy-mandated 15% level. These appropriations should be made only in response to significant events such as (but not limited to):

- Economic downturns / recessions that impact City revenues;
- Natural disasters and declared emergencies; and/or
- State government reductions or takeaways of City revenues.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the EDRF below 15%, the next budget cycle should include a plan outlining how the EDRF will be restored to the 15% required reserve level within a reasonable time period.

If the level of the EDRF rises above the required 15% level, appropriations of EDRF funds may be authorized by the City Council for one-time purchases or projects that bring the EDRF back down to the 15% level. Funds above the 15% level shall not be spent on recurring operating expenditures unless otherwise authorized in this policy or a long-term plan for ongoing funding is developed.

It may be prudent from time-to-time to loan funds from the EDRF to other City funds or to invest EDRF in less-than-immediately liquid investments. The City Council shall authorize all such loans and shall make findings in a resolution acknowledging the duration and payback timeframe of said loans, which should not exceed five years. If the loan is made with another entity (for example, the Redevelopment Successor Agency), the loan should also be accompanied by a written loan agreement.

In case of emergencies falling under the purview of Novato Municipal Code Section 2-13, purchases authorized by the Director of Emergency Services under Section 2-13.13(c) may cause the balance in the EDRF to drop below the required 15% level.

Measure F Transactions and Use Tax Fund

This fund, hereinafter known as the Measure F fund, shall be used to account for all funds collected under the Measure F transactions and use tax, which shall be collected in the City of Novato from April 1, 2011 through March 31, 2016.

There are no specific reserves required within this fund. However, the City Council has designated \$3 million of unassigned Measure F fund balance as a “Risk Mitigation Reserve”. This reserve will be subject to future City Council decisions about uses for the funds, but is intended to mitigate risk from economic recessions, pension rate and investment earnings fluctuations, unanticipated state takeaways, or unanticipated required expenditures due to changing laws or regulatory requirements.

To the extent Measure F funds are available beyond the Risk Mitigation Reserve mentioned above, they may be used to backfill General Fund deficits while permanent revenue streams or other longer-term budget balancing strategies are implemented.

Recognizing its status as a general purpose tax, the City Council has complete purview to appropriate Measure F funds for any lawful government purpose. However, as a tax with a fixed 5-year duration, Measure F funds should be spent on one-time or short term programs and projects rather than ongoing operating expenditures.

Self-Insurance Fund

The City shall maintain a reserve of \$1 million in the Self-Insurance Fund. This reserve can be used at the City Council’s discretion to pay one-time insurance and liability related costs, such as large unexpected claims, settlements, etc. in addition this fund may be used for one-time proactive risk mitigation measures. The next year’s budget should include a plan to replenish the reserve back to the \$1 million level.

Equipment, Technology and Vehicle Replacement Fund

The City shall maintain an Equipment and Vehicle Replacement Fund (hereinafter “EVRF”) to properly fund the replacement of vehicles, technology and equipment. The City will set aside an appropriate amount of money annually in the fund for each vehicle, technology, or equipment, based on that item’s typical usage and expected useful life. Monies that have accumulated in the fund for a specific asset’s replacement can then be used when the asset is replaced.

No specific reserves are required for the EVRF. However, excess funds not specifically needed for replacements from sources such as interest earnings, surplus sales or trade-ins, auction sales, and lower-than-expected replacement prices should remain in the fund until other EVRF-related purposes are identified for the funds and appropriated by the City Council. Such excess funds can also be used to replace or begin replacement cycles for vehicles, equipment, or technology items that are not currently in the replacement fund.