



## FY 2015-16 Budget Message

### B. Citywide Landscape Maintenance District – Fund No. 210

In June 2007, Clayton voters approved a replacement real property special tax to continue funding the operation and maintenance of their citywide public landscaped areas. This annual tax is restricted to costs associated with: arterial and specified roadway medians and parkways, the trails system, the annual open space noxious weed abatement in Oakhurst hills, the annual open space and trails weed abatement for fire and public safety, landscape and turf irrigation and the monthly maintenance and special occasion/holiday operation of the “Clayton Fountain”.

Maintenance of City Parks *is not* included as an authorized expense under the District’s Act; park maintenance obligations fall to the City’s General Fund. *Citywide public landscaping services have always been funded by a special revenue tax levied on private properties throughout the City.* The District completed its 8th year of a 10-year approved operation (Measure B), and its citizens’ oversight committee (Trails and Landscaping Committee, or TLC) meets periodically to ensure the promised maintenance standards and efficiencies are achieved with these special-purpose tax revenues.

Pursuant to the terms of voter-approved Measure B, the special tax rate may be modified annually by the change in the Consumer Price Index (CPI; San Francisco – Bay Area) from April to April. In no event shall the tax rate be increased by more than 3% each year. The CPI change (from April 2014 to April 2015) posted at 2.44%. The District’s revenue projection has been increased by that factor accordingly and is set at a total of \$1,029,751 for FY 2015-16, an annual increase of \$24,527. Adding interest earnings of \$4,000 brings the total revenue budget to \$1,033,751. Pursuant to its oversight charge, the citizens’ TLC must still consider the CPI adjustment and the District’s tentative budget at its meeting scheduled for June 8, 2015. The TLC recommendations will be provided to the City Council at its June 16, 2015 meeting prior to the budget adoption.

The District over the past year has generated a sufficient reserve balance to allow the consideration of new landscaping projects to be undertaken. Upon initial adoption of the FY 2014-15 District Budget, it was unknown if further capital monies would be available to undertake more improvements than the previously approved projects listed below. Preliminary staff calculations expected only \$219,572 would be available in the fund balance. However, during the course of FY 2014-15, an analysis of capital project funds in the CIP fund (No. 303) identified an additional \$259,704 in residual funds from prior District completed projects. These funds increased the fund balance to a new total of \$479,376. With this new information at mid-year the TLC recommended and the City Council approved \$300,000 for an entry ways re-landscaping project.

For FY 2015-16, the District has budgeted to fund the following prior approved landscape improvement projects:

|  |                  |
|--|------------------|
| Entry-Ways Re-Landscaping Project                          | \$300,000        |
| Creek Bridges Renovation Project                           | 70,000           |
| Keller Ridge St. Tree Replacement Project                  | 46,000           |
| Downtown Planters Replacement Project                      | 35,000           |
| Replace Irrigation System central control field panel:     | 20,000           |
| <u>Jeffrey Ranch Median Island Re-landscaping Project:</u> | <u>6,000</u>     |
| Total:   | <b>\$477,000</b> |

The planned installation and commencement of these significant landscape restoration and District improvement projects demonstrates the District's success in managing the voter's preference for a "pay-as-you-go" ballot tax measure of capital improvements. The defeated Measure "O" (2005) would have issued a revenue bond in its initial year to attack the public improvements sooner but conservative Clayton voters frowned on the higher annual assessment and bonded indebtedness to be shouldered by the District. Entering the District's 9th year of operation still allows the accumulation of modest reserves to accomplish many of the planned objectives.

Measure B is set to expire in June 2017. This is the only source of funds for the maintenance and operation of the Landscape Maintenance District. To continue this sole funding the special parcel tax must be placed back before the voters and receive a 66.33% approval. It is planned to place a Measure on the June 2016 ballot (state general primary election). The proposed budget includes \$20,000 (\$10,000 for County Election Office and \$10,000 for legal services) to cover the anticipated costs.

As new landscaping improvements are installed, each is accompanied by irrigation system upgrades with greater efficiencies in water application, which temper this expense allocation and cause operational savings. The proposed budget for District water irrigation supply service incorporates a projected water rate increase of 3% for FY 2015-16, bringing the total budgeted water supply expenditure to \$156,000.

An enormous impact on the Landscape Maintenance District's operation this fiscal year are the declared drought conditions and the severe water conservation reductions imposed by Contra Costa Water District (CCWD) as directed by the Governor's Executive Order Emergency declaration. While homeowners have been placed under a 25% reduction plan, city and commercial irrigation water consumers have been set at a massive 45% mandatory water reduction order. With irrigation cutbacks of that magnitude, the District has suspended the operation of the Clayton Fountain (even though it is a recirculating fountain) and reduced outside watering to two days per week. This will likely sacrifice certain water intensive landscape (e.g. turf) in the District in order to sustain the more valuable plants and mature signature trees of the district. Capital projects engaged during the drought will be hardscape-only oriented.

Despite these significant State and water district imposed water reduction mandates that have recently been imposed, it is expected that the water purveyors will be adjusting rates to "hedge" losses resulting from this essential drought mandate. To use reliable conservative figures however, a 3% overall increase is being proposed, despite the reality that water irrigation costs may decrease by a currently undetermined amount.

Personnel services for this labor-intensive work effort account for 23.72% of the District's budget in FY 2015-16 (\$313,500), down slightly from the prior year's portion of 33.4% from less labor time being expended after new landscaping and irrigation systems are installed. Whenever possible, tasks within the District are assigned to temporary seasonal personnel that are less expensive labor (e.g. trimming), which shifts the permanent City Maintenance personnel (typically five) to tasks requiring journeyman-level experiences (e.g. irrigation line and system repairs).

As approved by Measure "B" voters, the District's budget includes an annual expense of \$20,000 (Account 7316) for the purchase of replacement plants. The District further contributes its annual allocation to the City's Capital Equipment Replacement Fund (CERF) of \$13,500, from which Maintenance vehicles and equipment are purchased for use in maintaining the Landscape District. An expense of \$33,863 (3.28% of annual District revenue) is transferred to the City's General Fund to pay for administrative and overhead activities of the City (e.g. telephones; payroll processing; accounts receivable and payable; District direction) attributable to administering the District's annual operations.

With all of these actions, the District's ending fund balance on June 30, 2016 will be \$470,913, which equates to a reserve of 35.62% of its budgeted appropriations for FY 2015-16. The District's healthy reserve status is evidence the City does not siphon "surplus" monies of the District into its General Fund but uses the special tax revenues for its intended voter purposes. Its monetary existence will be crucial once the drought is over and the District examines priorities to replace landscape lost (including adding in more hardscape treatments) from the extreme water conservation measures.



City of Clayton  
 Landscape Mtn District CFD, 2007-1 Fund 210  
 Adopted Budget 2015-16

| Account Number            | Account Name                           | 2013-14 Actual | 2014-15 Adopted Adjusted Budget | 2014-15 Projected | 2015-16 Adopted Adjusted Budget | 2015-16 Year to Date 12/31/2015 |
|---------------------------|--|----------------|---------------------------------|-------------------|---------------------------------|---------------------------------|
| 7111                      | Salaries/Regular                       | 146,944        | 159,880                         | 136,000           | 138,000                         | 57,150                          |
| 7112                      | Temporary Help                         | 86,546         | 98,110                          | 75,000            | 81,000                          | 22,254                          |
| 7113                      | Overtime                               | 102            | -                               | 500               | 500                             | 137                             |
| 7218                      | LTD Insurance                          | 1,287          | 1,300                           | 1,100             | 1,300                           | 505                             |
| 7220                      | PERS Retirement                        | 37,007         | 38,750                          | 32,000            | 42,200                          | 17,056                          |
| 7231                      | Workers Comp Insurance                 | 8,902          | 11,420                          | 12,141            | 10,400                          | 10,931                          |
| 7232                      | Unemployment Insurance                 | 4,041          | 4,700                           | 4,700             | 3,900                           | 0                               |
| 7233                      | FICA Taxes                             | 8,652          | 9,830                           | 7,000             | 8,200                           | 2,934                           |
| 7246                      | Benefit Insurance                      | 36,909         | 39,180                          | 28,000            | 28,000                          | 12,934                          |
| 7311                      | General Supplies                       | 28,253         | 43,000                          | 48,500            | 48,500                          | 11,324                          |
| 7316                      | Landscape Replacement Material         | 1,596          | 20,000                          | 20,000            | 20,000                          | 0                               |
| 7335                      | Gas & Electric Serv.                   | 23,284         | 25,000                          | 24,000            | 25,000                          | 7,434                           |
| 7338                      | Water Service                          | 132,232        | 187,000                         | 150,000           | 156,000                         | 49,304                          |
| 7342                      | Machinery Equip Maint                  | 13,427         | 10,000                          | 22,600            | 22,600                          | 0                               |
| 7343                      | Vehicle Maintenance                    | 6,006          | 12,000                          | 19,400            | 20,000                          | 8,995                           |
| 7344                      | Vehicle Gas, Oil, and Supplies         | 15,274         | 15,300                          | 12,000            | 15,000                          | 3,890                           |
| 7381                      | Property Tax Admin Cost                | 3,734          | 3,800                           | 3,800             | 3,800                           | 2,054                           |
| 7382                      | Election Services                      | -              | -                               | -                 | -                               | -                               |
| 7411                      | Professional Services Retainer (Legal) | -              | -                               | 1,000             | 10,000                          | 0                               |
| 7419                      | Other Prof. Services                   | 142,936        | 148,419                         | 157,468           | 149,500                         | 10,000                          |
| 7486                      | CERF Charges/Depreciation              | 13,500         | 13,500                          | 13,500            | 13,500                          | 13,500                          |
| 7520                      | Project/Program costs                  | 43,752         | 207,000                         | 45,000            | 526,800                         | 128,830                         |
| 7615                      | Property Taxes County Collection costs | 2,506          | 2,600                           | 2,576             | 2,700                           | 2,638                           |
| 8101                      | Transfer to General Fund               | 32,156         | 33,056                          | 33,056            | 33,863                          | 16,932                          |
| 8111                      | Transfer to CIP Fund                   | 9,887          | -                               | -                 | -                               | -                               |
| 8113                      | Transfer to Stormwater Fund            | 912            | 912                             | 912               | 912                             | -                               |
| <b>Total Expenditures</b> |  | <b>799,845</b> | <b>1,094,757</b>                | <b>850,253</b>    | <b>1,371,675</b>                | <b>392,994</b>                  |

See breakdown below

(water bill received every two months)  
 See breakdown below

Legal services contract review  
 See breakdown below

See breakdown below

See breakdown below

| Account Number                             | Account Name             | 2013-14 Actual | 2014-15 Adopted Adjusted Budget | 2014-15 Projected | 2015-16 Adopted Adjusted Budget | 2015-16 Year to Date 12/31/2015 |
|--|--------------------------|----------------|---------------------------------|-------------------|---------------------------------|---------------------------------|
| 4604                                       | Clayton LMD Assessment   | 978,034        | 1,005,224                       | 1,005,224         | 1,029,751                       | 566,249                         |
| 5601                                       | Interest                 | 3,200          | 4,000                           | 4,200             | 4,000                           | 2,663                           |
| 5702                                       | Donations/Contributions  | 1,200          | -                               | -                 | -                               | -                               |
| 5606                                       | Unrealized Inv Gain/Loss | (287)          | -                               | -                 | -                               | -                               |
| 6003                                       | Transfer from CIP Fund   | -              | -                               | 259,704           | -                               | -                               |
| <b>Total Revenue</b>                       |                          | <b>982,147</b> | <b>1,009,224</b>                | <b>1,269,128</b>  | <b>1,033,751</b>                | <b>568,912</b>                  |
| <b>Increase (Decrease) in Fund Balance</b> |                          | <b>182,302</b> | <b>(75,533)</b>                 | <b>418,875</b>    | <b>(337,924)</b>                |                                 |
| <b>Beginning Fund Balance</b>              |                          | <b>157,860</b> | <b>340,162</b>                  | <b>340,162</b>    | <b>759,037</b>                  |                                 |
| <b>Ending Fund Balance</b>                 |                          | <b>340,162</b> | <b>264,629</b>                  | <b>759,037</b>    | <b>421,113</b>                  |                                 |

City of Clayton  
 Landscape Mtn District CFD 2007-1 Fund 210  
 Adopted Budget 2015-16

| Account Number | Account Name  | 2013-14 Actual | 2014-15 Adopted Adjusted Budget | 2014-15 Projected | 2015-16 Adopted Adjusted Budget | 2015-16 Year to Date 12/31/2015 |
|----------------|---|----------------|---------------------------------|-------------------|---------------------------------|---------------------------------|
| <b>7311</b>    | <b>General Supplies</b>                                     |                |                                 |                   |                                 |                                 |
|                | Bay Area Barricade  | 1,855          |                                 | 4,703             | 5,000                           |                                 |
|                | Cole Supply   | 3,448          |                                 |                   |                                 |                                 |
|                | Concord Garden Equipment                                    | 414            |                                 |                   |                                 |                                 |
|                | Crop production services                                    | 4,824          |                                 | 566               | 1,000                           |                                 |
|                | Fertilizer  |                | 7,000                           |                   | 5,000                           |                                 |
|                | Greiner   | 292            |                                 |                   |                                 |                                 |
|                | Herbicides  |                | 16,000                          |                   |                                 |                                 |
|                | Irrigation  |                | 15,000                          |                   | 10,000                          |                                 |
|                | John Deere Landscape  | 10,716         |                                 | 9,863             | 10,000                          |                                 |
|                | Misc Supplies (Calcard - US Bank)                           | 6,904          | 5,000                           | 5,617             | 7,500                           |                                 |
|                |   | <b>28,253</b>  | <b>43,000</b>                   | <b>20,769</b>     | <b>48,500</b>                   |                                 |
|                |   |                |                                 | (27,731)          |                                 |                                 |
|                | <b>Concord Garden Equip/Supplies</b>                        |                |                                 |                   |                                 |                                 |
|                | Concord Trailer World                                       | 3,983          | 4,000                           | 4,335             | 5,300                           |                                 |
|                | Contra Costa Tractor  | 1,356          |                                 |                   |                                 |                                 |
|                | John Deere Landscape  | 5,825          | 5,000                           | 13,077            | 15,700                          |                                 |
|                | US Bank (Calcard)   | 2,051          |                                 |                   |                                 |                                 |
|                |   | 212            | 1,000                           | 1,171             | 1,600                           |                                 |
|                |   | <b>13,427</b>  | <b>10,000</b>                   | <b>16,583</b>     | <b>16,600</b>                   |                                 |
|                |   |                |                                 | (4,017)           |                                 |                                 |
| <b>7419</b>    | <b>Other Professional Services</b>                          |                |                                 |                   |                                 |                                 |
|                | CCC Fire Protection - Operation Permit                      | 303            | 400                             |                   | 600                             |                                 |
|                | Advertising for TEMP labor/Live Scans                       | 192            | 1,000                           | 219               | 1,000                           |                                 |
|                | Creative Fencing - Redwood fencing                          | 749            |                                 | 2,250             |                                 |                                 |
|                | Daffodil Hill Landscape Mtn Supplies/water                  |                |                                 |                   |                                 |                                 |
|                | Sub Division/City Entry Signs (contingency)                 | 4,329          | 2,000                           |                   | 2,000                           |                                 |
|                | EBRCSA-Radio Mtn PW radio's                                 | 1,368          | 1,368                           | 1,300             | 1,300                           |                                 |
|                | Envirotech Enterprises (non-native invasive weed abatement) |                |                                 |                   |                                 |                                 |
|                | Manet Water Systems (Well pump repairs)                     | 59,000         | 59,000                          | 64,800            | 59,000                          |                                 |
|                | NBS Admin Fees+Del letters                                  | 3,719          | 3,800                           | 1,531             | 3,800                           |                                 |
|                | Paco Pumps - new pump                                       |                |                                 | 3,836             |                                 |                                 |
|                | Permco - RFQ Noxious Weed Abatement                         |                |                                 |                   |                                 |                                 |
|                | PMT Pest Control - Rodent Control                           | 7,212          | 9,500                           | 1,320             | 9,500                           |                                 |
|                | Rock & Waterfall Water Feature \$650x12 (maintenance)       |                |                                 |                   |                                 |                                 |
|                | Rock & Waterfall -Water Feature Extra + repair contingency  | 7,800          | 7,800                           | 5,850             | 7,800                           |                                 |
|                | Spraytec - maint-waste water treatment                      | 2,054          | 5,000                           | 650               | 5,000                           |                                 |
|                | Waraner Bros Svc 1 x per yr+2 x trails                      | 34,135         | 2,241                           | 1,307             | 2,250                           |                                 |
|                | Waraner Brothers -Tree trimming                             | 22,912         | 31,310                          |                   | 32,250                          |                                 |
|                | Misc. Adjustment  | (837)          | 25,000                          | 17,225            | 25,000                          |                                 |
|                |   | <b>142,936</b> | <b>148,419</b>                  | <b>100,286</b>    | <b>149,500</b>                  |                                 |
|                |   |                |                                 | (37,180)          |                                 |                                 |

City of Clayton  
 Landscape Mtn District CFD 2007-1 Fund 210  
 Adopted Budget 2015-16

| Account Number | Account Name   | 2013-14 Actual | 2014-15 Adopted Adjusted Budget | 2014-15 Projected | 2015-16 Adopted Adjusted Budget | 2015-16 Year to Date 12/31/2015 |
|----------------|--|----------------|---------------------------------|-------------------|---------------------------------|---------------------------------|
| <b>7620</b>    | <b>Project/Program costs</b>   |                |                                 |                   |                                 |                                 |
| LMD2015-1      | - Downtown planters (\$35,000)   | -              | 35,000                          | -                 | 35,000                          | 0                               |
| LMD2015-2      | - Jeffrey Ranch Re-landscaping   | -              | 6,000                           | -                 | 6,000                           | 0                               |
| LMD2015-3      | - Keller Ridge St. Tree replacement (40 trees @ \$1,150 each/remove & replace) | -              | 46,000                          | -                 | 46,000                          | 0                               |
| LMD2015-4      | - LMD bridge renovation project (trails) (\$70,000)                            | -              | 70,000                          | -                 | 70,000                          | 79,030                          |
| LMD2015-5      | - Replace Irrigation Central Control Field Panel                               | -              | 20,000                          | -                 | 20,000                          | 0                               |
| LMD2016-1      | - Entry Ways Re-Landscaping Project (\$300k)                                   | -              | -                               | -                 | 300,000                         | 0                               |
|                | Irrigation Central Controller System (project #4019 - \$30k)                   | 6,360          | -                               | -                 | -                               | -                               |
|                | Diablo Glass - repair display glass  | 42             | -                               | -                 | -                               | -                               |
|                | Warner Bros. - Open Space Fire Prevention                                      | 37,350         | 30,000                          | 15,700            | -                               | 0                               |
|                | <b>PROJECTS ADDED AFTER ADOPTION/Amended into Budget</b>                       |                |                                 |                   |                                 |                                 |
| LMD2016-2      | - Lower Easley Trail   | -              | -                               | -                 | 30,000                          | 30,000                          |
| LMD2016-3      | - Mt. Diablo Elem School Trail Hill  | -              | -                               | -                 | 19,830                          | 19,830                          |
|                |  | 43,752         | 207,000                         | 15,700            | 528,330                         | 123,830                         |
|                |  | -              | -                               | (29,300)          | -                               | -                               |

8111

Transfers out to Capital Improvement Fund  
 (303)  
 CIP 10429 "Trails Repave Project" (#3022) completed prior years 9,887  
 CIP "Clayton Water Feature re-landscape" completed prior years  
 CIP 10430 "Landscape Median Project" (#3016) completed prior yrs [Clayton Rd; Okahurst Blvd]  
 CIP 10431 "Daffodil Hill Project" (#4020) completed prior yrs  
 CIP 10421 "Cardinal Trail Restoration Project" (#3016) not started 9,887

Notes:  
 Extra to run pump for fountain 10 events (31 days @ \$160=\$4960.)  
 Art n Wine, Memorial Day, 4th of July, Halloween Parade/Ghost Walk, Veterans Day, Xmas Tree Lighting,  
 Presidents Day, Thanksgiving, Garden Tours, Oktoberfest  
 (Note: No fountain operation due to drought effective May 2015)

| EBRCSA Breakdown - FY 15-16<br>(Emergency Radio System annual) |                    |
|--|--------------------|
| 8,808  | Police Dept        |
| 206  | Gas tax            |
| 1,368  | Landscape District |
| 206  | grove park         |
| 206  | street lights      |
| 206  | stormwater         |
| 400  | pw - 03            |
| 11,400   |                    |

| <b>revised 1/11/16 Replacement Projects Landscape Maintenance District (Measure B approved June 2007 duration 2007-08 through 2016-17)</b> |    | amount -apx.       | year -apx  |
|--|----|--------------------|------------|
| <b>Completed:</b>  |    |                    |            |
| <u>Landscaping</u>   |    |                    |            |
| mediain tree replacement clayton road mitchell cyn to Atchinson stage (14 sycamore trees) donations paid for these                         |    | \$2,500            | 2008       |
| Oakhurst Drive decorative pavers in narrow median noses, redo irrigation and replanting  |    | \$70,000           | 2010       |
| Clayton Water Feature replanting/redo irrigation   |    | \$114,000          | 2010       |
| March Creek Circle landscape berm mitigation irrigation upgrades replanting  |    | \$19,400           | 2011       |
| Clayton Road median (Oakhurst to Mitchell Cyn) and retaining wall from CVS to Daffodil Hill irrigation installation and new landscaping    |    | 328,011            | 2012       |
| Daffodil Hill new irrigation and new planting (\$27,500 donated by CBCA)   |    | \$29,000           | 2012       |
| citywide Extra Tree Trimming for safety (annually \$20,000 for 5 years)  |    | \$100,000          | 2010-2016  |
| citywide open space tree canopy trim and lifting for fire protection 100 feet from res prop lines  | \$ | 40,000             | 2012/13-15 |
| <u>Trails:</u>   |    |                    |            |
| Peacock Creek install new headboards, apply new 1/4 x dust gravel and compact, install waterboard weir drainage                            | \$ | 20,000             | 2008       |
| Bruce Lee Trail Regency to Easley trail repaving   | \$ | 50,000             | 2008       |
| Upper Easley El Molino /old Marsh Creek Rd to Center Street  |    | \$70,000           | 2013       |
| Lower Easley   |    | \$30,000           | 2015       |
| Mt Diablo Elem School Hill Trail   | \$ | 19,800             | 2015       |
| pedestrial Trail Bridge surface replacement  | \$ | 79,000             | 2015       |
| <u>Other:</u>  |    |                    |            |
| Purchase New Irrigation Control Vehicle (Capital Equipment and Replacement Fund)   | \$ | 35,000             | 2007/08    |
| Master Remote Computer Controller for all Irrigation Systems   |    | \$30,000           | 2012/13    |
| <u>Adopt a Trail (from donations only)</u>   |    |                    |            |
| trail sponsorship signs and plaques (incl posts/signs and installation)  |    | \$3,827            | 2009       |
| installation of new uprights and electrical at oak trees - carinet trail east side of library  |    | \$4,400            | 2011/12    |
| <u>To be done:</u>   |    |                    |            |
| <u>Landscaping</u>   |    |                    |            |
| Keller Ridge Drive street tree replacements  |    | \$1,044,938        |            |
| Jeffery Ranch Ct island replant/hardscape  |    | \$46,000           | 2016       |
| various subdivision entry redesign relandscape including hardscape   |    | \$6,000            | 2016       |
| downtown planter boxes   |    | \$300,000          | 2016       |
|  |    | \$35,000           | 2016       |
| <u>Other:</u>  |    |                    |            |
| replace irrigation system central control field panel  |    | \$20,000           | 2016       |
| <b>total reinvestment to Landscape Maintenance District through 12/31/15</b>   |    | <b>\$1,044,938</b> |            |
| total additional reinvestment planned through 2016-17  |    | \$407,000          |            |
| total est reinvestment through 6/30/17   |    | \$1,451,938        |            |



