



Department: Utilities
Cost Center: 6002
For Agenda of: 9/2/2025
Placement: Consent
Estimated Time: NA

FROM: Aaron Floyd, Utilities Director
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SUBJECT: AUTHORIZE SEWER FUND BUDGET ADJUSTMENT FOR UTILITIES
CLOSED CIRCUIT TELEVISION (CCTV) VAN RETROFIT

RECOMMENDATION

1. Adopt a Resolution entitled “A Resolution of the City Council of the City of San Luis Obispo Approving a Budget Adjustment to Allocate \$25,675 From the Sewer Fund Undesignated Balance”. (Attachment A)
2. Find the project categorically exempt from the California Environmental Quality Act.

POLICY CONTEXT

Infrastructure and Sustainable Transportation and Open Space, Climate Action, and Resilience were adopted by the City Council as a [Major City Goals](#) within the 2025-27 Financial Plan. Replacing the Closed-Circuit Television (CCTV) van camera system will help ensure staff have the tools required to maintain sewer infrastructure and prevent sewer spills, helping to ensure that utilities support future growth and development pursuant to the City’s General Plan. The project would also facilitate the strengthening of community resilience and the protection of natural resources.

Sewer spill investigations and pipe assessment, which are outlined in the city’s [2025 Sanitary Sewer Management Plan](#), are also required by the State Water Resources Control Board [General Order \(2022-0103-DWQ\)](#).

On September 20, 2022, through [Resolution 11360](#), Council delegated fleet purchasing authority for Tier 4 Fleet and Transit purchases made through cooperative purchasing agreements and within the council-approved budget to staff (Public Works Director and Finance Purchasing Division). In alignment with Municipal Code [3.24.060\(E\)](#), the City participates in the [Sourcewell Cooperative Purchasing Agreement Program](#), which staff will utilize to upgrade the CCTV van asset.

DISCUSSION

Background

The City's current Ford Transit CCTV inspection van, acquired in 2016, is equipped with an Envirosight standard-definition camera system. This vehicle plays a critical role in the Wastewater Collection (WWC) program's daily operations, primarily supporting:

- Sewer mainline condition assessments and
- Acceptance inspections as part of the Capital Improvement Program (CIP) to verify the condition and compliance of newly installed or rehabilitated sewer mains.

Current CCTV Equipment

The existing CCTV system and van (Figure 1), acquired in 2016, includes a standard-definition camera, 1,000 feet of camera cable, and a six-wheel-drive pan/tilt/zoom (PTZ) crawler. A PTZ crawler is a remote-controlled, motorized vehicle designed for inspecting and navigating various environments, particularly within pipelines and other confined spaces.

While this equipment has served the city well, it is now over nine years old, and the system has deteriorated. This has led to extended equipment downtime due to needed repairs, as well as increased maintenance costs.

Proposed CCTV Equipment Replacement

As presented in the adopted 2025-27 Financial Plan, staff are proposing to defer replacement of the 2016 Transit van to 2030, and in the meantime, upgrade the existing standard-definition inspection equipment with a modern high-definition (HD) camera system that includes a 1,000-foot cable and a six-wheel-drive pan/tilt/zoom crawler. In addition, as part of the strategy to defer replacement of the vehicle itself, minor vehicle repairs will be completed, such as replacement of the van's alternator and emergency strobe and beacon systems, to ensure reliability and safety of City staff during operations on public roadways.

One advantage of this approach is that the new inspection equipment will be transferable to a future replacement van or vehicle, which will reduce overall costs. This phased replacement strategy has been successfully adopted by other municipalities, such as the



Figure 1: Existing CCTV Van With Camera Equipment

City of Carpinteria, which recently upgraded its CCTV system while retaining its existing vehicle. This proposal represents a cost-effective solution that extends the service life of existing City assets while improving the reliability of City infrastructure and the effectiveness of sewer inspection operations.

Over the past three years, accumulated maintenance costs associated with the CCTV system have exceeded \$40,000 and resulted in ten months of out-of-service time, which has prevented staff from utilizing this critical risk-mitigating tool that helps direct capital improvement projects, evaluate sewer infrastructure, and prevent sewer spills.

While \$200,000 has been appropriated for this project, which covers the replacement of the CCTV van camera system, additional funding of \$25,675 is required for vehicle repairs that will help extend the vehicle lifecycle to 2030 and ensure safe operations for staff.

Previous Council or Advisory Body Action

This project is included in the City Council-adopted [25-27 Financial Plan](#).

Public Engagement

Public comment on the item can be provided to the City Council through written correspondence before the meeting and through public testimony at the meeting.

CONCURRENCE

The Public Works (Fleet) and Finance Departments concur with the approach presented in this report.

ENVIRONMENTAL REVIEW

The proposed project is categorically exempt from environmental review, pursuant the State CEQA Guidelines Section 15301 (Existing Facilities), because the project would result in the upgrading and replacement of existing equipment within an existing City vehicle, which would serve the same function and purpose, and would not result in an expansion of the existing use.

FISCAL IMPACT

Budgeted: Yes

Budget Year: 2025-26

Funding Identified: Yes

Fiscal Analysis:

Funding Sources	Total Budget Available		Current Funding Request	Remaining Balance	Annual Ongoing Cost
Fleet	\$200,000		\$200,000	\$0	\$0

Replacement: Utilities (2000521-2.1)					
Sewer Fund – Unreserved Working Capital	\$10,559,771		\$25,675	\$10,534,096	\$0
Total	\$10,759,771		\$225,675	\$10,534,096	\$0

This project is included in the adopted [25-27 Financial Plan](#) (2000521, Fleet Replacement: Utilities, Camera Replacement in Wastewater Collection Van). The Financial Plan identifies \$200,000 for this project in fiscal year 2025-26. The cost of the project is \$225,675, which includes the proposed cost, \$220,675 (Attachment A), and a \$5,000 contingency.

Staff requests Council authorization to allocate an additional \$25,675 from the Sewer Fund's undesignated capital, for a total of \$225,675 to fund the CCTV Van Retrofit Project (Attachment B, Draft Resolution). This ensures that the retrofit is fully funded without negatively impacting operating budgets or deferring other planned capital expenditures.

Procurement through Sourcewell's cooperative purchasing agreement allows the City to meet competitive purchasing requirements while maintaining equipment compatibility. Investing in this equipment now also supports long-term asset management goals and reduces the likelihood of emergency repairs.

ALTERNATIVES

Council may direct staff to defer the additional repairs to the CCTV Van. If staff were directed to proceed with this alternative, the camera system upgrade would proceed, but vehicle repairs would be deferred. Impacts of this alternative include increased maintenance costs and system downtime, as well as potential impacts to staff safety. Overall impacts would consist of increased lifecycle costs associated with this asset, potential rescheduling of overall asset replacement (which has been deferred with the approach recommended by staff), and a significant reduction in asset availability moving forward.

ATTACHMENTS

A – Draft Resolution entitled “A Resolution of the City Council of the City of San Luis Obispo Approving a Budget Adjustment to Allocate \$25,675 From the Sewer Fund Undesignated Balance.”

B - Sourcewell Proposal (Haaker Municipal)