

Overview

In the City of Santa Cruz, capital assets are generally defined as assets are used in operations and that have an estimated useful life more than one year with an initial, individual cost greater than the thresholds below:

Asset Type	Threshold
Infrastructure	\$25,000
Buildings and Lease Improvement	\$10,000
Land Improvement	\$10,000
Leased Buildings	\$10,000
Machinery and Equipment	\$5,000
Leased Equipment	\$5,000
Software (if qualified)	\$5,000

There is a special class of expenditures that are for capital assets that have a purchase timeline of one year: these are considered capital outlay. The table below compares different types of expenditures found throughout the City of Santa Cruz's budget:

Expenditure Type	Threshold	Purchasing Timeline	Recurring or One-time
Operating Noncapital Expenditure	Less than capital asset threshold	One year or less	Recurring
Capital Investment Program Capital Project	Greater than or equal to capital asset threshold, and over \$100,000	Greater than one year	One-time
Capital Outlay Expenditure	Greater than or equal to capital asset threshold	One year or less	One-time

FY 2026 Planned Capital Outlay Expenditures by Department

Information Technology

Activity	Account Description	Amount	Expenditure Detail
Activity 1251- IT Operations	Computer equipment	\$75,000	Core Switch Replacement

Activity	Account Description	Amount	Expenditure Detail
		\$45,000	Switches, Routers and Firewalls, & Backup Appliances
IT Department Total		\$120,000	

Parks and Recreation

Activity	Account Description	Amount	Expenditure Detail
Activity 3103-Administration	Other machinery and equipment	\$95,000	Exploration of funding mechanisms to obtain: Surrounds Mower; Heavy-duty Utility Vehicle; Mid-duty Vehicle; Mini Skid Steer
Parks and Rec Department Total		\$95,000	

Public Works- General Fund

Activity	Account Description	Amount	Expenditure Detail
Activity 4210-Street Maintenance and Sidewalk Repair	Vehicle equipment	\$23,000	Electric street maintenance dump truck
Activity 4102-Engineering	Vehicle equipment	\$15,000	Purchase currently leased vehicles as leases are terming
Activity 4221-Parking Services	Vehicle equipment	\$56,843	Replacement non-LPR scooter
		\$6,500	Purchase currently leased vehicles as leases are terming
Public Works General Fund Total		\$101,343	

Total General Fund Capital Outlay	\$316,343	
-----------------------------------	-----------	--

Public Works- Enterprise Funds

Activity	Account Description	Amount	Expenditure Detail
Activity 7202 – Wastewater Collection / Flood Control	Vehicle equipment	\$120,000	Replacement of Unit 455
		\$44,469	Replacement of non-compliant Gorman Rupp 4" pump with Godwin FT4 diesel pump
Activity 7202 – Wastewater Collection / Flood Control	Other machinery and equipment	\$23,000	Solar-powered, towable, arrow/message board
Activity 7203 – Wastewater Treatment Facility	Equipment components	\$100,000	Secondary air supply fans (3)
		\$30,000	Secondary air control valves
		\$30,000	SFT grinder
		\$60,000	PSS scum drives 3 & 4 sprocket and shear pin assemblies
		\$40,000	Electric work maintenance cart
		\$45,000	Centrifuge room wall fans
		\$120,000	Ladders for secondary clarifiers (3)
		\$80,000	Awning for Title 22
		\$28,000	Cogen #2 DSM module
	Computer Equipment	\$20,000	Replace end-of-life Cisco switches
		\$4,500	Replace batteries in admin UPS
		\$32,000	Replace end-of-life UPS in Cogen
		\$4,500	Replace batteries in SDB UPS

Activity	Account Description	Amount	Expenditure Detail
		\$4,500	Replace batteries in Electrical Room UPS
		\$10,000	Technical services to replace UPS
		\$3,500	Replace batteries in server room UPS
	Other machinery and equipment	\$150,000	Used yard tug
		\$15,000	New security cameras
		\$50,000	Upgrade pump stations to Palo Alto firewalls
Activity 7204- Secondary Plan Parks Mitigation	Other capital outlay	\$84,000	Neary Lagoon Pump Station breaker replacement and preventative maintenance
Activity 7206- Wastewater Pump Hose	Other capital outlay	\$25,000	Influent pump #2 rebuild parts
Activity 7208- Wastewater Lab	Vehicle equipment	\$7,500	Purchase currently leased vehicle as lease is terming
	Other machinery and equipment	\$60,000	Acquisition and installation of a replacement fume hood for oil and grease analyses
Total Wastewater		\$1,190,969	
Activity 7302- Resource Recovery Collection- Container	Vehicle equipment	\$500,000	Roll-off truck replacement, Mack chassis
		\$100,000	Supervisor truck replacement
		\$500,000	Roll-off truck for collection at Wharf
	Other machinery and equipment	\$16,000	10-yard cover roll-off boxes
		\$18,000	20-yard cover roll-off boxes

Activity	Account Description	Amount	Expenditure Detail
		\$26,000	30-yard cover roll-off boxes
		\$40,000	3-yard vertical compactor
Activity 7303- Refuse Disposal	Vehicle equipment	\$340,000	New asset for hauling food waste mash to local WWTP
		\$65,000	Replacement for asset #829
Activity 7304- Recycling Program- Processing	Vehicle equipment	\$88,000	Forklift replacement
	Other machinery and equipment	\$30,000	Replacement bucket
Activity 7305- Resource Recovery Collection- Cart	Vehicle equipment	\$650,000	Split rear loader replacement for asset #724
		\$650,000	Split rear loader replacement for asset #725
Total Refuse		\$3,023,000	
Activity 7401- Off- Street Parking	Vehicle equipment	\$36,500	Purchase two collection carts and purchase two currently leased vehicles as leases are terming
	Other machinery and equipment	\$26,100	Year four of five lease program for ten replacement T2 Luke machines
Total Parking		\$62,600	
Activity 7831- Mechanical Maintenance	Vehicle equipment	\$35,000	Replace tug
	Other capital outlay	\$25,000	Replace roll-up doors
Activity 7836- Pool Vehicles	Vehicle equipment	\$300,000	Purchase currently leased vehicles as leases are terming
Total Equipment Operations		\$360,000	
Public Works Enterprise Funds Total		\$4,636,569	

Water Department

Activity	Account Description	Amount	Expenditure Detail
Activity 7105- Water Resources	Vehicle equipment	\$8,000	Purchase currently leased vehicle as lease is terming
Activity 7106- Water Production	Vehicle equipment	\$224,000	Purchase two currently leased vehicles as leases are terming, and purchase van, generator, tractor, electric cart
	Equipment components	\$150,000	Replacement inventory items: VFDs, Tesla Wall Pack and flow meters
	Computer equipment	\$53,000	Firewall replacements for remote sites SCADA server and monitoring parts
	Other machinery and equipment	\$31,200	Turbidity meters and chlorine analyzers
	Other capital outlay	\$160,000	Unanticipated equipment replacement
Activity 7101- Water Quality	Other machinery and equipment	\$36,000	UV spectrophotometer and autoclave
Activity 7108- Water Distribution	Vehicle equipment	\$100,000	EV Ford F150
		\$723,171	Vactor Truck
Water Department Total		\$1,485,371	

Total Enterprise Funds Capital Outlay	\$6,121,940	
<i>TOTAL ALL FUNDS CAPITAL OUTLAY</i>	<i>\$6,438,283</i>	