

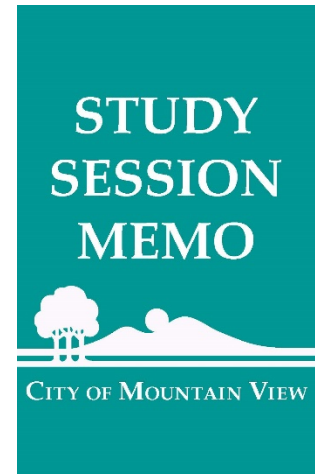
DATE: May 25, 2021

TO: Honorable Mayor and City Council

FROM: Nancy Doan, Senior Management Analyst
Joy Houghton, Associate Engineer
Dawn S. Cameron, Public Works Director

VIA: Kimbra McCarthy, City Manager

TITLE: **Recommended Fiscal Year 2021-22 through
Fiscal Year 2025-26 Capital Improvement
Program**



PURPOSE

The purpose of this Study Session is to present the Recommended Fiscal Year 2021-22 through Fiscal Year 2025-26 Capital Improvement Program for City Council review, comment, and refinement.

BACKGROUND

At a [Council Study Session on March 23, 2021](#), staff presented an overview of the Capital Improvement Program (CIP) which included information about CIP funding sources, discussion of approach and criteria for prioritizing projects requiring unrestricted CIP funding sources, and a recommended CIP project to offset the carbon emissions from the new City Hall/Center for the Performing Arts (CPA) heating, ventilation, and air conditioning (HVAC) system.

The results of the Study Session were shared with the Bicycle/Pedestrian Advisory Committee (B/PAC) on March 31, 2021 for review and comment on the list of recommended transportation capital projects. The projects recommended for Park Land Dedication funds in the five-year CIP were presented to the Parks and Recreation Commission (PRC) and Urban Forestry Board on April 28, 2021.

Based on input received from the City Council and the committees, staff has prepared the recommended five-year CIP described in this report.

DISCUSSION

Council and Committee Input

Summarized below is the Council direction from the March 23, 2021 Study Session and how it is reflected in the recommended CIP.

Prioritizing CIP Unrestricted Funds

Council supported staff's recommended approach and criteria to determine which projects to prioritize for the CIP's two unrestricted funding sources: CIP Reserve and Construction/Conveyance Tax (C/C Tax). As a result, all of the recommended roll-forward and new projects receiving priority for these unrestricted funds in the recommended five-year CIP meet one or more of the following criteria:

- Public and/or personnel safety;
- Compliance with regulatory requirements;
- Local match or cost-sharing to secure grants or other funding;
- Pavement rehabilitation/reconstruction and preventive maintenance as needed to maintain the City's current pavement condition index (PCI) rating (integrating Active Transportation enhancements where possible); and
- City Council Strategic Plan priorities.

Another criterion recommended to be used for prioritizing the use of unrestricted CIP funds was incorporating the use of an "equity lens" that focused on projects that benefit and/or do not burden communities of color and/or low-income residents. Staff reviewed all projects, regardless of funding source, in terms of benefit and/or burden to communities of color and/or low-income residents. Staff did not identify any CIP projects that would burden communities of color and/or low-income residents but did identify several projects that directly benefitted communities with low-income residents. More information about this is provided later in this report.

City Facility Natural Gas Appliance Replacement

At the March Study Session, staff recommended adding a \$450,000 "City Facility Natural Gas Appliance Replacement" project to the five-year CIP to offset the greenhouse gas (GHG) generation associated with the natural gas use of the new City Hall/CPA HVAC

system. This was accompanied by a memorandum that also presented two other options, including purchasing offsets at a national/international level or offsetting the emissions with carbon sequestration or reduction efforts in or near Mountain View (e.g., local tree planting). While there were divergent Council views, the final direction from Council was to recommend a hybrid approach between staff's recommendation and purchasing offsets.

Taking Council's discussion into consideration, staff is recommending a hybrid approach that splits the funding evenly between replacing natural gas appliances at City facilities and local tree planting. This will achieve both of the following objectives: (1) for the City to be a leader in replacing end-of-life natural gas appliances with electric or solar options outside of new construction/major remodel projects; and (2) to invest some of the funding as offsets in or near Mountain View. The recommended project is called City Hall HVAC GHG Offsets and is funded in two phases as follows:

- Fiscal Year 2021-22 (\$200,000) – Plant 100 trees (\$50,000) and install a solar water heating system for the Senior Center (\$150,000). The Community Services Department has identified locations in City parks and right-of-way for these 100 trees to be planted by staff and contractors. These trees will be the larger 24" box trees to establish increased canopy more quickly.
- Fiscal Year 2023-24 (\$250,000) – Plant more trees in the City with locations to be identified in the City Tree Master Plan (\$175,000) and replace City smaller natural gas appliances with electric or solar-powered options (\$75,000).

Other Council Comments

Although no formal direction was provided, there was also discussion about the following three items at the Study Session:

- There was general Council support for a new Active Transportation Plan that combines updates to the Pedestrian Master Plan and Bicycle Transportation Plan. The recommended five-year CIP includes amending the Pedestrian Master Plan Update, Project 21-36, to change the name to Active Transportation Plan and add funding to broaden the scope of work to encompass both pedestrian and bicycle planning.
- There was some discussion about the plans for transportation projects on Moffett Boulevard related to a proposed Moffett Area Precise Plan. The Moffett Boulevard Class IV Bikeway (Middlefield-Clark) preliminary design project has been renamed the Moffett Boulevard Streetscape project and placed in the Unscheduled Project

List pending Council direction related to the scope and timing for a Moffett Area Precise Plan.

- There was also a request that staff provide more information on the City website about the current pavement conditions for each street, how pavement projects are prioritized, and the schedule for planned road resurfacing and reconstruction projects. Staff will develop this webpage information and provide an updated PCI map as soon the Pavement Management Program report from the Metropolitan Transportation Commission (MTC) is finalized and certified this summer.

The B/PAC provided the following recommendations at their meeting on March 31, 2021:

- Align projects with the priorities outlined in AccessMV. In looking at corridors and projects currently identified as the highest priority by AccessMV, it was found that many of these projects were already included in the five-year CIP adopted in 2019 and are rolling forward in the new recommended CIP. Priority projects not in the recommended five-year CIP will be submitted for consideration for future CIPs and will be prioritized consistent with AccessMV as additional funding becomes available.
- Consider lower-cost or temporary treatments for high-priority unscheduled projects. Staff does consider temporary treatments as pilot projects to determine the benefits and community acceptance of a project, where feasible to do so, while maintaining public safety and without having to change major infrastructure, such as traffic signal configurations. Programming these projects into the CIP is dependent on funding and staffing availability.
- Prioritize Middlefield Road bikeway and sidewalk feasibility studies. A feasibility study for a Middlefield Road sidewalk across State Route 85 is included in the recommended five-year CIP. The study and potential implementation of Middlefield Road bike lane enhancements between the Palo Alto city limit and Whisman Road is included in a general Active Transportation CIP project and as part of road resurfacing plans. The potential design and construction of a Class IV protected bikeway between Whisman Road and Sunnyvale city limits is included in the Unscheduled Proposed Projects list.

The PRC and Urban Forestry Board were presented recommended project amendments requiring additional Park Land Funds and new Park Land-funded projects in the recommended five-year CIP on April 28, 2021. The PRC is supportive of appropriating the Park Land Funds for the amendments to existing projects and the new Fiscal Year

2021-22 projects as recommended. These projects are listed in the Project Amendments and Discretionary Projects sections of this report.

Projects to Close and Active Projects

Staff carefully reviewed the status of all active capital projects to determine which could be closed at the end of Fiscal Year 2020-21 so that unspent balances can be returned to the appropriate funds and be made available for other capital projects. Attachment 1 lists the projects recommended to be closed at the end of this fiscal year. The list includes closing Project 20-59, Automated Guideway Transportation (AGT) Phase II Feasibility Study, per Council direction to not pursue the project at this time. This project was funded with \$500,000 from Measure P, General Fund Transportation, and \$275,000 in private contributions. The Measure P funds have been reallocated to other projects.

The list of projects being closed is much larger than in the past and reflects a concerted effort by staff to close and/or consolidate as many projects as possible to reduce the overall number of active projects. Staff estimates that, once closed, these projects will return approximately \$9.0 million to various funding sources, including approximately \$700,000 to the CIP Reserve Fund and \$2.0 million to the C/C Tax Fund.

There are 286 active projects scheduled to remain open as shown in Attachment 2.

Funding Considerations

The March 23 Study Session memo provided an overview and status of the CIP's various funding sources. As noted, some of these funding sources have experienced a decline in revenue and/or there is a forecast of a funding shortfall over the five-year CIP period. Below are updates on the status of the funding sources that may experience shortfalls based on the recommended five-year CIP.

Unrestricted Funds: Construction/Conveyance Tax and CIP Reserve

Staff initially indicated a funding shortfall of \$8 million and \$33 million for Fiscal Years 2021-22 and 2022-23, respectively. Through the application of the criteria noted above for prioritizing use of these funds, the recommended use of C/C Tax and CIP Reserve funds are balanced in Years 1 and 2 (2021-22 and 2022-23) of the recommended five-year CIP. Years 3 through 5 have a cumulative negative balance of approximately \$14 million, which is considered acceptable given that the City's forecasting of revenue in these funds has historically been conservative, with actual funding generally being considerably higher than forecast during good economic times.

Overall, the roll-forward projects from the five-year CIP adopted in 2019 that require C/C Tax or CIP Reserve funds remain in the recommended new CIP, although some are delayed to Years 4 and 5. The net result of the limited funding is that very few new projects could be added to the recommended five-year CIP at this time.

Wastewater (Sanitary Sewer) Fund

The Wastewater Fund is used for operation, maintenance, and capital costs associated with the City's sanitary sewer system and the City's share of the operation and capital costs of the Palo Alto Regional Water Quality Control Plant. For the past seven years, the Water Quality Control Plant has been undergoing major capital renovations, and the City has raised sanitary sewer rates 2% each year and plans to continue to do so for the next three years (10 years total) to fund the City's share.

The City's sanitary sewer capital costs are funded with sanitary sewer service charges from ratepayers, and the relatively new funding sources of utility impact fees in North Bayshore and the sanitary sewer capacity charges on new development. Over the past 30 years, the City's capital costs have primarily consisted of funding annual replacement of end-of-life sanitary sewer mains and services. Approximately nine years ago, the City also began evaluating and programming projects for replacement of major infrastructure, such as large trunk mains, creek and freeway crossings to improve reliability, and the City's sanitary sewer pump station. An update to the City's utility (water and wastewater) master plans is scheduled to be completed in early 2022. The update will identify and prioritize utility needs and will help determine the level of investment needed over the next 10 years compared to funding expected to be available.

In the recommended CIP, the Wastewater Fund shows a nearly \$7 million funding shortfall in Year 3. The Master Plan, which is expected to be completed early in 2022, may identify additional immediate projects needed in the next few years. Staff plans to prepare a funding strategy following the completion of the utility master plans, which may include sanitary sewer service rate increases, evaluation of the City's capacity and other development charges, and a debt issuance to fund a multi-year capital program for wastewater infrastructure projects.

Storm Drain Fund

The City's Storm Drain Fee is a connection fee for properties that are making new connections to the City's storm drain system. Since there are very few parcels in the City that are not already developed, limited revenue is received each year. While the storm drain system is less demanding of ongoing capital investment than the water and wastewater sewer systems, major repairs and upgrades are needed periodically. The

primary capital demands related to the storm drainage system are aging pump stations, deteriorating storm culverts, and installation of trash capture devices to comply with State regulations. Some of these capital projects are currently being funded out of the Wastewater Fund, contributing to the shortfall projected for the Wastewater Fund.

By Year 5 in the recommended CIP, the Storm Drain Fund will be fully expended and may have a small funding shortfall. While the water and sanitary sewer systems have dedicated funding sources through enterprise funds supported by service charges, no such funding exists for the storm drainage system. In June 2019, Council approved the Storm Drain Fee Study to evaluate options for a storm drain fee. Staff will return to Council to discuss strategies and options when the Study is complete.

Transportation Funds

There are a number of funding sources available to the City for transportation-related capital projects, including the 2016 VTA Measure B sales tax, State Road Repair and Accountability Act of 2017 (Senate Bill 1), and a portion of the City Business License Tax (Measure P) funds that are being directed to the General Fund (GF) Transportation Reserve. Some of these funds have programming restrictions, while others can be used at the discretion of Council. A general summary of how these transportation funds are programmed in the five-year CIP is as follows:

- Measure B: The City anticipates receiving approximately \$1.5 million annually of Measure B funds. These funds are used to enhance and not supplant current investments for road system maintenance and repair. As it is a Council goal to increase the City's PCI, Measure B funds are used to fund roadway pavement improvement projects.
- Senate Bill 1 (SB 1): The City anticipates receiving approximately \$1.6 million annually in SB 1 funds. A nondiscretionary annual SB 1 Streets Project was created in Fiscal Year 2019-20 and is planned to be used toward roadway improvement projects. SB 1-funded projects require Council approval through a resolution. Council has approved the list of projects for Fiscal Years 2021-22 and 2022-23.
- Measure P – GF Transportation Reserve: The Business License Tax is an annual fee that businesses in Mountain View with more than 50 employees pay each year. When fully implemented, the tax is expected to generate approximately \$6 million per year, of which \$4.8 million (80%) is to be allocated for transportation purposes according to a Council resolution adopted on June 26, 2018. At a Council Study Session regarding the Fiscal Year 2020-21 CIP held on April 21, 2020, Council concurred with staff's recommendation that two-thirds (approximately \$3 million)

of the annual Measure P revenue for transportation purposes be used to fund operations of the Mountain View Community Shuttle starting in Fiscal Year 2024-25 when the Google funding agreement expires. The remaining Measure P, GF Transportation Reserve, funding is nearly fully allocated in the recommended five-year CIP to active transportation improvements and projects that support the Castro Street and Rengstorff Avenue Caltrain grade separations.

- Gas Tax: While not a new funding source, these funds are generally used toward maintenance and repair of the City's roadway system. These funds are recommended to fund the nondiscretionary Annual Street Maintenance project as well as other roadway infrastructure maintenance/rehabilitation and enhancements.

As seen above, staff has maximized the investment of these funds into projects dedicated to maintaining the City's pavement network while also continuing to fund active transportation improvements and the Caltrain grade separation projects. This is in addition to allocating CIP Reserve and C/C Tax funds to pavement projects to the greatest extent feasible. Additional funding opportunities for pavement projects on the horizon include the City's next allocation of Federal funds for pavement rehabilitation through MTC's One Bay Area Grant Program and the potential rebound of gas tax revenues as pandemic-related restrictions are lifted. In addition to these pavement-focused projects, there are several City active and recommended capital projects and privately funded projects with pavement improvement in the scope that will contribute toward improving the City's network PCI. It is not yet known if these resources will be enough to maintain the current City network PCI (preliminary rating of 72) for the next five years. Staff will be able to further analyze this when the final Pavement Management Program report is received from MTC this summer.

Recommended Projects

Recommended projects, including nondiscretionary and discretionary, are discussed below.

Nondiscretionary Projects

Nondiscretionary projects are primarily annual and periodic maintenance projects that preserve the City's significant investment in its infrastructure and facilities and projects required for regulatory compliance. While Council can alter funding, these projects are generally approved with changes on a consistent cycle (annual and biennial) with small inflationary adjustments.

To address the large number of active projects and streamline the programs moving forward, staff coordinated with all departments to reorganize and redefine the existing nondiscretionary projects. Staff recommends modifying the nondiscretionary list to minimize the number of projects while maintaining the total funding amount annually by combining related projects under one CIP project. Highlighted below are the major recommended changes to nondiscretionary projects based on departmental feedback. The modified recommended nondiscretionary projects are shown in Attachment 3.

- Annual Street Maintenance (XX-01). This project is created by merging the Street Resurfacing and Slurry Seal Program with the Street Lane Line and Legend Repainting. Many active transportation improvements can be made through pavement striping and markings. As staff continues to implement active transportation enhancements as part of proposed roadway pavement improvement projects, it is beneficial to combine these two projects to further support this integration.
- Shoreline Landfill Gas, Cap and Leachate Maintenance (XX-10). This project is created by merging the Shoreline Landfill Cap Maintenance and Repairs with the Landfill Gas/Leachate System Repairs and Improvements. It is noted that the work required for one often involves or requires work on the other.
- Biennial Intersection Traffic Signal System—Major Replacements and Upgrades (Intersection TBD) (XX-15). This project is converted from an annual project of \$500,000 to a biennial project of \$1 million. The annual funding amount on intersection traffic signal upgrades and replacements has been insufficient and has required staff to combine two years of annual funding to improve one intersection traffic signal system.
- Annual Traffic Infrastructure Maintenance/NTMP Improvements (XX-16). This project is created by merging the Traffic Infrastructure—Miscellaneous Replacements and Modifications with the Annual Traffic Studies/NTMP Improvements/Bicycle Counts. The improvements funded by these two projects tend to overlap and combining into one nondiscretionary project provides staff more flexibility to use the funding where needed.
- Biennial Parks Pathway Resurfacing (XX-19). This project is converted from an annual to a biennial project as history has shown that it takes a minimum of two years to fully expend project funds.
- Biennial Shoreline Pathway, Roadway and Infrastructure Improvements (XX-21). This project is created by merging the existing Shoreline Pathway, Roadway, and

Parking Improvements with the Community Services Department portion of the Shoreline Infrastructure Maintenance Project and converting the annual projects to a biennial project as history has shown that it takes a minimum of two years to fully expend project funds.

Discretionary Projects

Discretionary projects are those that do not fit the nondiscretionary description and require approval of the City Council. Recommended discretionary projects for each year of the five-year plan are listed below (see Attachment 4 for project descriptions).

| Discretionary Fiscal Year 2021-22 | | |
|--|--|-----------------------|
| Project | Funding Source | Funding Amount |
| Rengstorff Avenue Grade Separation, Design/ROW | Measure P (GF Transportation) and San Antonio Public Benefit | \$3,000,000 |
| Landings Frontage Road (Landings to Permanente Creek) | Shoreline Community Public Benefit and Shoreline Community Transportation Development Impact | \$3,420,000 |
| El Camino Real Bicycle and Pedestrian Improvements, Construction | C/C Tax, Measure P (GF Transportation) and Measure B Grant Fund | \$6,400,000 |
| Terra Bella Avenue Bikeway Feasibility Study | C/C Tax | \$210,000 |
| Street Reconstruction Project | Shoreline Community | \$1,000,000 |
| Civic Center Infrastructure, Phase II | CIP Reserve and C/C Tax | \$715,000 |
| MOC – Confined Space/Trench, Design | C/C Tax, Water and Wastewater | \$250,000 |
| City Hall HVAC GHG Offsets, Phase I | C/C Tax | \$200,000 |
| Stevens Creek Trail Bridge Over Central Expressway and Evelyn Avenue Deck Replacement and Painting | Shoreline Community and Park Land | \$4,850,000 |
| Trash Enclosures Parks Improvements, Feasibility Study | Park Land | \$100,000 |
| Parks and Recreation Strategic Plan | Shoreline Community and Park Land | \$750,000 |
| Rengstorff House Restoration, Interior and Outdoor, Design and Improvements | Shoreline Community | \$430,000 |
| Electrical Arc Flash Assessment | Water and Wastewater | \$120,000 |
| Citywide Trash Capture, Phase II | Wastewater | \$1,130,000 |
| Downtown Utility Improvements, Design | C/C Tax, Water, and Wastewater | \$1,300,000 |

| Discretionary Fiscal Year 2021-22 | | |
|---|------------------------|-----------------------|
| Project | Funding Source | Funding Amount |
| Middlefield and Moffett Sewer Replacement, Design | Sewer Capacity Charges | \$750,000 |
| Coast-Casey Storm Drain Pipe Rehabilitation | Shoreline Community | \$2,840,000 |

| Discretionary Fiscal Year 2022-23 | | |
|---|---|-----------------------|
| Project | Funding Source | Funding Amount |
| Citywide Travel Demand Model Update | Development Services Fund | \$200,000 |
| Landings Frontage Road Connections (Rengstorff Avenue to Plymouth Street), Design | Shoreline Community Public Benefit | \$2,030,000 |
| Stierlin Road Bicycle and Pedestrian Improvements, Construction | Other (Federal Grant) | \$4,007,000 |
| Hope Street and Villa Street Traffic Signal Installation | CIP Reserve and Gas Tax | \$1,070,000 |
| Active Transportation Improvements | Measure P (GF Transportation) | \$600,000 |
| Bernardo Avenue Undercrossing, Local Match | CIP Reserve (Prometheus Development) | \$3,000,000 |
| Rengstorff Avenue Adaptive Signal System | San Antonio Public Benefit | \$2,880,000 |
| Street Reconstruction Project | Measure B 2016 Sales Tax | \$1,000,000 |
| North Bayshore Branding and Wayfinding Signage Installation | Shoreline Community | \$250,000 |
| Evelyn Avenue Mini-Park – Construction | Park Land | \$1,940,000 |
| Villa Street Mini-Park – Construction | Park Land | \$1,710,000 |
| Turf Replacement – Shoreline Athletic Fields | Shoreline Community | \$2,230,000 |
| Citywide Benchmark Program | C/C Tax | \$190,000 |
| Citywide Trash Capture, Phase III | Storm Drain Construction | \$200,000 |
| 2022/23 City Bridges and Culverts Structural Inspection and Repairs | CIP Reserve | \$220,000 |
| Storm Drain System Improvements | Wastewater | \$1,410,000 |
| Downtown Utility Improvements – Construction | CIP Reserve, Water, Wastewater, and Measure P (GF Transportation) | \$6,910,000 |

| Discretionary Fiscal Year 2023-24 | | |
|--|--|-----------------------|
| Project | Funding Source | Funding Amount |
| Transit Center Grade Separation and Access Project, Construction | Measure P (GF Transportation) and Citywide Transportation Impact Fee | \$5,000,000 |
| Rengstorff Avenue Grade Separation, Construction | Citywide Transportation Impact Fee | \$15,000,000 |
| Traffic Operations Center, Design | C/C Tax | \$500,000 |
| Evelyn Avenue Bikeway, Design and Construction | CIP Reserve (Prometheus Development) and Measure P (GF Transportation) | \$2,462,000 |
| Middlefield Road Sidewalk Across State Route 85, Feasibility Study | C/C Tax | \$300,000 |
| Street Reconstruction Project | Measure B 2016 Sales Tax | \$1,000,000 |
| Cross Culvert Removal and Storm Drain Extensions | Wastewater and Gas Tax | \$660,000 |
| Mountain View Community Shuttle EV Charging Units | C/C Tax | \$500,000 |
| Fire Station No. 3 – Replacement Programming Study | C/C Tax | \$250,000 |
| Fire Station No. 4 – Site Plan | CIP Reserve | \$800,000 |
| Firefighter Personal Protective Equipment Storage at Fire Stations, Phase I and II | C/C Tax | \$1,000,000 |
| MOC – Confined Space/Trench, Construction | C/C Tax, Water, and Wastewater | \$710,000 |
| Civic Center Infrastructure, Phase III | CIP Reserve | \$3,620,000 |
| City Hall HVAC GHG Offsets, Phase II | CIP Reserve | \$250,000 |
| Callahan (Crittenden) Field Lighting Upgrade | C/C Tax | \$430,000 |
| Terra Bella Park Feasibility Study | Park Land | \$160,000 |
| El Camino Real Median Landscaping Project | C/C Tax | \$180,000 |
| North Bayshore Stevens Creek Trail Connections | Shoreline Community | \$1,190,000 |
| Signage Program for Shoreline at Mountain View – Implementation of Shoreline Master Plan | Shoreline Community | \$1,000,000 |
| Rengstorff House Restoration, Construction (Interior) | Shoreline Community | \$660,000 |
| Rengstorff House West Grass and Brick Patio Stabilization Project | Shoreline Community | \$560,000 |

| Discretionary Fiscal Year 2023-24 | | |
|--|-----------------------|-----------------------|
| Project | Funding Source | Funding Amount |
| 2023/24 City Bridges and Culverts Structural Inspection and Repairs | C/C Tax | \$280,000 |
| Middlefield and Moffett Sewer Replacement, Construction | Wastewater | \$8,350,000 |
| Shoreline Area Water, Recycled Water, and Irrigation Main Replacements, Construction | Shoreline Community | \$4,730,000 |
| San Antonio Sewer Improvements, Construction Phase I | Wastewater | \$810,000 |

| Discretionary Fiscal Year 2024-25 | | |
|---|---|-----------------------|
| Project | Funding Source | Funding Amount |
| Active Transportation Improvements | Measure P (GF Transportation) | \$600,000 |
| Shoreline Blvd Pathway (Villa Street to Wright Avenue), Construction | Measure P (GF Transportation) and Shoreline Community | \$4,990,000 |
| Traffic Operations Center, Installation | C/C Tax | \$4,500,000 |
| Street Reconstruction | Measure B 2016 Sales Tax | \$1,000,000 |
| Cross Culvert Removal and Storm Drain Extensions | Wastewater and Gas Tax | \$680,000 |
| East Whisman Area Transit-Oriented Development Improvements – Phase II Construction | Measure P (GF Transportation) and TOD | \$4,440,000 |
| Showers/California Park | Park Land | \$5,200,000 |
| Adobe HVAC Assessment | CIP Reserve | \$160,000 |
| Civic Center Infrastructure, Phase IV | C/C Tax | \$3,000,000 |
| Firefighter Personal Protective Equipment Storage at Fire Stations, Phase III | C/C Tax | \$500,000 |
| 2024/25 City Bridges and Culverts Structural Inspection and Repairs | C/C Tax | \$290,000 |
| Replace Landfill Gas System Microturbines | Shoreline Community | \$3,090,000 |
| Coast-Casey Pump Station, Evaluation and Repair | Shoreline Community | \$1,000,000 |
| High-Level Ditch, Evaluation and Repair | Shoreline Community | \$1,120,000 |

| Discretionary Fiscal Year 2025-26 | | |
|--|--------------------------|-----------------------|
| Project | Funding Source | Funding Amount |
| Central Expressway Bicycle and Pedestrian Undercrossing, Feasibility Study | C/C Tax | \$450,000 |
| Street Reconstruction | Measure B 2016 Sales Tax | \$1,000,000 |
| Cross-Culvert Removal and Storm Drain Extensions | Wastewater and Gas Tax | \$700,000 |
| Turf Replacement – Crittenden Field | Park Land | \$860,000 |
| 355 East Middlefield Road Park | Park Land | \$2,090,000 |
| 2025/26 City Bridges and Culverts Structural Inspection and Repairs | C/C Tax | \$310,000 |

Amendments to Existing Projects

There are several projects in development that have approved funding with recommended changes in project scope or funding. Some of the recommended amendments are to reduce project funding for those nearing completion but are not scheduled to be closed at the end of Fiscal Year 2020-21 so that excess funds can be returned to appropriate funds and be made available for other capital projects. Below is the list of recommended amendments with detailed descriptions of the amendments provided in Attachments 5 and 6.

| Amendments to Existing Projects | |
|--|---------------------------------------|
| Project | Amendment |
| Land Management System and Paperless Permitting System (11-18) | Increase project funding by \$300,000 |
| WiFi Systems at City Facilities (13-18) | Increase project funding by \$80,000 |
| Permanent AV Equipment in Conference Rooms (17-18) | Increase project funding by \$135,000 |
| Fire Station No. 4 Fire Training Tower Rehabilitation (18-50) | Increase project funding by \$125,000 |
| MOC Security Upgrades (18-51) | Increase project funding by \$400,000 |
| Transit Center Master Plan Next Steps (18-65) | Increase project funding by \$100,000 |
| City Hall Remodel – Fourth-Floor IT and Fire (18-66) | Decrease project funding by \$550,000 |
| Shoreline Landfill Cap Maintenance and Repairs (19-10) | Increase project funding by \$28,000 |
| Middlefield Road Improvements, Between Rengstorff Avenue and Shoreline Boulevard (19-35) | Decrease project funding by \$310,000 |

| Amendments to Existing Projects | |
|---|--|
| Project | Amendment |
| Mayfield/San Antonio Ped/Bike Tunnel, Preliminary Design (19-36) | Substitute C/C Tax funds with San Antonio Public Benefit |
| Upgrades to Irrigation Pump Station, Phase I (19-43) | Increase project funding by \$127,000 |
| San Antonio Sewer Improvements, Construction, Phase II (19-45) | Increase project funding by \$1,230,000 and modify project title |
| Cross-Culvert Removal and Storm Drain Extensions (19-49) | Increase project funding by \$550,000 |
| Public Safety Building, Study (19-60) | Modify project title |
| Lease/Purchase of Evelyn Lot (19-69) | Increase project funding by \$1,075,000 |
| Street Resurfacing and Slurry Seal Program (20-01) | Increase project funding by \$1,330,000 |
| Biennial Real Estate Technical and Legal Services (20-20) | Increase project funding by \$5,000 |
| Fire Station No. 5 Classroom/Training, Construction (20-35) | Increase project funding by \$3,335,000 |
| Plymouth/Space Park Realignment (20-40) | Increase project funding by \$3,200,000 |
| Public Safety Building, Design (20-49) | Modify project title |
| Shoreline Play Structure Replacement (20-55) | Increase project funding by \$190,000 |
| Streets Resurfacing and Slurry Seal Program (21-01) | Increase project funding by \$1,533,000 |
| Citywide Website Software Update/Content Migration (21-32) | Increase project funding by \$55,000 |
| IT Infrastructure and Telecommuting Support (21-33) | Increase project funding by \$135,000 |
| Active Transportation Plan (21-36) | Increase project funding by \$200,000 and modify project title |
| Active Transportation Improvements (21-37) | Increase project funding by \$300,000 |
| California Street (West) Complete Street Improvements (Showers to Ortega), Pilot (21-40) | Substitute CIP Reserve fund with San Antonio Public Benefit |
| Street Reconstruction Project (21-41) | Decrease project funding by \$930,000 |
| Sylvan Park Trellis Replacement (21-47) | Increase project funding by \$250,000 |
| Rengstorff Park – Maintenance and Tennis Buildings Replacement, Design and Construction (21-48) | Increase project funding by \$2,840,000 |

There is sufficient funding for the recommended amendments to the existing projects.

Unscheduled Projects

Projects identified during the planning process of past and current five-year CIPs that were excluded are identified as “Unscheduled.” Attachment 7 lists the proposed projects that are not recommended for inclusion in the five-year CIP due to one or more of the following: limited funding and/or staffing resources, lower-priority status compared to other projects, need for further development to better define scope and budget (including

subsequent phases of active projects), or planned future replacement/maintenance of existing facilities beyond five years. These projects are evaluated during each CIP update to evaluate the need and opportunity to include in the recommended CIP.

Should Council decide to add any of these unscheduled projects to the five-year CIP, a project using equivalent, eligible funding and staffing effort would need to be moved to unscheduled.

Equity Lens

Staff reviewed the new discretionary projects and project amendments recommended in the five-year CIP in terms of benefit and/or burden to communities of color and/or low-income residents. As noted above, staff did not identify any CIP projects that would burden communities of color and/or low-income residents.

Many projects were considered neutral in terms of burden or benefit and are prioritized based on preventive maintenance, replacing infrastructure at end of useful life or at risk of failure, regulatory requirements, and safety. Examples of these projects include water and sewer main replacements, pump station inspections/repairs, bridge structural inspections/repairs, firefighter personal protective equipment storage, and turf replacement of athletic fields.

Other projects serve the whole City or large areas of the City and would indirectly benefit communities of low-income residents through improved Citywide planning and services. Examples of these projects include the Active Transportation Plan, the Parks and Recreation Strategic Plan, improved training facilities for public safety personnel, active transportation improvements throughout the City, Library improvements through the Civic Center Infrastructure projects, and installing charging units for the Community Shuttle.

There were also several location-specific projects that directly benefit communities with low-income residents, including areas with affordable housing projects recently constructed or under way. These projects include the Rengstorff Avenue Grade Separation Project, El Camino Real Bicycle and Pedestrian Improvements, Evelyn Avenue bicycle improvements, Bernardo Avenue bicycle/pedestrian undercrossing of Caltrain and Central Expressway, and 555 East Evelyn Avenue Park.

RECOMMENDATION

Staff seeks Council input regarding the following to allow staff to finalize the Recommended Fiscal Year 2021-22 through Fiscal Year 2025-26 CIP:

Question No. 1: Does the City Council support staff's recommended modifications to the nondiscretionary projects and discretionary projects for Fiscal Years 2021-22 to 2025-26 and amendments to existing projects?

Question No. 2: Are there any projects not included in the recommended five-year CIP or not on the Unscheduled Proposed Project list that Council would like staff to review for possible inclusion?

NEXT STEPS

Based on direction provided by Council at the Study Session, staff will prepare the final Recommended Fiscal Year 2021-22 through Fiscal Year 2025-26 CIP for Council adoption on June 22, 2021. Funding for the Fiscal Year 2021-22 capital improvement projects is scheduled to be approved on June 22, 2021 with the Fiscal Year 2021-22 Recommended Budget.

PUBLIC NOTICING

Agenda posting, email to neighborhood associations, and posts on social media and the City's website.

ND-JH-DSC/TS/6/CAM
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Attachments: 1. Projects to Close
2. Active Projects
3. Recommended Nondiscretionary Projects
4. Recommended Discretionary Projects
5. Amendments to Existing Projects
6. Information Technology Department CIP Project Amendment Requests
7. Unscheduled Proposed Projects

cc: PWD, APWD – Arango, APWD – Au, APWD – Skinner, SMA – Doan, SMA – Goedicke, PCE – Gonzales, AE – Houghton