

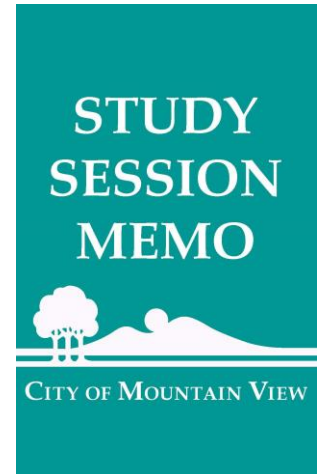
DATE: March 20, 2018

TO: Honorable Mayor and City Council

FROM: Nancy Doan, Administrative Analyst I
Jacqueline Andrews Solomon, Assistant Public Works Director
Michael A. Fuller, Public Works Director

VIA: Daniel H. Rich, City Manager

TITLE: **Preliminary Review of the Fiscal Year 2018-19 Capital Improvement Program**



PURPOSE

The purpose of this Study Session, the first of two planned prior to the Council's scheduled adoption of the Capital Improvement Program in June, is to obtain initial Council input to guide staff in its preparation of the Fiscal Year 2018-19 Capital Improvement Program.

Fiscal Year 2018-19 is the second year of the biennial capital improvement planning cycle established by the City Council in 2005. The focus of this year's Capital Improvement Program development and approval process will be on the review, refinement, and funding of Fiscal Year 2018-19 projects identified in the Five-Year Capital Plan adopted by the City Council last June.

This report presents: (1) projects that are scheduled to "roll forward" for funding in Fiscal Year 2018-19; (2) modifications to some "roll-forward" projects; (3) a limited number of new projects; and (4) amendments to existing projects.

BACKGROUND

The recent development activity in the City and new outside funding sources, including SB 1 and Measure B, have directly or indirectly generated a large number of capital improvement projects. Not including routine annual (nondiscretionary) projects, they total 68, as summarized below and detailed in Attachment 1.

Category	Number of Projects
Parks and Recreation	25
Pedestrian/Bicycle	8
Traffic and Transportation	8
Street Improvements	2
Utilities	8
Public Safety	4
Nonpark Buildings	4
Infrastructure	<u>9</u>
 TOTAL	 <u>68</u>

The associated workload has stretched staff’s capacity to deliver capital projects, and a number of projects have been assigned to the Traffic Engineering Section, Transportation and Business Division, and the Public Services Division for implementation. Staff is considering additional resources as part of the Fiscal Year 2018-19 Operating Budget for management of capital projects.

Being an off year in the two-year capital project planning cycle, review is currently focused on projects in last year’s five-year plan that are scheduled to “roll forward” for funding in Fiscal Year 2018-19, a limited number of new projects, and amendments to existing projects. Each category is described further below with input requested by Council.

Fiscal Year 2018-19 Capital Improvement Program (CIP) –Planned (Roll Forward) Projects

Capital projects are categorized as nondiscretionary (primarily annual and periodic infrastructure maintenance projects to preserve the City’s significant investment in its infrastructure and facilities and projects required for regulatory compliance) and discretionary (all other projects).

Nondiscretionary Roll-Forward Fiscal Year 2018-19 Projects

The list of 30 planned nondiscretionary annual and periodic infrastructure maintenance projects scheduled to roll forward for funding in Fiscal Year 2018-19 is provided in Attachment 2. Staff is recommending that no changes be made to these projects at this time. These projects are funded from a variety of sources, with the Construction/Conveyance Tax and CIP Reserve Funds providing approximately \$5.5 million of the total \$13.0 million funding.

Question 1: Does the City Council have any modifications to the list of nondiscretionary projects scheduled to roll forward for funding in Fiscal Year 2018-19 (Attachment 2)?

Discretionary Roll-Forward Fiscal Year 2018-19 Projects

There are an unusually large number of discretionary projects (31) scheduled to roll forward for Fiscal Year 2018-19 (see Attachment 3). As with existing projects, many are related to transportation improvements or parks and other infrastructure related to the high level of development activity. Staff has reviewed these projects and made adjustments to budgets based on currently anticipated costs. Significant changes are proposed to six projects, with an additional four recommended for deferral, as explained below:

Modified Discretionary Projects

Charleston Road Improvements, Design

The Charleston Road transit corridor improvements are included in the North Bayshore Precise Plan as a priority transportation improvement. Google has designed and will construct the first phase from North Shoreline Boulevard to Huff Avenue as part of the Charleston East off-site improvements. Though not required to as part of the Charleston East development, Google is continuing to design the remainder of the project. The capital project that would have funded the City's effort to begin design will, therefore, not roll forward for funding.

Mayfield/San Antonio Pedestrian/Bike Tunnel, Preliminary Design

The budget for this project in Year 2 of last year's CIP was a placeholder based on the 2008 San Antonio/Mayfield Pedestrian and Bicycle Tunnel Feasibility Study. Staff updated the cost with 10 years of cost rise.

Shorebird Way and Charleston Road Recycled Water Extension and Water System Improvement – Construction

Staff updated the budget based on current costs.

Water and Sewer Main Replacement Crossing Highway 101 at Two Locations (South of Shoreline), Construction

Staff updated the costs based on the current estimate from the project designer.

Police Parking Lot Expansion

The placeholder budget in Year 2 of last year's CIP included construction only. The estimate has been updated to include consultant services, City project management, and construction administration/inspection.

Mountain View Center for the Performing Arts SecondStage Support Addition and Seating Improvements

Two projects (SecondStage Support Addition and Seating Improvements) are being combined for efficiency and minimization of inconvenience to the Center for the Performing Arts clients and patrons.

Projects Recommended for Deferral

Stierlin Road Bicycle and Pedestrian Improvements, Construction

Design phase of the project has not started, so construction funding is not needed until Fiscal Year 2019-20.

Police/Fire Administration Building Expansion, Design

Based on the current schedule for the proposed issuance of Certificates of Participation for funding this project (the revenue from Ameswell), design is recommended not to begin until Fiscal Year 2019-20 so it is closer to construction.

Stevens Creek Trail Extension from Dale Avenue/Heatherstone Way to West Remington Drive, Design

With coordination still ongoing regarding partnering with neighboring cities, staff does not anticipate beginning design in Fiscal Year 2018-19, but hopes to develop a funding agreement.

400 San Antonio Road – New Mini-Park

The City entered into an agreement to allow San Antonio Apartments, LLC to use the dedicated park site for construction staging for the development project. The agreement does not expire until July 31, 2020, so work on the park will not begin until Fiscal Year 2019-20.

Question 2: Does Council support the projects recommended for rolling forward as shown in Attachment 3?

Fiscal Year 2018-19 CIP – New Projects

While, during the second year of the CIP funding cycle, consideration of new projects is generally limited, staff recommends that Council consider the following for funding. Some of these projects relate to maintenance of infrastructure, others resulted from completed studies or Council actions during the current fiscal year, and others are tied to recent development activity.

Deer Hollow Farm Barn Renovation – The historic White Barn located at Deer Hollow Farm is being studied by Midpeninsula Regional Open Space District (MROSD) to determine necessary improvements that will ensure long-term structural integrity and safety. MROSD has contacted City staff and has requested that the City pay one-half the cost of the architect fees to complete the existing conditions report as well as plans and specifications. This will allow the endowment funding to completely support the construction costs of the project. MROSD will be requesting funding from their board through the Fiscal Year 2018-19 budget process to support one-half the cost. City staff, MROSD staff, and Friends of Deer Hollow Farm board members will collaborate through the process of completing plans and specifications. This will require review of alternatives that may impact the final cost of construction while potentially making the White Barn a more efficient space for Deer Hollow Farm programming and services. The City’s estimated cost share is \$50,000.

Slater School Field, Restroom and Traffic Signal – The Mountain View Whisman School District is installing a new school building on the existing field at Slater School and intends to build a new turf field and restrooms on a different part of the property. This project would allow the City to partner with the School District on construction of the field and restrooms, which will be available for public use outside of school hours. The City desires a new traffic signal at Pacific Drive for pedestrian safety and the School District will share the cost with the City. The City’s estimated cost share is \$2,800,000.

Shoreline Golf Links Turf and Bunker Improvements—Turf improvements are needed to repair various areas of Shoreline Golf Links where landfill settlement has occurred, the soil has become fouled, or the turf is no longer reasonably maintainable. Bunker improvements are also required to enhance the playability and aesthetics of Shoreline Golf Links. Most of the greenside bunkers on the golf course contain contaminated sand from burrowing squirrels and gophers. The estimated project cost is \$150,000.

Shoreline Golf Links Driving Range Landing Area Renovation—The driving range landing area is in need of replacement. Providing new turf will increase the aesthetic appeal which, in turn, attracts new golfers and encourages current golfers to return. In addition, the current turf requires staff to replace driving range balls more frequently due to damage. New turf will reduce the need for ball replacement and having higher-quality driving range balls also encourages golfers to return. With Palo Alto Golf Course reopening in 2018 after a complete renovation and Moffett Golf Course gaining popularity since becoming open to the public, having a quality driving range is important to remain competitive with these nearby courses. As a cost savings to the project, staff anticipates that the City's Landfill Division will supply soil for fill to help with grading. Total project cost is approximately \$175,000.

Shoreline Lake Boathouse Improvements—At the January 23, 2018 meeting, Council discussed renewal of the Shoreline Lake Boathouse lease, including possible improvements to the building. Staff is evaluating options for improvements and may propose a capital project prior to CIP adoption. No scope or estimate is currently available.

Circulation Feasibility Study from NBSPP (Charleston Road Underpass and Stevens Creek Transit Bridge)—A follow-up item from the recently adopted North Bayshore Precise Plan is a feasibility study of two major transportation improvements, a Charleston Road underpass under Highway 101 and a new pedestrian/bicycle/transit bridge over Stevens Creek. The study will also include an evaluation of the traffic and transportation impacts of these facilities both inside and outside of the North Bayshore Area. The estimated project cost is \$1,100,000.

Plaza Lighting—Staff is evaluating the lighting in the plaza area outside of City Hall and the Center for the Performing Arts. The lighting level is low at night and can be improved. Staff will include a project at the second CIP Study Session for lighting improvements.

Fire Station No. 4—Staff is preparing new CIP project requests for Fire Station No. 4 to provide for a larger training room in a separate building and a remodel of the existing building to expand the bathroom facilities and convert the existing training room into

an exercise room and office area. In addition, some facility improvements related to employee health and safety are needed that will require amending existing projects and/or new projects. More information about these projects will be provided at the next CIP Study Session.

Question 3: Does Council support advancing the New Projects to the Proposed CIP for Fiscal Year 2018-19?

In addition to roll-forward and new projects, staff recommends a number of amendments to existing projects, shown in Table 1.

**Table 1
Amendments to Existing Projects**

Project Title	Estimated Budget and Funding Source	Notes
IT Computer Projects (Additional Funding to be Added to Project 16-18)	\$55,000 Various Funds	The funding will continue the development of the GIS platform by expanding the application pool to include advanced web-based mapping solutions and establish an ongoing data maintenance framework to ensure the GIS remains accurate and up to date.
Park Irrigation Pump Installation (Additional Funding to be Added to Project 16-45)	\$667,000 Park Land	The original project funding was only sufficient for providing a pump at each of the four City parks. The amended budget will allow for required work of trenching, electrical conduits, conductors, and upsizing of electrical circuits which was not anticipated when the original budget was prepared.
Community Garden at Shoreline Boulevard and Latham Street (Additional Funding to be Added to Project 17-44)	\$TBD Park Land	Additional funding is needed to fund the community garden project. The increased project costs are associated with higher design fees than originally anticipated, added work to comply with environmental and ADA parking requirements, as well as higher construction costs. Additional funding needs will be discussed at the upcoming PRC meeting in April.

Project Title	Estimated Budget and Funding Source	Notes
All-Inclusive Playground (Additional Funding to be Added to Project 18-36)	\$75,000 Park Land	Additional funding needed for City staff engineering services and inspections.
Shoreline Boulevard Pathway Improvements (from Villa Street to Wright Avenue), Project 15-32	\$55,000 C/CT	Additional funding is needed for additional design engineering services not included in the original project scope.
Fire Station No. 4 Fire Training Tower Rehabilitation (Additional Funding to be Added to Project 18-50)	\$75,000 CIP Reserve	Additional scope was added to project requiring additional funding.
Regional Public Safety Communications System – Infrastructure Replacement (Additional Funding to be Added to Project 16-34)	\$215,000 CIP Reserve	Original project budget was based on estimates provided in 2015 for the required dispatch center equipment, software, and installation services by the designated Regional Communications System vendor. Final vendor pricing was higher than estimated. Dispatch center audio recording system cost also exceeded original estimates.

CONCLUSION/RECOMMENDATION

With Council’s recent focus on pedestrian and bicycle safety and mobility, and the high level of development activity, there are a large number of existing and possible new capital improvement projects. Being the second year of the biennial CIP process, staff has focused discussion on projects scheduled to roll forward for funding and possible new projects in 2018-19. Staff seeks Council input regarding the following to guide staff in determining the projects to include in the Proposed Fiscal Year 2018-19 CIP.

- **Question 1: Does the City Council have any modifications to the list of nondiscretionary projects scheduled to roll forward for funding in Fiscal Year 2018-19 (Attachment 2)?**
- **Question 2: Does Council support deferring or rolling forward the projects as recommended in Attachment 3?**
- **Question 3: Does Council support advancing the New Projects to the Proposed CIP for Fiscal Year 2018-19?**
- **Question 4: Does Council support amending the projects as recommended in Table 1?**

NEXT STEPS

Based on the Council's input at this Study Session, and considering anticipated staffing resources in Fiscal Year 2018-19, staff will present a revised list of projects for the Council's review when the Proposed Fiscal Year 2018-19 CIP schedule is presented to the City Council in a Study Session in April.

PUBLIC NOTICING – Agenda posting.

ND-JAS-MAF/TS/CAM
771-03-20-18SS-E

- Attachments:
1. Active Discretionary Projects
 2. Nondiscretionary Projects Scheduled to Roll Forward for Funding in Fiscal Year 2018-19
 3. Discretionary Projects Scheduled to Roll Forward for Funding in Fiscal Year 2018-19