

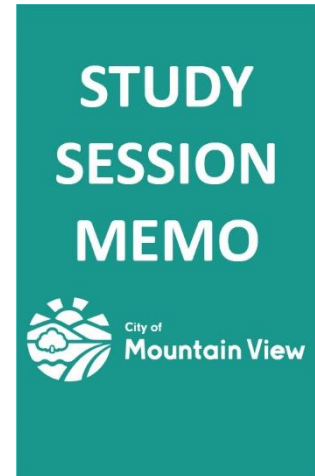
DATE: April 12, 2022

TO: Honorable Mayor and City Council

FROM: Nancy Doan, Senior Management Analyst
Joy Houghton, Associate Engineer
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Director/City Engineer
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VIA: Kimbra McCarthy, City Manager

TITLE: **Fiscal Year 2022-23 Capital Improvement Program**



PURPOSE

The purpose of this Study Session is to provide the City Council an overview of the Capital Improvement Program and obtain City Council input to guide staff in the preparation of the recommended Fiscal Year 2022-23 Capital Improvement Program.

BACKGROUND

Fiscal Year 2022-23 is the second year of the biennial capital improvement planning cycle. During the second year of the cycle, review is focused on the following types of projects:

1. Projects that are scheduled to “roll forward” for funding in Fiscal Year 2022-23;
2. Modifications to some “roll-forward” projects;
3. A limited number of new projects; and
4. Amendments to existing projects.

The Capital Improvement Program (CIP) is divided into Non-Discretionary and Discretionary Projects as described below:

- Non-Discretionary Projects are 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. While Council can alter funding, these projects

are generally approved with few changes on a consistent cycle (annual or biennial) with small inflationary adjustments.

- Discretionary Projects are those projects that do not fit the Non-Discretionary description and require approval of the City Council.

The number and types of projects recommended to be included in the CIP are based on staffing and funding resources. To set the context for discussion of projects, this Study Session memo provides an update on the number of active capital improvement projects, the status of resources available to deliver those projects, and current funding available for the CIP. Information is also provided on the status of active bicycle and pedestrian projects.

Active Projects

There are currently 329 active projects in the CIP, of which 139 are Non-Discretionary Projects and 190 are Discretionary Projects from Fiscal Year 2021-22 and earlier (Attachment 1).

Notably, 26 of the active CIP projects involve bicycle and pedestrian improvements. Attachment 2 provides the status of these projects.

The number and value of CIP projects in the last 10 years have increased substantially due to a growing local economy, new funding sources, and the City's desire to enhance the community through a variety of project types, including pedestrian and bicycle improvements, parks and recreation, facilities renovations, major utilities, and transportation. Table 1 reflects an increase in new projects each year of more than 15% in the second five-year period, and more than double in the total value of projects.

Table 1—Five-Year Averages of New Projects

Five-Year Period	Average Number of New Projects per Year	Average Total Budget of New Projects per Year
2012-13 through 2016-17	51	\$27.9 million
2017-18 through 2021-22	59	\$64.8 million

As part of last year's five-year CIP development efforts, staff reduced the recommended number of new projects to better align with staff's capacity to deliver the projects and respond to the reduction of available CIP funding as compared to pre-pandemic amounts. In addition, the Non-Discretionary projects were reorganized and redefined to combine related projects under one CIP project while maintaining the total funding amount, annually. As a result of these efforts, 43 new projects were approved in the Fiscal Year 2021-22 CIP, compared to the five-year annual average of 59 new projects.

Maintaining staffing levels to deliver capital projects has continued to be a challenge for the Public Works Department, and this year the Department is anticipating retirements in several key positions. For this reason, staff recommends that the number of roll-forward and new CIP projects included in the Fiscal Year 2022-23 CIP be limited. Staff must balance initiating these new CIP projects with continuing work to complete the active CIP projects listed in Attachment 1.

CIP Funding Sources Status

Depending on the project scope and location, different funding sources may be used. Table 2 lists the funding sources used to fund capital improvement projects.

Table 2: CIP Funding Sources

Funding	Source and Uses
UNRESTRICTED FUNDS	
CIP Reserve	General Fund surpluses as approved by the City Council and a portion of lease revenues. There are no restrictions on the type or location of projects to be funded.
Construction and Conveyance Tax	Revenues derived from construction and real property conveyance fees. Expenses are restricted to implementation of the CIP, including servicing bonds issued in connection with capital improvements; however, there are no restrictions on the type or location of projects.
ENTERPRISE FUNDS	
Water Fund	Restricted to operation and maintenance of all facilities required to supply, distribute, and meter potable and recycled water.
Wastewater Fund	Restricted to operation and maintenance of all facilities required to transport and process wastewater.
Solid Waste Management Fund	Restricted to solid waste collection, transportation, processing, and recycling services of the City and two of the City's landfill postclosure maintenance activities.
TRANSPORTATION FUNDS	

Funding	Source and Uses
Gas Tax Fund	<p>As prescribed by State law, restricted to transportation purposes, primarily:</p> <ul style="list-style-type: none"> • Road construction; • Maintenance and repair of roads, highways, bridges, and culverts; • Improvement of public transportation, trade corridors, and infrastructure promoting walking and bicycling; • Reduction of congestion on major corridors; and • Certain administrative costs.
Senate Bill 1 (SB 1)/ Road Maintenance and Rehabilitation Account (RMRA)	<p>Revenue from the State derived from an increase in diesel excise and sales taxes, gasoline excise tax, the assessment of an annual transportation improvement fee based on the value of the vehicle, and an annual \$100 Zero-Emissions Vehicle fee. The use of the City’s share of formula funds received from the State is primarily restricted to road infrastructure maintenance and repair.</p>
Vehicle License Fee— 2010 Measure B	<p>Managed by the Santa Clara County Valley Transportation Authority (VTA), 80% is allocated to the cities and County of Santa Clara based on city population and County road and expressway-lane mileage; primary use of this funding is for road infrastructure maintenance and repair.</p>
VTA Measure B 2016 Sales Tax	<p>Provides formula and competitive grant funding for road infrastructure maintenance and repair, grade separation projects, and bicycle/pedestrian projects.</p>
General Fund— Transportation Reserve	<p>The Transportation Reserve was initially funded with \$4 million from General Fund surplus. Based on a Council resolution adopted in 2018, 80% of the increased revenue from the business license tax (2018 Measure P) is also placed into the Transportation Reserve to be used for transportation and innovative transit solutions, including:</p> <ul style="list-style-type: none"> • Mountain View Community Shuttle; • Caltrain grade separation projects; • Bicycle and pedestrian improvements; and • New transit systems to employment centers.
SHORELINE REGIONAL PARK COMMUNITY FUND	
<p>The State Legislature created the Shoreline Regional Park Community (Shoreline Community or SRPC). Tax increment derived on the difference between the frozen base-year value and the current fiscal year-assessed value and other revenues generated from the activities of the Shoreline Community are to be utilized to develop and support the Shoreline Community and surrounding North Bayshore Area. In addition to annual operations and maintenance expenses, the SRPC is used for the following types of capital projects to support the North Bayshore Area:</p>	

Funding	Source and Uses
	<ul style="list-style-type: none"> • Transportation improvements, including North Bayshore Precise Plan Priority Transportation Improvements; • Sea-level rise infrastructure improvements; • Landfill Postclosure; and • Utility (water, recycled water, sewer, storm drain) improvements.
DEVELOPMENT FEES AND CHARGES	
Impact Fees	Uses are restricted to projects/improvements identified in the relevant impact fee's nexus study: <ul style="list-style-type: none"> • Shoreline Community Development Impact Fee—Sewer; • Shoreline Community Development Impact Fee—Transportation; • Shoreline Community Development Impact Fee—Water; and • Citywide Transportation Impact Fee.
Utility Capacity Charges	Used for new or upsized water and sewer utility mains to meet growing service demands Citywide.
Storm Drain Fund	Revenues derived from off-site drainage fees authorized by Mountain View City Code, Section 28.51, which are restricted for storm drainage capital improvements.
Park Land Dedication Fund	Revenues derived from fees authorized by Chapter 41 of the Mountain View City Code, which are restricted for park and recreation projects.
Community and Public Benefit Funds	A developer may be required by the Council under certain conditions to provide community or public benefits, such as area improvements or affordable housing, as a result of their development project. A developer may pay a fee in lieu of providing these community or public benefits, which will then be used by the City to provide capital improvements in the general area of the development as approved by the City Council.

Although most of the funding sources declined in the last two years, some funding sources have recovered, including the Construction and Conveyance Tax (C/C Tax) and the Development Impact Fees and Charges Funds, as shown in Table 3 below.

Table 3: Major Funding Status

Funding Balances Available for the CIP	2018-19	2019-20	2020-21	2021-22	2022-23*
Unrestricted Funds	\$20,465,000	\$23,579,000	\$12,536,000	\$8,299,000	\$16,174,000

Funding Balances Available for the CIP	2018-19	2019-20	2020-21	2021-22	2022-23*
(CIP Reserve and C/C Tax)					
Enterprise Funds (Water, Sewer, and Solid Waste)	\$12,019,000	\$13,904,000	\$13,055,000	\$25,441,000**	\$25,928,000
Transportation Funds (Gas Tax, SB1, VLF, Measure B 2016, Measure P)	\$2,255,000	\$11,325,000	\$11,984,000	\$7,469,000	\$7,793,000
Shoreline Regional Park Community	\$32,727,000	\$28,480,000	\$11,264,000	\$17,785,000	\$30,524,000
Development Fees and Charges (Impact Fees, Utility Capacity Charges, Storm Drain, Park Land, and Community Public Benefits)	\$81,392,000	\$56,984,000	\$49,934,000	\$47,924,000	\$75,547,000

*Anticipated in Fiscal Year 2022-23

**Increase is due to a portion of a healthy fund reserve and unspent balances from previously closed CIPs being made available for CIPs.

The available funding will be used to fund the roll-forward projects, new projects, and amendments to existing projects.

DISCUSSION

Fiscal Year 2022-23 Roll-Forward Projects

Non-Discretionary Projects

The list of 25 planned Non-Discretionary Projects scheduled to roll forward for funding in Fiscal Year 2022-23 is shown in Table 4. These projects are funded from a variety of sources with CIP Reserve and C/C Tax Funds providing \$4.15 million of the total \$16.6 million in funding.

Table 4: Fiscal Year 2022-23 Non-Discretionary Roll-Forward Projects

Project Title	Category	Funding Amount
Annual Street Maintenance (23-01)	Streets and Sidewalks	\$2,913,000 ¹
Concrete Sidewalk/Curb Repairs (23-02)	Streets and Sidewalks	\$717,000
SB-1 Streets Project (23-03)	Streets and Sidewalks	\$1,645,000
Biennial PMP Recertification (23-04)	Streets and Sidewalks	\$78,000
Streetlight Pole Replacements (23-05)	Streets and Sidewalks	\$307,000
Water System Improvements and Recycled Water System Improvements (23-06)	Utilities	\$680,000
Wastewater System Improvements (23-07)	Utilities	\$174,000
Annual Water Main/Service Line Replacement (23-08)	Utilities	\$2,797,000
Annual Storm/Sanitary-Sewer Main Replacement (23-09)	Utilities	\$1,750,000
Shoreline Landfill Gas, Cap, and Leachate Maintenance (23-10)	Regulatory Requirements	\$296,000
Shoreline Infrastructure Maintenance (23-11)	Utilities	\$161,000
Facilities Maintenance Plan (23-12)	Facilities	\$777,000
Planned and Emergency Facilities Projects (23-13)	Facilities	\$607,000
Annual New Energy Conservation Measures (23-14)	Facilities	\$102,000
Biennial ADA Improvements to City Facilities (23-15)	Facilities	\$101,000
Annual Traffic Infrastructure Maintenance/NTMP Improvements (23-16)	Traffic, Parking, and Transportation	\$626,000
Annual Parks Renovations/Improvements (23-17)	Parks and Recreation	\$170,000
Forestry Maintenance Program and Street Tree Replanting (23-18)	Parks and Recreation	\$645,000 ²
Biennial Good Neighbor Fence Replacements (23-19)	Parks and Recreation	\$41,000
Biennial Tennis Court Resurfacing (23-20)	Parks and Recreation	\$95,000
Biennial Turf and Bunker Improvements (23-21)	Parks and Recreation	\$1,782,000
Developer Reimbursements (23-22)	Miscellaneous	\$132,000
Maintenance Agreement for JPB/VTA Transit Center (23-23)	Facilities	\$67,000
North Bayshore Semiannual Traffic Counts (23-24)	Traffic, Parking, and Transportation	\$172,000
Annual Regional Public Safety (23-25)	Miscellaneous	\$150,000

¹Increased from \$1,913,000 shown in the Five-Year CIP.

²Increased from \$458,000 shown in the Five-Year CIP.

Staff recommends modifications to two of the roll-forward Non-Discretionary Projects:

Annual Street Maintenance (23-01)—The roll-forward budget for the Annual Street Maintenance was shown as \$1,913,000 in the Five-Year CIP adopted in June 2021. Staff recommends a one-time budget increase of \$1,000,000 to add new street locations to receive needed pavement treatments for a total funding amount of \$2,913,000.

Forestry Maintenance Program and Street Tree Replanting (23-18)—The roll-forward budget for the Forestry Maintenance Program and Street Tree Replanting was shown as \$458,000 in the Five-Year CIP adopted in June 2021. Staff recommends a one-time increase of the annual CIP budget to \$645,000 to perform significant work on Stevens Creek Trail for trail user safety and tree health as well as introducing a pilot program partnering with a nonprofit organization to improve tree planting and environmental education programs.

There is sufficient funding for the recommended modifications to these two projects.

Discretionary Projects

There were 17 new Discretionary Projects scheduled to roll forward in Fiscal Year 2022-23. As part of reviewing these projects, staff recommends the following:

- Adjusting budgets based on currently anticipated costs.
- Adding the planned construction funding to the existing project's design phase CIP as an amendment rather than creating a new CIP project for the construction phase. This will result in fewer ongoing CIP active projects, more accurately reflect the actual number of projects, and provide flexibility to use remaining design funds towards construction.
- Deferring some projects based on workload.

These recommendations are detailed below:

Stierlin Road Bicycle and Pedestrian Improvements, Construction—Delete the proposed new CIP project for the construction phase and use the roll-forward project budget of \$4,007,000 to amend Stierlin Road Bicycle and Pedestrian Improvements, Design (17-41) to increase funding and include construction in the project title and scope. The construction phase of this project is Federally funded in the amount of \$4,007,000.

Bernardo Avenue Undercrossing—Design and Construction Local Match—Delete the proposed new CIP project for the design and construction phase of the project, and amend Bernardo Avenue Undercrossing, Design (18-69), to increase funding by \$3,613,000 and include design and

construction in the project scope and title. This includes the roll-forward budget of \$3,000,000 and an additional \$613,000 from the remaining community benefit funding contributed from the 555 East Evelyn Avenue project (Prometheus).

Evelyn Avenue Mini-Park, Construction—Delete the proposed new CIP project for the construction phase and use the roll-forward project budget of \$1,940,000 to amend Evelyn Avenue Park, Design (21-60), to increase funding and include construction in the project title and scope.

Villa Street Mini-Park, Construction—Delete the proposed new CIP project for the construction phase and use the roll-forward project budget of \$1,710,000 and use the roll-forward budget to amend Villa Street Park, Design (21-61), to increase funding and include construction in the project title and scope.

Downtown Utility Improvements, Construction—Delete the proposed new CIP project for the construction phase and use the roll-forward project budget of \$6,910,000 to amend Downtown Utility Improvements, Design (22-41), to increase funding and include construction in the project title and scope.

Storm Drain System Improvements—Delete this planned roll-forward project because the storm drain system improvements are implemented and funded through the Non-Discretionary Annual Storm/Sanitary Sewer Main Replacement CIP project.

Recognizing that project managers are fully committed with ongoing and new priority projects, staff recommends deferring the following four projects that were scheduled to roll forward in 2022-23:

- Rengstorff Avenue Adaptive Signal System
- North Bayshore Branding and Wayfinding Signage Installation
- Turf Replacement—Shoreline Athletic Field
- Citywide Trash Capture, Phase III

These projects will be moved into a future fiscal year as part of the next five-year CIP planning process in 2023.

As a result of the recommended modifications and deferrals listed above, seven CIP Discretionary Projects will roll forward to Fiscal Year 2022-23 as shown in Table 5 below.

Table 5: Fiscal Year 2022-23 Discretionary Roll-Forward Projects

Project Title	Category	Funding Amount
Citywide Travel Demand Model Update	Traffic, Parking, and Transportation	\$200,000
Landings Frontage Road Connections (Rengstorff Avenue to Plymouth Street), Design	Traffic, Parking, and Transportation	\$2,030,000
Hope and Villa Street Traffic Signal Installation	Traffic, Parking, and Transportation	\$1,070,000
Active Transportation Improvements	Traffic, Parking, and Transportation	\$600,000
Street Reconstruction Project	Streets and Sidewalks	\$1,000,000
Citywide Benchmark Program	Miscellaneous	\$190,000
2022-23 City Bridges and Culverts Structural Inspection and Repairs	Regulatory Requirements	\$220,000

New Discretionary Projects

During the roll-forward year of the CIP funding cycle, new projects are generally limited to projects that have more immediate needs and should not wait until the next five-year CIP planning process. In reviewing the new project requests, staff considered the Council's Strategic Priorities, Council direction received over the last year, and the following priorities confirmed by Council during the Fiscal Year 2021-22 through Fiscal Year 2025-26 CIP process in 2021:

- Public and personnel safety
- Compliance with regulatory requirements
- Local match or cost sharing to secure grants or other funding
- Pavement rehabilitation/reconstruction and preventative maintenance as needed to maintain the City's current Pavement Condition Index (PCI) rating

Staff recommends that Council support the new projects listed in Table 6 as part of the Fiscal Year 2022-23 CIP based on immediate needs and the criteria listed above. These projects would be funded with the typical funding sources available for CIPs, unless otherwise noted.

Table 6: Fiscal Year 2022-23 New Discretionary Projects

Project Title	Category	Funding Amount
<p>MTC Mobility Hub Pilot Implement bike room improvements at the Transit Center. (Includes \$200,000 grant from the Metropolitan Transportation Commission’s Mobility Hub Pilot Grant Program.)</p>	Traffic, Parking, and Transportation	\$235,000
<p>Fire-Bay Door Evaluation and Replacement Evaluation and possible replacement of eight total bay doors, including six at Fire Station 1 and two at Fire Station 2.</p>	Facilities	\$470,000
<p>Lot 5 Parking Structure, Study, and Preliminary Design Study and preliminary design for new parking structure on Hope Street. (To be funded by the Downtown Parking In-Lieu Fees.)</p>	Facilities/Traffic, Parking, and Transportation	\$1,000,000
<p>Adobe Building—Patio Tiles Replacement Modifications for Americans with Disabilities Act (ADA) requirements. The existing pavers will be replaced with stamped concrete to create a monolithic surface and reduce future maintenance. The existing onsite sewer lateral will also be realigned.</p>	Facilities	\$700,000
<p>Whisman Sports Center and Mountain View Sports Pavilion, Maintenance Renovations Design for renovations and maintenance needs to the gymnasium facilities, including roof and HVAC replacements due to end of useful life, at both the Whisman Sports Center at Crittenden Middle School and the Mountain View Sports Pavilion at Graham Middle School. (The Mountain View Whisman School District will provide 50% funding for the Whisman Sports Center.)</p>	Facilities	\$1,000,000
<p>Recycled Water System Expansion, Phase I Begin implementation for the expansion of the City's recycled water system as approved by the City Council in the March 2022 Recycled Water Feasibility Study Update. (Staff recently submitted a grant application to the United States Bureau of Reclamation’s WaterSMART Title XVI Water Reclamation and Reuse Program for 25% of the project amount. Staff anticipates receiving application results in summer 2022.)</p>	Utilities	\$4,190,000

Project Title	Category	Funding Amount
<p>Shoreline PVC Landfill Gas Header Replacement Design and replace approximately 800 linear feet of landfill gas headers from south of the Shoreline Maintenance Building to east of Shoreline Gatehouse.</p>	Utilities	\$450,000
<p>Miramonte Reservoir Pump Station Fence Replacement Replace approximately 1,400 linear feet of perimeter fence around the reservoir and pump station that has reached end of its useful life.</p>	Utilities	\$770,000
<p>Miramonte Reservoir Pump Station Improvements Design of the electrical system and variable frequency drive (VFD) at the Miramonte Pump Station.</p>	Utilities	\$390,000
<p>Shoreline Park Water Control Structures Improvements Address structural deterioration of the existing facilities, which affects the water control operation at Charleston Slough and Sailing Lake.</p>	Utilities	\$1,350,000
<p>Smart Metering Program Implement a system to remotely read water meters and notify customers of potential water leaks. This CIP provides funding for the first phase of conversion, which includes installation of a network and conversion of existing radio-water meters to advanced metering. Phase 1 would convert a portion of the City's water meters. Water meter data would be accessible to customers and staff through a web portal. (The City will be implementing the project in partnership with Valley Water through a cost-share agreement. Valley Water will reimburse the City as meters are converted and for a portion of new software costs.)</p>	Utilities	\$1,000,000
<p>Biodiversity Strategy Develop a Citywide strategy for achieving and supporting biodiversity in the City of Mountain View consistent with the City Council's Strategic Roadmap priority to define biodiversity requirements for landscaping in Mountain View.</p>	Parks/Facilities/ Miscellaneous	\$500,000

Amendments to Existing Discretionary Projects

There are several active CIP projects with recommended changes in the project scope or funding. The recommended amendments are listed in Table 7, below, and further description of the IT Projects can be found in Attachment 3.

Table 7: Fiscal Year 2022-23 Amendments to Existing Projects

Project	Amendment	Justification
IT Computer Projects (13-18)	Increase funding by \$60,000	See IT Memo (Attachment 3)
IT Computer Projects (15-18)	Increase funding by \$50,000	See IT Memo (Attachment 3)
Shoreline Boulevard 101 Off-Ramp Modifications, Study (15-39)	Increase funding by \$17,200	Revenue from Caltrans Reimbursement
Police/Library CCTV Replacement (15-49)	Increase funding by \$346,000	Cost increase and additional materials needed
Drought Response (15-54)	Increase funding by \$3,000	Revenue from Bay Area Water Supply and Conservation Agency (BAWSCA) reimbursement
IT Computer Projects (16-18)	Increase funding \$60,000	See IT Memo (Attachment 3)
East Whisman Area Transit-Oriented Development Improvements, Phase II: Ellis Street Improvements, Design and Construction (16-48)	Increase funding by \$4,440,000 and add "Construction" to project title	Add construction phase to project scope
Sewage Pump Station/Landfill Flare Station Microturbine Maintenance/Repair (16-50)	Increase funding by \$6,300	Revenue from PG&E rebate
IT Computer Projects (17-18)	Increase funding by \$100,000	See IT Memo (Attachment 3)
Stierlin Road Bicycle and Pedestrian Improvements, Design and Construction (17-41)	Increase funding by \$4,007,000 and add "Construction" to project title	Add construction phase to project scope (Federal grant reimbursement)
Stevens Creek Trail Temporary Detour (17-56)	Increase funding by \$469,000	Revenue from Federal Emergency Management Agency (FEMA) reimbursements
Bernardo Avenue Undercrossing, Design and Construction (18-69)	Increase funding by \$3,613,000 and add "Design and Construction" to project title	Add design and construction to project scope
Well Abandonment (10 and 17) and Well Siting Study (19-39)	Increase funding by \$3,100	Revenue from Vendor refund

Project	Amendment	Justification
State Route 237/Middlefield Road Interchange Improvements (19-65)	Increase funding by \$2,000,000	City share to match VTA Measure B grant
Acquisition, Maintenance, and Repair for 996 West Dana Street (19-67)	Increase funding by \$50,000	Additional repairs needed
IT Computer Project—Infrastructure/Network Upgrade (20-32)	Increase funding by \$125,000	See IT Memo (Attachment 3)
Shoreline Boathouse Expansion—Design and Construction (20-39)	Increase funding by \$10,000,000 and add “Construction” to project title	Add construction phase to project scope. (Additional information below Table 7.)
Water and Sewer Main Replace Crossing U.S. 101 at South of Shoreline and Macon—Construction (20-41)	Increase funding by \$5,610,000	Construction cost increase
Sustainability Projects (20-99)	Increase funding by \$148,000	Revenue from two County grants related to SAP-4 and Heathy Cities
IT Computer Project—City Web Upgrade/Management (21-32)	Increase funding by \$130,000	See IT Memo (Attachment 3)
IT Infrastructure and Telecommute Support (21-33)	Increase funding by \$150,000	See IT Memo (Attachment 3)
City Buildings Workspace Study and Modifications (21-50)	Increase funding by \$460,000 and add “Modifications” to project title	Add construction phase to project scope
CIP Development (21-51)	Increase funding by \$70,000	Additional staffing costs
Whisman Pump Station Improvements, Study/Design (21-55)	Increase funding by \$495,000 and add “Design” to project title	Add design to project scope
Evelyn Avenue Mini-Park, Design and Construction (21-60)	Increase funding by \$1,940,000 and add “Construction” to project title	Add construction phase to project scope
Villa Street Mini -Park, Design and Construction (21-61)	Increase funding by \$1,710,000 and add “Construction” to project title	Add construction phase to project scope
SB-1 Streets Project (22-03)	Increase funding by \$1,500,000	Increased cost due to inflation and changing scope from slurry seal to resurfacing

Project	Amendment	Justification
Annual Parks Renovation and Improvements (22-17)	Increase funding by \$68,000	Revenue from Google donation and Developer Contribution transfer
City Hall HVAC GHG Offsets, Phase 1 (22-34)	Increase funding by \$100,000	Increased cost of solar water heater installation at Senior Center
Stevens Creek Trail Bridge Over Central Expressway and Evelyn Avenue Deck Replacement and Painting (22-35)	Modify funding sources.	Replacing Shoreline Funds with developer contribution funds from 555 East Evelyn Avenue
Downtown Utility Improvements, Design and Construction (22-41)	Increase funding by \$6,910,000 and add "Construction" to project title	Add construction phase to project scope

Shoreline Boathouse Expansion Project (20-39)—This project will expand and reorganize the existing undersized kitchen, provide new food service equipment eliminating use of natural gas fueled kitchen equipment, reconfigure interior dining space, provide new ADA-accessible single-sex restrooms, and install a new roof cover over the trash enclosure. A conceptual design plan was completed in June 2021 along with a preliminary construction cost estimate of \$9.8 million, which is a significant cost increase from the project budget of \$1.6 million. A major factor contributing to the cost increase is that the existing underslab soil is engineering fill, and due to this condition, the existing structure has an existing post-tension slab adding significant complexity to the remodel. Other factors increasing project costs include a structural truss frame roof, major kitchen equipment replacement to comply with the City policy for all-electric equipment, and construction duration. The Shoreline Regional Park Community Fund would be used to fund this project.

Equity Lens

Staff reviewed the new discretionary projects and project amendments recommended in the Fiscal Year 2022-23 CIP 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.

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 street reconstruction, water and sewer main replacement/utility improvements, bridge structural inspections/repairs, Fire Station Bay Doors replacement, pump station improvements/repairs, and Stevens Creek Trail repair.

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 improvements, recycled water system expansion, Police/Library CCTV replacement, sustainability projects, smart metering program, and biodiversity strategy.

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 Bernardo Avenue bicycle/pedestrian undercrossing and Evelyn Avenue Park.

RECOMMENDATION

Staff seeks Council input regarding the following to allow staff to finalize the Recommended Fiscal Year 2022-23 CIP.

Question: Does the City Council support the Fiscal Year 2022-23 CIP project recommendations, including the Roll-Forward, modified Non-Discretionary and Discretionary Projects, new projects, and amendments to existing projects?

NEXT STEPS

Based on the direction provided by Council at this Study Session, staff will develop and present the recommended Fiscal Year 2022-23 CIP to the City Council for adoption on June 28, 2022.

PUBLIC NOTICING

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

ND-JH/TS/4/CAM

771-04-12-22SS

201676

Attachments: 1. Active CIP Projects
 2. Bicycle and Pedestrian Active CIP Projects
 3. IT Memo

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