



JOINT REPORT

DATE: June 25, 2024

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Recommended Fiscal Year 2024-25
Capital Improvement Program**

RECOMMENDATION

Adopt the Recommended Fiscal Year 2024-25 Capital Improvement Program by taking the following actions:

1. Adopt a Resolution of the City Council of the City of Mountain View Approving Inclusion of the Amendment to Underground Utilities at 1020 Terra Bella, Project 24-38, in the Recommended Fiscal Year 2024-25 Capital Improvement Program, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Adopting the Recommended Fiscal Year 2024-25 Capital Improvement Program, including All Amendments to Existing Projects, Except for Amendment to the Underground Utilities at 1020 Terra Bella, Project 24-38, Excluding the Shoreline Regional Park Community, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Adopt a Resolution of the Board of Directors of the Mountain View Shoreline Regional Park Community Adopting the Recommended Fiscal Year 2024-25 Capital Improvement Program for the Mountain View Shoreline Regional Park Community, Including Amendments to Existing Projects, to be read in title only, further reading waived (Attachment 3 to the Council report).

BACKGROUND

The City Council held a Study Session on April 9, 2024 and two public hearings on June 11, 2024 and June 25, 2024, respectively, to discuss and consider the Recommended Fiscal Year 2024-25 Capital Improvement Program (CIP). The City Council took and considered public comment from all persons wishing to be heard on the Recommended Fiscal Year 2024-25 CIP at the Study Session and public hearings. The City Council provided guidance for the development of the Recommended Fiscal Year 2024-25 Capital Improvement Program (CIP) during the [April 9, 2024 Study Session](#).

The Recommended Fiscal Year 2024-25 CIP includes one project to receive Park Land Dedication In-Lieu funds. This project, Eagle Park Pool Improvements, was presented to the Parks and Recreation Commission (PRC) on [May 8, 2024](#). The PRC supported appropriating the Park Land Dedication In-Lieu funds for the Fiscal Year 2024-25 project as recommended.

The Council Study Session memorandum and input received from Council were shared with the Bicycle/Pedestrian Advisory Committee (BPAC) on [May 13, 2024](#) for review and comment on the list of recommended active transportation projects. The BPAC supported the list of active transportation improvements/enhancements included in the Recommended Fiscal Year 2024-25 CIP, including the addition of the Active Transportation Improvements project and the El Camino Real/Castro Protected Intersection and Castro Bikeway Improvements, Yosemite/High School, project.

Based on input received from the City Council, staff has prepared the recommended CIP described in this report.

ANALYSIS

The Recommended Fiscal Year 2024-25 CIP is provided in Attachment 4. It includes the following updates to the list presented to Council at the April 9, 2024 CIP Study Session.

New Project to Close

Hope Street and Villa Street Traffic Signal Installation, Project 23-29: This project funds the City's proportional share (\$1,070,000) for the signal installation to reimburse the developer of Hope Street Lots 4 and 8, the new hotel/office building development. Since the timing of this development project is unknown, Council directed staff to close and defund this capital project. Based on Council input, the Recommended Fiscal Year 2024-25 CIP closes and defunds this project. Funds are redirected to the recommended projects under the Modified and Additional Discretionary Projects section below.

Modified Non-Discretionary Projects

Annual Traffic Infrastructure Maintenance/NTMP Improvements, Project 25-16: This project was previously proposed to be funded in the amount of \$716,000. During a recalculation of projects partially funded with Shoreline funds, this project's rounding formula changed and reduced the overall project fund by \$2,000. To balance the funding for the recommended projects, this project is recommended to be funded in the amount of \$714,000.

Additional Amendments to Existing Projects

San Antonio Area Sewer Improvements, Construction (Phase I), Project 19-45: San Antonio Sewer Area Sewer Improvements, Design, Project 17-70, designed the replacement of the Alma Recorder (which measures wastewater flow from the San Antonio service area to the sewer main, that also conveys wastewater from the cities of Los Altos and Palo Alto to the Palo Alto Regional Water Quality Control Plant) and a new sewer pipeline at the Sondgroth Way/Showers Drive area. Construction implementation of the design project was recommended in two phases: (1) San Antonio Sewer Improvements, Construction (Phase I), Project 19-45, to replace the Alma Recorder; and (2) Sondgroth/Showers/Martens Sewer Main Realignment, Construction, Project 24-40, which will realign sewer mains in Sondgroth Way and Showers Drive area and a small segment at Martens Drive.

Staff recommends amending San Antonio Sewer Improvements, Construction (Phase I), Project 19-45, to combine the construction of the two phases into one project for project delivery efficiency. The amendment proposes to delete Sondgroth/Showers/Martens Sewer Main Realignment, Construction, Project 24-40, and add the funding for that project in the amount of \$3.91 million to San Antonio Sewer Improvements, Construction (Phase I), Project 19-45, with existing funding in the amount of \$3.78 million, for a total project funding of \$7.69 million. The amendment also proposes to update the project title to San Antonio Sewer Improvements, Project 19-45.

Sustainability Projects, Project 20-99: This amendment proposes to transfer \$1.5 million from the Budget Contingency Reserve to serve as matching funds for grant applications as well as investments in sustainability measures that will result in energy or cost savings. This amendment will bring the total project funding to \$9,952,000.

Active Transportation Improvements, Project 21-37: This project will replace and improve the Shoreline Boulevard pathway (Wright Avenue to Villa Street) with an Americans with Disabilities Act (ADA)-compliant pathway. Since the project does not include roadway pavement maintenance in the scope, it is ineligible for use of the 2016 Santa Clara Valley Transportation Authority (VTA) Measure B Local Streets and Roads Program funds. This amendment proposes to exchange the \$800,000 of the 2016 VTA Measure B funds with \$800,000 of Construction/Conveyance Tax funds.

Stevens Creek Trail Bridge Over Central Expressway and Evelyn Avenue Deck Replacement and Painting, Project 22-35: This amendment was not previously included in the preliminary Fiscal Year 2024-25 CIP. The project is currently funded in the amount of \$4,850,000, of which \$3,638,000 is Park Land Dedication In-Lieu funds and \$1,212,000 is CIP Reserve funds. Staff recommends amending the project to decrease the funding by \$1,212,000 in CIP Reserve funds, for a new total project funding of \$3,638,000. The remaining funding is sufficient to begin the design phase of the project, and staff will return to Council at a later date to request additional

funding to fully fund the construction phase. Release of the \$1,212,000 of CIP Reserve funds will be directed toward funding the design phase of El Camino Real/Castro Protected Intersection and Castro Bikeway Improvements, Yosemite/High School, Design, under the Modified and Additional Discretionary Projects section below.

Fire Station No. 3—Study, Design and Construction, Project 24-31: This amendment proposes to change the project title from Fire Station No. 3, Feasibility Study and Preliminary Design to Fire Station No. 3—Study, Design and Construction, per Council direction to provide intent for construction of the project. Staff will leave in place the planned Fiscal Year 2027-28 Fire Station No. 3, Construction (Placeholder), from the previous Five-Year CIP, and will request additional appropriation through an amendment when the construction funding need and source are identified.

Underground Utilities at 1020 Terra Bella, Project 24-38: In conjunction with the 1020 Terra Bella Avenue affordable housing project, this project will fund the design and construction for the developer to underground the existing overhead utilities along the project's Terra Bella Avenue frontage. Due to the decline in unrestricted funding revenues, staff previously recommended to close the project to release unrestricted funding needed for other projects. Council directed staff to keep the project active and identify additional unrestricted funds in 2025 to fully fund the construction phase of the project. On [May 28, 2024](#), Council approved transferring \$1.75 million from Downtown Precise Plan Update, Project 20-66, to the Construction/Conveyance Tax Fund. Staff recommends redirecting this same amount of Construction/Conveyance Tax funding to Underground Utilities at 1020 Terra Bella, Project 24-38, and amending the project to increase funding by \$1.75 million, bringing the total project budget to \$2.75 million. On the June 25, 2024 Council agenda, Council will also be considering a funding agreement with the developer of the 1020 Terra Bella project, Alta Housing, to design and construct the undergrounding improvements.

Modified and Additional Discretionary Projects

Active Transportation Improvements, Project 25-29: This project will provide for the installation of raised curbs up to 2' wide within the 9' bikeways on Middlefield Road in order to provide Class IV protected bikeways. Due to the decline in unrestricted funding revenues, staff previously recommended to defer the project due to lack of unrestricted funding. Council directed staff to include the project in the Fiscal Year 2024-25 CIP and identify funding. The project is included in the Recommended Fiscal Year 2024-25 CIP, and staff has identified \$1.0 million in unrestricted funds from other projects to be directed toward this project as originally planned. Staff anticipates commencing design of this project in spring 2025.

El Camino Real/Castro Protected Intersection and Castro Bikeway Improvements, Yosemite/High School, Design, Project 25-30: Similar to the project above, this project was also previously recommended to be deferred due to decline in unrestricted funding revenues. Council

directed staff to include the project in the Fiscal Year 2024-25 CIP and identify funding. Staff has identified \$1,212,000 in unrestricted funds (of the \$3,871,000 originally planned) from another project to be redirected to this project. This provides funding for the design phase of the project and is included in the Recommended Fiscal Year 2024-25 CIP as the El Camino Real/Castro Protected Intersection and Castro Bikeway Improvements, Yosemite/High School, Design, project. The funding for the construction phase of the project will be recommended for inclusion in next year's Five-Year CIP. Staff anticipates commencing design of this project in spring 2025.

Cross-Culvert Removal and Storm Drain Extensions, Project 25-32: The preliminary Fiscal Year 2024-25 CIP included Cross-Culvert Removal and Storm Drain Extensions, Project 25-32, to be funded in the amount of \$707,000. The funding amount was adjusted during the development of the preliminary Fiscal Year 2024-25 to balance the CIP and was inadvertently not updated in the [April 9, 2024](#) Council Study Session memorandum. The project is included in the Recommended Fiscal Year 2024-25 CIP with a funding amount of \$489,000, which is sufficient to proceed with design.

Consideration of Environmental Factors

As required by Section 15262 of the California Environmental Quality Act (CEQA) Guidelines, staff will consider whether additional environmental analysis must be conducted for projects included in the Adopted Fiscal Year 2024-25 CIP as the projects are implemented. Staff will ensure the completion and submission of any required CEQA analysis/exemption documentation.

FISCAL IMPACT

There is no fiscal impact associated with adopting the recommended resolutions.

The Recommended Fiscal Year 2024-25 CIP identified 27 annual/periodic infrastructure maintenance nondiscretionary projects at a total cost of approximately \$17.2 million, 32 amendments to existing projects at a total cost of \$39.9 million, and 11 discretionary projects at a total cost of approximately \$8.5 million. Attachment 4 identifies the specific funding sources recommended for each project and provides a cash-flow analysis of the CIP's major funding sources.

The City Council will be requested to appropriate the necessary funding for the Recommended Fiscal Year 2024-25 CIP in conjunction with the approval of the Fiscal Year 2024-25 Recommended Budget on June 25, 2024. There is sufficient funding for the Recommended Fiscal Year 2024-25 CIP.

ALTERNATIVES

1. Direct staff to modify the Recommended Fiscal Year 2024-25 Capital Improvement Program.
2. Provide other direction.

PUBLIC NOTICING

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

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- Attachments:
1. Resolution for the Underground Utilities at 1020 Terra Bella, Project 24-38
 2. Resolution for the Recommended Fiscal Year 2024-25 CIP
 3. Resolution of the Shoreline Regional Park Community for the Recommended Fiscal Year 2024-25 CIP
 4. Recommended Fiscal Year 2024-25 Capital Improvement Program

cc: Department Heads, FASD, PWD, APWD—Arango, APWD—Au, PCE—Gonzales, PCE—Byrer, PCE—Shah, PCE—Tseng, CTE—Lopez, PPM—Printy, SCE—Houghton, SMA—Doan, SMA—Goedicke, PA—Li