



CITY OF CARMEL-BY-THE-SEA CITY COUNCIL AGENDA

Mayor Dave Potter, Councilmembers Jeff Baron,
Alissandra Dramov, Karen Ferlito, and Bobby
Richards
Contact: 831.620.2000 www.ci.carmel.ca.us

All meetings are held in the City Council Chambers
East Side of Monte Verde Street
Between Ocean and 7th Avenues

CITY COUNCIL SPECIAL MEETING Tuesday, March 26, 2024 4:30 PM

HYBRID MEETING ATTENDANCE OPTIONS

This meeting will be held in person and via teleconference ("hybrid"). The public is welcome to attend the meeting in person or remotely via Zoom, however, the meeting will proceed as normal even if there are technical difficulties accessing Zoom. The City will do its best to resolve any technical issues as quickly as possible. To view or listen to the meeting from home, you may also watch the live stream on the City's YouTube page at: <https://www.youtube.com/@CityofCarmelbytheSea/streams>. To participate in the meeting via Zoom, copy and paste the link below into your browser.

**<https://ci-carmel-ca-us.zoom.us/j/88269155166> Webinar ID: 882 6915 5166 Passcode:
784375 Dial in: (253) 215-8782**

HOW TO OFFER PUBLIC COMMENT

The public may give public comment at this meeting in person, or using the Zoom teleconference module, provided that there is access to Zoom during the meeting. Zoom comments will be taken after the in-person comments. The public can also email comments to cityclerk@ci.carmel.ca.us. Comments must be received at least 2 hours before the meeting in order to be provided to the legislative body. Comments received after that time and up to the beginning of the meeting will be made part of the record.

PUBLIC APPEARANCES - Limited to items on the Special Meeting Agenda

Under the Brown Act, public comment for matters on the agenda must relate to that agenda item. This is a warning that if a member of the public attending this meeting remotely violates the Brown Act by failing to comply with this requirement of the Brown Act, then that speaker will be muted. Each person's comments shall be limited to 3 minutes. People are not required to provide their name but it is helpful to state their names so they may be identified in the minutes of the meeting.

CALL TO ORDER AND ROLL CALL

ORDERS OF BUSINESS

Orders of Business are agenda items that require City Council, Board or Commission discussion, debate, direction to staff, and/or action.

1. Receive a presentation from Integral Corp./Haro Kasunich & Associates/EMC Planning Group providing the findings of the Coastal Engineering Study, Phase 1
2. Second Review of the proposed Fiscal Year 2024/25 Capital Improvement Program and provide direction to staff

ADJOURNMENT

This agenda was posted at City Hall, Monte Verde Street between Ocean Avenue and 7th Avenue, Harrison Memorial Library, located on the NE corner of Ocean Avenue and Lincoln Street, the Carmel-by-the-Sea Post Office, 5th Avenue between Dolores Street and San Carlos Street, and the City's webpage <http://www.ci.carmel.ca.us> in accordance with applicable legal requirements.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this agenda, received after the posting of the agenda will be available for public review at City Hall located on Monte Verde Street between Ocean and Seventh Avenues during regular business hours.

SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 831-620-2000 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting (28CFR 35.102-35.104 ADA Title II).



CITY OF CARMEL-BY-THE-SEA CITY COUNCIL Staff Report

March 26, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Mary Bilse, Environmental Programs Manager
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Receive a presentation from Integral Corp./Haro Kasunich & Associates/EMC Planning Group providing the findings of the Coastal Engineering Study, Phase 1

RECOMMENDATION:

Receive a presentation from Integral Corp./Haro Kasunich & Associates/EMC Planning Group providing the findings of the Coastal Engineering Study, Phase 1.

BACKGROUND/SUMMARY:

At their August 2, 2022 meeting, the City Council adopted the City of Carmel-by-the-Sea's Climate Adaptation Plan and Climate Action Plan under Resolution 2022-064. Council commented that implementation of these Plans is imperative and requested the Climate Committee to continue to oversee implementation of certain projects, including the Coastal Engineering Study.

At the November 2022 meeting, the City Council adopted Resolution 2022-094 awarding a Professional Services Agreement with EMC Planning Group, for a not-to-exceed fee of \$175,000, to conduct the Coastal Engineering Study and Adaptation Planning Project. Key subconsultants for this Study are Integral Corporation and Haro Kasunich & Associates.

To develop the project's scope of work, the Consultant team reviewed the 2001 Coastal Development Permit for Scenic Road Armoring Repairs, 2003 Shoreline Management Plan (Shonman and D'Ambrosio), 2016 Carmel Shoreline Assessment Update, 2016 Assessments of Shoreline Improvements at Carmel Beach (Easton Geology), and the City's 2022 Climate Adaptation and Climate Action Plans.

The Coastal Engineering Study will be completed in two phases. Phase 1 consisted of five tasks and was City-funded in the Capital Improvement Plan (CIP), while Phase 2 is funded by a recently-executed California Coastal Commission reimbursement grant of \$500,000. Phase 2 will include Hazard Policy review and revisions, public outreach, and adaptation pathway development. The results of Phase 2 will be presented to the City Council and various Commissions and Committees over the next two years.

At today's City Council Special Meeting, David Revell, PH.D., Principal, and Matt Jamieson, Project Scientist, from Integral Corp will present their key findings of Task 1, Coastal Engineering Condition Evaluation, Task 2, Carmel Climate Change Vulnerability Assessment and the Shoreline and Beach

Change Analysis: Seasonal and Long Term, Task 3, Shoreline and Beach Erosion Modeling and Sea Level Rise, and Task 4, Coastal Hazard and Sea Level Rise Vulnerabilities to the City Council and the public. This final presentation to the City Council will complete Phase 1 services.

Below is a brief summary of the findings of Phase 1, Tasks 1- 4:

Phase 1 – Coastal Engineering and Hazard Assessment

Task 1 – Coastal Engineering Condition Evaluation

In December 2022 through February 2023, Haro Kasunich and Associates (HKA) assessed the general condition of the coastal protection structures and stairways that were visible at Carmel Beach. HKA inventoried the length, footprint and other factors of the coastal protection structures. They determined the effectiveness of restacking rip rap revetment structures and lateral/vertical extensions of both revetments and vertical seawalls. HKA estimated the existing life of the structure until it ceases to adequately provide protection for the bluff and roadway. However, this general assessment was not intended to provide detailed engineering evaluations of each structure. These services will be performed over time as part of the separate Shoreline Infrastructure Repair Project under the Capital Improvement Program.

Severe winter storms and ocean wave runup scoured portions of the beach in early 2023, temporarily removing beach sand that covered the lower portions of some coastal protection structures, allowing them to be inspected. These structures consisted of 11 seawalls, 6 revetments, and 11 stairways. In total, HKA inspected 5,537 lineal feet of coastline, which contained 4,119 lineal feet of coastal armoring.

At the March 9, 2023 Forest and Beach Commission meeting, the Consultant team presented their findings of **Task 1, Coastal Engineering Condition Evaluation**. The Consultant team also presented their key findings of Task 1 to the Climate Committee on November 16, 2023.

The following table summarizes the key issues of the Condition Assessment.

Coastal Infrastructure	Total Number	In Need of Repair	High Priority Repairs
Seawalls	11	2-4	1
Beach Access Stairs	11	9	3
Revetments	6	4	3

The **Task 1, Coastal Engineering Condition Evaluation** is located on the City's website:

[https://ci.carmel.ca.us/sites/main/files/file-](https://ci.carmel.ca.us/sites/main/files/file-attachments/12176_carmel_beach_adaptation_coastal_protection_assessment_4-27-2023_rev.pdf?1692201318)

[attachments/12176_carmel_beach_adaptation_coastal_protection_assessment_4-27-2023_rev.pdf?](https://ci.carmel.ca.us/sites/main/files/file-attachments/12176_carmel_beach_adaptation_coastal_protection_assessment_4-27-2023_rev.pdf?1692201318)
1692201318. The associated Task 1 presentation is located on the City's website:

https://ci.carmel.ca.us/sites/main/files/file-attachments/city_council_slideshow_3-9-2023.pdf?1710868888

Task 2 - Shoreline and Beach Change Analysis – Long Term and Seasonal

The Consultant team presented the findings of **Task 2 – Shoreline and Beach Change Analysis** to the Forest and Beach Commission at their August 10, 2023 meeting. The Consultant team also presented their findings of Task 2 to the Climate Committee on November 16, 2023.

This study determined the seasonal and historical trends of shoreline position and beach sand widths using historic reports and imagery data dating back to the 1940s.

Long Term

The sand affecting Carmel Beach extends beyond the City limits north to include Pebble Beach along the 10th golf course hole.

Overall, the long-term shoreline position and beach widths have been relatively stable. This indicates a relatively stable amount of sand in the sandy beach compartment.

On average, the beach widths were narrower south of Eighth Avenue, wider at Pebble Beach, and the widest in the dune-backed areas near the Del Mar parking lot.

Seasonal

The beach widths change seasonally, where the narrowest beach widths occur in the spring (after winter storm waves), and the widest beach widths occur in the fall (after small summer waves).

The highest range in beach widths occurs south of Eighth Avenue and near Pescadero Creek (around the offshore rock).

The beach width was most stable in the dune-backed areas near the Del Mar parking lot.

Storm Impacts and Recovery

During strong west swells (often in El Niño years), when beach erosion is highest, most of the sand is moved offshore, exposing bedrock under the sand in some areas.

The highest observed cliff erosion was between 20-40 feet and was observed following the 1982-1983 El Niño.

Recovery after large storm events occur can take a few years, and the area south of Eighth Avenue usually takes the longest.

A link to the **Task 2 – Shoreline and Beach Change Analysis** is located on the City's website: https://ci.carmel.ca.us/sites/main/files/file-attachments/carmel_climate_change_va_task2_shoreline_and_beach_change_0.pdf?1699315046. The Task 2 presentation is located on the City's website: https://ci.carmel.ca.us/sites/main/files/file-attachments/carmel_task_2_presentation_fbcommission_08102023.pdf?1692199802

Task 3 - Shoreline and Beach Erosion Exposure Modeling with Sea Level Rise

At the February 15, 2024 Climate Committee meeting, the consultant team presented their key findings of **Task 3, Shoreline and Beach Erosion Modeling with Sea Level Rise** and **Task 4, Coastal Hazard and Sea Level Rise Vulnerabilities** to the Committee and the public. On March 14, 2024, the Consultants presented Tasks 3 and 4 to the Forest and Beach Commission and the public.

The following summarizes the key issues of the Shoreline and Beach Erosion Exposure Modeling with Sea Level Rise. Consultants will present the potential effect of future beach narrowing and cliff and dune erosion hazard extents with sea level rise. The coastal erosion hazard projections include the effect of the existing City's coastal armoring (such as revetments and sea walls) as well one that considers a future without armoring present. The differences will be useful in Phase 2 of the project when examining the implications of various adaptation strategies.

Summer Beach Width Changes (with Armoring)

It is projected that the width of Carmel Beach will narrow between 50 - 60 feet for each foot of sea level rise. Please note that the sea level rise projection years shown below are approximate estimations. Assuming that the location of the backshore does not change, the following average summer beach conditions are projected:

- By 2 feet of sea level rise (2060 – 2080), lateral access to areas south of Twelfth Avenue headland may be obstructed.
- By 3 feet of sea level rise (2070 – 2100), the southern end of Carmel Beach south of Eighth Avenue is projected to be a series of pocket beaches rather than one continuous stretch of dry sand beach. Only during highly recovered conditions will a dry sand beach remain south of Twelfth Avenue.
- By 4 feet of sea level rise (2080 – 2100+), the only continuous dry sand beach remaining will be from the North Dunes sand ramps to Pescadero Canyon. In the south, only two small pockets of dry sand beaches are projected to remain around Eighth Avenue and Eleventh Avenue.
- By 5 feet of sea level rise (2090 – 2100+), only one pocket of dry sand beach around the North Dunes and the Fourth Avenue stairs are likely to remain.

Coastal Cliff and Dune Erosion

For the armored erosion projection, erosion rates are dampened significantly in the near term. However, with increasing sea level rise, the effectiveness of the armoring is reduced, leading to an acceleration in blufftop erosion above the coastal armoring beyond 1 foot of sea level rise.

In the armored scenario, the following is projected:

- By 1 foot of sea level rise (2045 – 2060), the areas with the greatest threat of erosion are the private oceanfront properties near Pescadero Canyon, the dune-backed shore between Fourth and Eighth Avenues, the lower cliffs between Eighth Avenue and Eleventh Avenue, and the unarmored cliffs by Twelfth Avenue.
- By 2 feet of sea level rise (2060 – 2080), erosion rates accelerate as coastal armoring is more likely to be overtopped by larger waves. Areas behind seawalls have projected erosion hazard distances of 20 to 40 feet.
- By 4 feet of sea level rise (2080 – 2100+), the highest erosion distance is projected around Twelfth Avenue, where a combination of factors related to local geology, wave heights, and lack of armoring yield projections of retreat up to 150 feet. Areas of the North Dunes around the Del Mar sand ramp also see higher projections of retreat of up to 90 feet, extending to the volleyball courts.

Task 4 – Coastal Hazard and Sea Level Rise Vulnerabilities

The scope for Task 4 was to determine the bluff-top assets and infrastructure potentially exposed to coastal erosion under armored and unarmored conditions. The vulnerability assessment evaluated erosion hazard exposure to land use and structures, roads and parking, and other infrastructure. For succinctness, results of only the coastal armored scenario are presented below. The full suite of results for Tasks 3 and 4 are provided in the technical report provided on the City's website: https://ci.carmel.ca.us/sites/main/files/file-attachments/carmel_climate_change_va_task3and4_draft_feb_2_2024.pdf?1710870221. The Task 3 and 4 presentation is located on the City's website: https://ci.carmel.ca.us/sites/main/files/file-attachments/carmel_presentation_climatecommittee_feb2024_0.pptx?1710868563

- Currently, all of the assets and infrastructure along the beach and bluff including 11 coastal access

stairways, the Scenic Drive Pathway, and the stormwater drainage network are exposed to erosion. The public restroom adjacent to the Santa Lucia Avenue stairs is exposed to erosion and will face increased threat from coastal wave flooding in the future.

- By 1 foot of sea level rise (2045 – 2060), Scenic Drive is exposed to erosion in 6 locations, largely around Twelfth Avenue and between Tenth and Eighth Avenue. A sewer force main near Martin Way may be exposed, as well as a sewer main between Ninth and Tenth Avenues, and a sewer main under the dunes between Seventh and Eighth Avenues. Waves overtopping the bluff are expected to be more likely along the southern seawall by Santa Lucia Avenue.
- By 2 feet of sea level rise (2060 – 2080), nearly the entire length of Scenic Drive may be exposed to erosion, including most of the underground water and sewer infrastructure. This includes a water main between Eighth and Tenth Avenues. Waves overtopping the bluffs are expected to be more likely between Tenth and Eleventh Avenues.
- Between 2 and 4 feet of sea level rise (2060 – 2100+), 45 homes along Scenic Drive and at Pescadero Canyon are projected to potentially be exposed to erosion. One additional water main under Scenic Drive south of Thirteenth Avenue may be exposed to erosion. One additional sewer force main may be exposed to erosion by Eighth Avenue. The Del Mar parking lot will also be exposed to erosion. Waves overtopping the bluffs are expected to be more likely between Ninth and Tenth Avenues.

Generally, the sea level rise impacts noted in the above report are based on making no further investments in armoring or adaptation to address the anticipated coastal damages. Clearly, inaction or delayed action may result in costly damages and emergency repairs due to the cumulative effect of sea level rise, wave action, flooding, storms, and coastal erosion. Phase 2 of the Coastal Engineering Study will include development of sea level rise adaptation strategies, in collaboration with other City departments, community stakeholders, and the California Coastal Commission, in order to make the City more resilient in the face of rising sea levels. Such efforts may prolong the useful life of Carmel Beach and the shorefront for as long as possible.

Task 5 – Policy Review

Consultants also prepared a memo summarizing **Task 5 – Policy Review** the City's existing coastal hazard policies and identifying recommended updates to the Local Coastal Program to be prepared in Phase 2. This memorandum was approved by staff.

FISCAL IMPACT:

No direct fiscal impact for this presentation. In November 2022, the City Council awarded a Professional Services Agreement to EMC/Integral/Haro Kasunich, for a not-to-exceed fee of \$175,000, for Phase 1 of the Coastal Engineering Study, a Capital Improvement Project. Phase 1 was completed on budget.

PRIOR CITY COUNCIL ACTION:

At the November 2022 meeting, the City Council adopted Resolution 2022-094 awarding a Professional Services Agreement with EMC Planning Group, for a not-to-exceed fee of \$175,000, to conduct the Coastal Engineering Study and Adaptation Planning Project. Key subconsultants for this Study are Integral Corporation and Haro Kasunich & Associates.

ATTACHMENTS:



CITY OF CARMEL-BY-THE-SEA

CITY COUNCIL

Staff Report

March 26, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert Harary, P.E, Director of Public Works
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Second Review of the proposed Fiscal Year 2024/25 Capital Improvement Program and provide direction to staff

RECOMMENDATION:

As a follow-up to the March 5th meeting's first review of the proposed Fiscal Year (FY) 2024/25 Capital Improvement Plan, staff requests that the City Council:

- 1) Review questions from Council and the public from the March 5th meeting, with responses (**Attachment 1**).
- 2) Review and provide direction on five (5) carry-over or new projects that were refined since March 5th to reflect changes to implementation strategy or updated cost estimates.
- 3) Tentatively approve, or provide alternative direction to staff, for the following issues project categories:
 - Four (4) projects recommended to be cancelled or modified.
 - Fifteen (15) capital projects funded in (or prior to) FY 2023/24 that are recommended to be carried over, with remaining funds, into FY 2024/25.
 - Six (6) carry-over paving, drainage, and facility renovation projects requiring supplemental funding for construction.
 - Six (6) potential new projects funded by the Vehicle and Equipment Fund.
 - Thirteen (13) potential new projects funded by the Capital Improvement Fund.

BACKGROUND/SUMMARY:

At the March 5, 2024 meeting, the City Council received a presentation from the Director of Public Works regarding:

- Capital improvements and key operating budget projects completed, or scheduled to be completed, in FY 2023/24.
- Projects recommended to be cancelled or modified.
- Capital projects funded in (or prior to) FY 2023/24 that are recommended to be carried over, with remaining funds, into FY 2024/25.
- Carry-over paving, drainage, and facility renovation projects that require supplemental funding for

construction.

- Potential new projects funded by the Vehicle and Equipment Fund.
- Potential new projects funded by the Capital Improvement Fund.
- An introduction of the Updated 5-year Capital Improvement Plan (FY 2024/25 through 2028/29).

The Staff Report and Presentation slides from the March 5, 2024 meeting are enclosed as **Attachment 2** and **Attachment 3**, respectively.

This Staff Report is a follow-up to the March 5th meeting and focuses on the following three areas, each of which will be discussed at the March 26th Special Council meeting. Staff requests that City Council:

- A) Review questions and comments from Council and the public with responses, included in **Attachment 1**.
- B) Review and provide direction to staff on five (5) carry-over or new projects that were refined since March 5th to reflect changes to implementation strategy or updated cost estimates.
- C) Tentatively approve, or provide alternative direction to staff, for the following project categories:
 - Four (4) projects recommended to be cancelled or modified.
 - Fifteen (15) capital projects funded in (or prior to) FY 2023/24 that are recommended to be carried over, with remaining funds, into FY 2024/25.
 - Six (6) carry-over paving, drainage, and facility renovation projects requiring supplemental funding for construction.
 - Six (6) potential new projects funded by the Vehicle and Equipment Fund.
 - Thirteen (13) potential new projects funded by the Capital Improvement Fund.

For brevity, completed projects, carry-over project descriptions, and general summary of the 5-year Capital Improvement Plan will not be reviewed at this time, but information on these issues is available in the Attachments.

A) Responses to questions and comments from Council and public are included in Attachment 1.

B) Since the March 5th first review of the CIP, the following five projects have been refined to reflect changes to strategy, updated cost estimates, or other reasons:

1. PG&E Rule 20A Project. As noted in Question 6 in Attachment 1, this project will be included in the list of carry over projects into FY 2024/25.

2. Reconstruction of the San Antonio/Ocean Intersection. This intersection was designed as part of the FY 23 Concrete Streets Project, but it can be extracted and moved up into the FY 24 Paving Project with minor modifications to the design plans, specifications, and contract documents. As noted on March 5th, the FY 24 Paving project is proposed to be constructed in FY 25 and be combined with the four FY 22 paving bid additives that were deferred. The bid additives include paving along San Antonio Avenue, between Fourth and Ocean Avenues, and along San Antonio, between Ocean and Eighth Avenues. Thus, if this intersection is included, the FY 25 paving project would resurface the entire length of San Antonio between Fourth and Eighth Avenues.

The estimated cost to reconstruct the intersection is \$254,000, and the estimated cost to incorporate the intersection into the FY 24 project is \$39,000. This intersection can be funded by advancing all remaining funding from the FY 23 Concrete Streets project into the FY 24 project. The total cost of

the revised, combined project would be \$2.8M.

3. Lincoln/Fourth Trestle Bridge. At the March 5th meeting, this new project was identified with a proposed initial budget of \$175,000 for design and environmental review. However, it may be premature to advance this project into design without an initial condition assessment. Staff now recommends that this project be deleted from the FY 2024/25 CIP, but requests a \$40,000 allocation in the Public Works/Street Maintenance Division Operating Budget to fund a structural engineering evaluation of the bridge. Depending on the results of this evaluate, the extent of repairs, cost estimates, and need for any environmental permitting will be established. If repairs can not be completed by in-house crews, the project may be included back into the CIP in an upcoming fiscal year.

4. San Antonio Pathway Reconstruction, Second to Fourth Avenues. At the March 5th meeting, the construction cost estimate was projected at \$275,000. Recently, Ausonio and staff met with the structural engineer who explained how the original design was substandard and proposed a new design which utilizes all 44 existing, buried concrete piers. The proposed design requires excavating at each pier, constructing a concrete pier cap, erecting a column, replacing wood lagging, installing a drainage device, restoring the Pathway, and reinstalling the grape stake fence. As a result, the revised cost estimate has increased to \$550,000. Refer to Question 12 in Attachment 1.

5. Ocean Avenue Paving Project, Carpenter to Highway 1. This new project could be incorporated into the FY 2024/25 CIP as a new project entirely funding by Monterey County. While there may be no direct costs to the City, this large-scale project would require City staff and a project management consultant, to develop an interagency funding agreement with the County, manage third party development of design plans and specifications, coordinate with CalTrans, the County, and impacted residents, and perform other project implementation tasks. While this is a worthwhile project, the impact on staff resources must be considered. Alternatively, further requests could be made to the County to implement their own project in a timely manner.

C) Council will be requested to tentatively approve, or provide alternative direction to staff, for the following issues project categories:

1. The four (4) Prior Projects recommended to be cancelled or modified are:

- **Harrison Memorial Library Backup Generator.** Include in the Library Master Plan renovation projects and cancel as a separate project.
- **Harrison Memorial Library Carpet Replacement.** Include in the Library Master Plan renovation projects and cancel as a separate project.
- **North Dunes Habitat Restoration Interpretive Signage and Split Rail Fence.** The split rail fence will be installed by Public Works this spring, and ongoing restoration and environmental monitoring are covered by the operating budget. However, until specific funding has been committed for upgraded interpretive signage, this project should be canceled.
- **Resilience Infrastructure Planning and Design.** Since this project has been integrated with the Police Building Project, the remaining balance of \$83,000 should be reallocated into that project account.

2. The fifteen (15) Prior Projects recommended to be carried over, with remaining funds, into FY

2024/25 are listed in the table below:

No.	Asset Category	Project	City Funds, Initial Balance	External Funds
1	Fleet	Ambulance and Equipment (delivery late 2025)	\$275,000	\$50,000
2	Fleet	Fire Engine – Prepaid \$880K (delivery late 2025)	0	
3	Streets	<i>FY 23 Concrete Street Repairs: Shovel Ready, Supplemental Funding Needed FY 26, 27</i>	564,000	441,000
4	Streets	<i>FY 24 Paving Project: Shovel Ready July, Supplemental Funding Needed</i>	657,000	439,000
5	Drainage	<i>Drainage System Repairs: Shovel Ready July, Supplemental Funding Needed</i>	580,000	
6	Drainage	<i>MTNP – 3 Stream Stability/Drainage Projects Bid, Supplemental Funding Needed</i>	85,000	178,000
7	Environment	Coastal Engineering Study, Phase 2	0	500,000
8	Environment	Shoreline Infrastructure Repairs – 2 structural stairs, cost estimating & environmental permitting for all shoreline repairs	350,000	50,000 FEMA
9	Facilities	- <i>City Hall Roof Replacement</i> - <i>Sunset Center Cottage Window Repairs Both Shovel Ready, Supplemental Funding Needed</i>	160,000 100,000	
10	Facilities	Police Building Project	3,239,000	
11	Facilities	Sunset Center North Lot Electrical Panels	100,000	TBD
12	Library	Library Master Plan, Phases II-IV	100,000	TBD
13	Forestry, Parks	Scenic Pathway Hardscape Renovations	100,000	100,000
14	Contingency	Contingency: \$337K spent. Balance of \$163,000 for MTNP 3 Drainage Bid	500,000	
15	Environment	PG&E Rule 20A Undergrounding	0	667,000
Totals			\$6,810,000	\$2,425,000

2. The six (6) carry-over paving, drainage, and facility renovation projects requiring supplemental funding for construction are listed in the table below:

No.	Shovel Ready	Construction Cost	Available Funding	Additional Funding
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	Carry Over Projects			Needed
1	FY 22 Bid Additives: (San Antonio, 2-8, Monte Verde, 2–Ocean, Torres 2-4)	\$835,000	\$0	
2A	FY 24 Paving: 4 Overlays, 21 Slurry, 5 Sidewalks	1,682,000	918,000	
2B	San Antonio/Ocean Intersection	293,000	0	
	FY 23 Reallocate all Funding to FY 24/25		792,000	
	FY 25 Funding – No New Project, Typical TAMC/MOE Allocations		TAMC 440,000	MOE 660,000
	Paving Subtotals	2,810,000	2,150,000	660,000
3	Drainage System Repairs (4)	1,052,000	414,000	638,000
4	MTNP Stream Stability/ Drainage Projects	510,000	408,000	102,000
5	City Hall Roof Replacement	350,000	183,000	167,000
6	SC Cottage Window Repairs	200,000	100,000	100,000
	Additional Allocation Needed	\$4,922,000	\$3,255,000	\$1,667,000

4. The six (6) potential new FY 2024/25 projects funded by the Vehicle and Equipment Fund are listed in the table below:

No.	Asset Category	Project	City Funds	External Funds
1	IT	Council Chambers AV Upgrade	\$60,000	
2	IT	Core Networks (2016 Arista Switches expire)	50,000	
3	IT	Network Firewalls (2017 end of useful life)	180,000	
4	Fleet	Police Radios Lease, Year 4 of 6	30,000	
5	Fleet	Police EV Patrol Vehicle (2017)	75,000	\$15,000
6	Fleet	Public Works Dump Truck (1995)	150,000	
Total			\$545,000	\$15,000

5. The thirteen (13) potential new FY 2024/25 projects funded by the Capital Improvement Fund are listed in the table below:

No.	Asset	Project	City Funds	External
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	Category			Funds
1	Drainage	Junipero Bypass Drainage Project - Design	\$175,000	
2	Streets	San Antonio Pathway Reconstruction – PM, Construction	550,000	
3	Streets	Sunset Center Retaining Walls – PM, Construction	550,000	
4	Streets	Lincoln/Fourth Trestle Bridge – Move structural assessment to Ops Budget	0	
5	Facilities	Sunset Center Portico – PM, Design & Construction	450,000	
6	Facilities	Vista Lobos: 3 EV Charging Stations and Building Electrical Panel – Construction	400,000	60,000
7	Facilities	ADA Upgrades, Year 7	20,000	
8	Facilities	Norton Court Garage Security Access System	15,000	
9	Forestry/ Parks	MTNP Laiolo Bridge and Path Realignment, Env. and Design	175,000	
10	Environment	Shoreline Wall: Fourth Avenue Outfall PM, Env. and Design	250,000	
11	Library	Park Branch – Windows and Dry Rot	45,000	
12	Contingency	CIP Contingency FY 25	400,000	
13	Streets	Ocean Avenue, Carpenter to Highway 1 Monterey County Project	0	500,000
		Total	\$3,030,000	\$560,000

FISCAL IMPACT:

The preliminary amount of CIP project funding available to be carried over into FY 24/25 is approximately \$5.9M. This amount will be refined during the remainder of the current FY23/24. For comparison purposes, approximately \$6.8M was carried over from prior fiscal years into the FY 23/24 CIP budget.

The additional fiscal impact for FY 24/25 cannot yet be assessed until specific projects are selected or deferred by the City Council.

Carry-Over Paving, Drainage, and Facility Renovation Projects requiring Supplemental Funding: Staff recommends that the FY22 bid additives, FY24 paving project, and San Antonio/Ocean Avenue intersection, as well as two drainage projects, and two facility renovation projects, most of which have been designed, bid, and/or are “shovel ready” for bidding and construction, be funded before allocating capital funds to new projects that have not yet been started. A total amount of \$1,667,000 of City funds are needed to complete these six important projects.

Potential New Projects-Vehicle & Equipment Fund: Six (6) new vehicle and equipment projects are proposed at an estimated cost of \$545,000. The City recognizes a 10% reserve in the Vehicle and Equipment fund balance for replacements. For FY 24/25, the Vehicle & Equipment Fund reserve balance is estimated to be \$310,000.

Potential New Projects – Capital Improvement Fund: 13 additional projects were listed above with a total estimated cost of \$3,030,000. Staff recommends that this list be slimmed down to fit into the available budget.

PRIOR CITY COUNCIL ACTION:

On March 5, 2024, Council received a presentation regarding:

- Capital Improvements and key operating budget projects completed, or scheduled to be completed, in FY 2023/24.
- Projects recommended to be cancelled or modified.
- Capital projects funded in (or prior to) FY 2023/24 that are recommended to be carried over, with remaining funds, into FY 2024/25.
- Carry-over paving, drainage, and facility renovation projects requiring supplemental funding for construction.
- Potential new projects funded by the Vehicle and Equipment Fund.
- Potential new projects funded by the Capital Improvement Fund.
- Introduction of the Updated 5-year Capital Improvement Plan (FY 2024/25 through 2028/29).

ATTACHMENTS:

Attachment 1) CIP Questions and Answers

Attachment 2) March 5, 2024, Staff Report (CIP)

Attachment 3) March 5, 2024, CIP Presentation

CIP Questions and Answers

March 26, 2024

Questions and comments from Council and public are listed below with responses to each.

1. *What buildings does the City own and what is the estimated deferred maintenance costs for each?*

Response:

No.	Building	Year Built	Square Feet	Condition Assessed (Firm/Year)	Estimated Repairs/ Renovations
1	City Hall	1913	6,572	BV 2023	\$2.1M
2	Fire Station	1937	3,375	BV 2023	\$1.5M
3	Vista Lobos	1954	6,000	BV 2023	\$0.6M
4	Police Station	1966	7,500	Indigo 2023	\$11 - \$20M
5	Public Works	1966	15,614	BV 2023	Pending PD
6	HM Library	1927	7,466	Jayson 2023	\$10M LMP
7	PB Library	1971	8,310	Jayson 2023	\$15M LMP
8	Flanders Mansion	1925	5,380	2018 RFP	
9	Scout House	1931	3,820	2023 RFP	\$1M
10	First Murphy House	1902	760	H&A 2013	
11	Forest Theater	1939+	12,350	H&A 2013	Renov. 2015
12	Sunset Center	1925-31	45,634	H&A 2013	Renov. 2001
13	Norton Garage	1989	10,500		
14-20	7 Public Restrooms		3,500	Proposed FY27	
Totals			136,781		

2. *What is the estimated total carry-over amount and the new FY 2024/25 proposed amounts? What is the forecast for funding next year?*

Response: The estimated total carry-over amount into FY 2024/25 is \$6.81M of City Funds plus \$2.43M of external funds (now including PG&E Rule 20A). The total amount of the supplemental funding for six “shovel ready” projects (\$1,667,000), plus six proposed new Vehicle and Equipment Fund projects (\$545,000), and the 13 proposed Capital Improvement Fund projects (\$3,030,000) would be \$5,242,000 of City funds plus \$515,000 of external funds.

While the forecasted funds for FY 2024/25 are not yet available, Council is requested to review and defer projects that may not be urgent at this time or which

may exceed available funding.

3. *Our roads are badly cracked. Can we add more funding to improve the streets?*

Response: According to our “Street Saver” Pavement Management Program, the City’s overall Pavement Condition Index (PCI) has been slowly deteriorating over the past five years as indicated in the chart below. In 2019, the PCI of 78 was the highest of any agency in Monterey County. Since then, a three-year gap in paving projects caused by the Pandemic has reduced the PCI down to 71, as was anticipated.

HISTORICAL PAVEMENT CONDITION
TRENDS



With the proposed \$2.8M street improvement project for FY 2024/25 and ongoing annual investments (local plus external funding) of \$1.1M, our pavement condition is expected to be maintained in the 70s, at least for the next five years. Increasing investment for streets must be weighed against other significant infrastructure needs such as for priority drainage, shoreline infrastructure, and City building repairs.

4. *Why are we spending so much for consultants?*

Response: The City relies on consultants to provide professional services for two primary reasons. First, City staff does not possess the wide range of technical expertise needed for many projects, such as in the following service areas: Architecture, coastal engineering, electrical engineering, geotechnical engineering, hazardous materials testing, landscape architecture, mechanical engineering, structural engineering, surveying, and traffic engineering.

The other primary reason is that while staff does have the needed technical expertise, the quantity of projects requires the City to supplement staff, such as for the following service areas: Arboricultural services, Building Code plan checking, civil engineering, construction management, environmental services, historic preservation, planning services, and project management. Per state law,

consultants are hired on the basis of demonstrated competency, qualifications, and experience, not on lowest price. Also refer to Question 11 below.

5. *Can the proposed landscaping on the Ocean Avenue median island include an irrigation connection to facilitate watering plants and flowers around the WWI Memorial Arch?*

Response: Yes.

6. *Why wasn't the PG&E Rule 20A Undergrounding funds included in the CIP?*

Response: The Rule 20A Undergrounding Project was included in the current FY 2023/24 budget and shown in the 5-year CIP spreadsheet. However, on March 5th, this should have been included as a carryover project with external funding. This has been corrected.

7. *Does the City have a plan to ultimately replace the new ambulance and fire engine?*

Response: Public Works and Public Safety maintain a list of all vehicles and equipment in the City's fleet. This list is updated each year as part of the CIP programming process, and projects 15 years out. The incoming ambulance and fire engine are not yet in the City's fleet; however, once they arrive, they will be added to the list and forecasted when they are due to be replaced.

Our current Fire/Ambulance services operate with two fire engines and two ambulances. One vehicle for each serves as a back-up for the primary. When we replace a fire engine or ambulance, we are essentially replacing the back-up. The new vehicle becomes the primary, and the old one moves to the back-up role.

8. *Carmel Cares suggests fundraising to donate a bobcat or tractor to Public Works to help sand movement on Carmel Beach.*

Response: The City would greatly appreciate such a donation. Currently Public Works has to rent this equipment.

9. *Can the City increase the transfer tax to provide additional revenue?*

Response: Under California law, a charter city may only enact or increase a real property transfer tax that is a general tax. Therefore, the real property transfer tax would have to be approved by a majority of the voters. Should Council wish to pursue this option, a preliminary discussion may be prudent at the March 28th Strategic Planning Workshop.

10. *What is the cost estimate to fix the roadway along Ocean Avenue in the County's jurisdiction, between Carpenter Street and Highway 1?*

Response: Monterey County Public Works officials have informed a local resident that the cost estimate to repair Ocean Avenue in the County's jurisdiction would be \$500,000. City staff believes that this cost estimate is overly optimistic and may not include the full cost considering traffic detours, drainage, CalTrans permitting, required ADA ramps, etc.

With Council's direction, Staff could begin to discuss the possibility of entering into an Interagency Agreement with Monterey County such that the City would oversee a program management consultant who would in turn oversee the development of design plans, CEQA documentation, bidding, and construction of the proposed project, all at the expense of the County.

11. *What are our costs for consultant project management services? What is the cost if we were to add a second project manager position in-house?*

Response: For the past two fiscal years, the City has retained three project management firms for the total fees to advance the following projects:

- **4 Leaf, \$198k:** Includes Police Building Project, FY 22 Paving Project specifications, and technical support for resilience and electrical panel assessment projects.
- **Ausonio, Inc., \$250k:** Includes City Hall retaining wall repair, Sunset Center and HML exterior painting projects, City Hall roof replacement, Cottage Windows repairs, 4 facility condition assessments, design of Sunset Center's portico and retaining wall repairs, San Antonio pathway structural repairs, and Park Branch Library dumbwaiter.
- **Wallace Group, \$350k:** Includes Mission Trail Nature Preserve tank/pump house/well removal design, oversight of FY 23 Concrete Streets Project and the Storm Drain Master Plan Update, wayfinding signs, shoreline infrastructure repairs, and design of the FY 24 Paving Project.

This \$800k investment over two years allowed the City to advance 20 capital improvement projects.

The fully-burdened cost (salary plus benefits) for a City Project Manager is roughly \$190,000 (pending). A Project Manager can support an average of eight to ten projects at a time. Thus, hiring a second Project Manager on staff would ultimately reduce outside consultant fees, but continuing to retain project management consultants is still a prudent strategy until the current backlog of projects can be reduced.

12. *The failed fencing along the San Antonio pathway, between Second and Fourth Avenues appear, was originally a joint project with Pebble Beach. Pebble Beach appears to have a similar problem with the fencing north of the Pebble Beach gate. Does Pebble Beach have a plan for repairs and would they be willing to participate in funding?*

Response: The Pebble Beach Community Services District advised staff to reach out to representatives of the Pebble Beach Company. While the fence inside Pebble Beach appears to be similar to the fence along San Antonio Avenue, it is not yet clear if the same, or alternative foundation design, was used there. More information is forthcoming.

13. *What is the total cost to implement all of the priority drainage repairs identified in the 2023 Storm Drain Master Plan (SDMP) Update?*

Response: The 23 priority projects identified in the SDMP Update are estimated to cost \$14.7M. Three of the six highest priority repairs will be “shovel ready” for construction pending supplemental funding of \$638,000 proposed in FY 2024/25. The design of one additional high priority project, the Junipero Bypass, is a proposed new project valued at \$175,000 for FY 2024/25.

The draft 5-year CIP includes an additional \$2.8M in Years 2-5 towards completion of these top six projects. The nine medium priority projects included in the SDMP Update, valued at \$7.7M, would take another 7 to 10 years to complete at current funding levels.

14. *Council requests a presentation about the status of the Library Master Plan.*

Response: The Library Master Plan was presented to the Harrison Memorial Library Board of Trustees on March 20, 2024 and will be presented to Council at an upcoming meeting.

15. *Can we dissect the San Antonio/Ocean Avenue intersection improvements included in the FY 23 Concrete Streets project into the proposed, modified project to be constructed in FY 2024/25?*

Response: Yes. This is one of the proposed project changes described in Section B of the March 26, 2024 Staff Report.



CITY OF CARMEL-BY-THE-SEA

CITY COUNCIL

Staff Report

March 5, 2024
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Robert Harary, P.E, Director of Public Works
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Receive a presentation on the proposed Fiscal Year 2024/25 Capital Improvement Program and Five-Year Capital Improvement Plan, and provide direction to staff

RECOMMENDATION:

1. Receive a report regarding:

- Capital improvements and key operating budget projects completed, or scheduled to be completed, in Fiscal Year (FY) 2023/24
- Projects recommended to be cancelled or modified
- Capital projects funded in (or prior to) FY 2023/24 that are recommended to be carried over, with remaining funds, into FY 2024/25
- Potential new capital improvement projects for FY 2024/25:
 - Carry-over paving, drainage, and facility renovation projects requiring supplemental funding for construction
 - Potential new projects funded by the Vehicle and Equipment Fund
 - Potential new projects funded by the Capital Improvement Fund
 - Funding and staffing resource limitations to complete additional projects
- Introduction of the Updated 5-year Capital Improvement Plan (FY 2024/25 through 2028/29)

2. Provide guidance regarding:

- Total number of FY 2024/25 projects to be funded
- Funding priorities for future Capital Improvement Projects

BACKGROUND/SUMMARY:

Executive Summary

This report outlines 15 capital improvement projects completed, or will be completed, in FY 2023/24, 14 operating budget projects completed in FY 2023/24, and 4 projects that are recommended to be cancelled or modified. Next, 14 current FY projects, with a remaining balance of approximately \$5.9 million, are proposed to be carried over into FY 2024/25.

Key messages/recommendations to highlight in this year's introduction of the FY 2024/25 CIP:

- 6 carry over projects (2 paving, 2 drainage, and 2 facility renovations) are designed and "shovel ready" for construction. However, they require supplemental funding of \$1.7M to complete. FY 2024/25 capital funding should be programmed to construct these projects **prior to planning or funding any new projects**.
- 6 new vehicle and equipment funded projects, valued at \$545,000, have been identified for consideration for FY 2024/25. Should sufficient funding be available, all of these projects should be considered as the acquisition of vehicles and equipment requires less time and resources versus multi-year infrastructure projects which requires engineering, environmental permitting, public bidding, and construction.
- 12 potential new capital projects, valued at \$2.88M, have also been identified for FY 2024/25 capital funds. Staff recognizes all of the projects have merit; however, the total cost of the projects exceeds available funding. More importantly, even without the addition of these new projects, the City's project management resources have **no additional capacity over the next year**.
- Setting funding availability aside, the total number of CIP Projects programmed to begin in FY 2024/25 should be limited to projects that are "shovel ready" and able to be started with the staff resources available. **Therefore, only a minimal number of critical new CIP projects should be added for FY 2024/25.** This approach will ensure a more manageable and achievable plan for the next year.

Capital Project Definition

While reviewing capital projects, it is helpful to have a common understanding of what constitutes a "Capital Project." The Government Accounting Standard Board uses the term "capital assets" to include "land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, historical treasures, infrastructure, and other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period."

For the City of Carmel-by-the-Sea, staff recommends that we continue to define a Capital Project, or a Capital Outlay, as an asset with any single component or piece of equipment that costs more than \$10,000 and has an expected useful life exceeding ten (10) years.

Some of the projects listed below, such as reports and plans, may not fall under the true definition of a capital project. However, some reports may include recommendations for future capital projects. One example would be the Coastal Engineering Study which has identified numerous physical improvements to be made along the shoreline over the next several years. Other projects are considered one-time special projects designed to meet regulatory requirements, address public safety needs of the community, and/or enhance operational effectiveness.

Infrastructure Needs

A preliminary 5-year Capital Improvement Plan (CIP) is included in **Attachment 1**. This 5-year CIP framework provides information on the needs for necessary infrastructure for the upcoming fiscal year, as well as a forecast for the subsequent four years. Many of these needs have been identified through assessments and plans for City assets, including:

- 2013 Carmel Facilities Assessments
- 2018 ADA Transition Plan
- 2018 MTNP Stream Stability Study
- 2020 Storm Drain Master Plan and 2023 Master Plan Update
- 2022 Climate Action and Climate Adaptation Plans
- 2023 Street Saver Pavement Management Plan/Update
- 2023 Electrical Panel Studies (City Hall, Fire Station, Vista Lobos)
- 2023 Facility Condition Assessments (City Hall, Fire Station, Public Works, Vista Lobos)
- 2023 Police Building Condition Assessment
- 2023-2024 Coastal Engineering Study, Phase I
- City Council Strategic Priorities list

This CIP provides a framework for the Council to allocate funding for the most critical projects over time.

1. Projects Completed in Fiscal Year 2023/24

Fifteen (15) capital improvement projects, with a total value of approximately \$2,971,000, were completed in Fiscal Year 2023/24, or are anticipated to be substantially completed by June 30, 2024, as tabulated below:

No.	Project	FY 24 City Funds	Ext. Funds
1	ADAUpgrades, Year6	\$20,000	
2	City Hall Retaining Wall Repair	170,000	
3	Coastal Engineering Study, Phase I	233,000	
4	Electrical Panel Assessments: City Hall, Fire Station, Vista Lobos, Ocean/Junipero Median	75,000	
5	FY 22 Paving Project (Junipero, Santa Fe, San Carlos, Camino del Monte/Junipero, San Carlos Bike Lane, 4 Sidewalk Repairs)	878,000	\$364,000
6	Harrison Memorial Library Exterior and Partial Interior Painting, and Sunset Center North Wing Exterior Painting	440,000	
7	IT Servers	50,000	
8	MTNP: Water Tank and Pump House Removal and Well Decommissioning	121,000	
9	Police Radios Lease, Year 3	30,000	
10	Sunset Center Bollards (8)	20,000	
11	Sunset Center Carpenter Hall Heater Replacement	45,000	
12	Sunset Center Portico Design	40,000	
13	Sunset Center – Retaining Walls	40,000	

	Repairs Design		
14	Urban Forest Master Plan* (Strategic Priority) * Outreach and Tree Ordinance Updates continues	225,000	
15	Vehicles: 2 Forestry trucks, 2 Police EVs	220,000	
	Total	\$2,607,000	\$364,000

Last year, a change in strategy was implemented in which ongoing, maintenance-oriented projects were budgeted into the applicable department's operating budget, rather than including such projects into the Capital Improvement Program, even if the budget for these maintenance-oriented projects exceeded \$10,000.

As a review of this change in strategy, the following fourteen (14) additional projects, with a total value of approximately \$329,000, were funded in the FY 23/24 Operating Budget and were completed, or are in anticipated to be substantially completed, by June 30, 2024:

No.	Project	City Funds	External Funds
1	Beautification - Ocean Avenue Medians Renovation with Carmel Cares (Strategic Priority)	\$25,000	TBD
2	Fire Station Deck Resurfacing	5,000	\$5,000
3	Forest Hill Park and North Dunes Split Rail Fences	9,000	
4	Forest Hill Park - Nature Play Equipment (Leadership Carmel Legacy Project Donation)	0	
5	MTNP Eleventh Avenue Footbridge Reconstruction, Entry Road, and Gate	8,000	
6	MTNP Tree Removals (2023 storm-damaged), 36 removals, 7 safety pruning	75,000	
7	North Dunes Habitat Restoration, Year 8	60,000	
8	Park Branch Library Dumbwaiter Decommissioning	15,000	
9	San Antonio Pedestrian Pathway Repairs – Structural Design	25,000	
10	Scenic Pathway Gardeners (Carmel Cares)	28,000	
11	Storm Water Ordinances (Strategic Priority)	0	
12	Sunset Center Fire Pump Recirculation System	8,000	
13	Trash Containers: 20 Dual Trash & Recycling, 10 Trash Only	46,000	
14	Wildfire Risk Assessment Plan (Strategic Priority)	20,000	

	Total	\$324,000	\$5,000
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2. Prior Projects Recommended to be Cancelled or Modified

Four (4) projects are recommended to be cancelled or modified as discussed below.

- **Harrison Memorial Library Backup Generator:** During preliminary design, this project was determined to be cost-prohibitive or too impactful to a historic building. Alternative measures should be included in the planned Library Master Plan renovation projects. Therefore, this separate project should be cancelled.
- **Harrison Memorial Library Carpet Replacement:** Carpeting is planned to be included in the planned Library Master Plan renovation projects. Therefore, this separate project should be cancelled.
- **North Dunes Habitat Restoration Interpretive Signage and Split Rail Fencing (\$25,000 donation):** While several small donations have been received over the past two years, none have sufficient to design and install the desired, upgraded interpretive signage. Therefore, this part of the project should be deferred until specific funding has been programmed. The Split Rail Fencing portion of the project was approved by the Forest and Beach Commission in January 2024, and installation is scheduled in the Spring using Public Works/Street Maintenance funds. Furthermore, ongoing habitat restoration is ongoing and will continue to be budgeted under the Public Works/Environmental Programs operating budget.
- **Resilience Infrastructure Planning and Design:** As recommended in the Climate Adaptation Plan, this project involves developing plans for sustainable backup power to provide continued operations of critical facilities. Preliminary review suggests focusing on the Police and Public Works facilities, and potentially include Vista Lobos, in the event of an extended power outage. While this project is still necessary, Staff recommends that this Project be modified by integrating it into the Police Building Project as originally intended along with the remaining balance of approximately \$83,000, rather than advancing this into future fiscal years as a separate project.

3. Projects Funded in (or prior to) FY 2023/24 that are recommended to be carried over to FY 2024/25

The following 14 capital improvement projects, funded in, or prior to, Fiscal Year 2023/24, but not fully completed, should be carried over into FY 2024/25. The total FY 2023/24 budget for these projects was \$9,761,100 and an estimated balance of \$5,872,659 is proposed to be carried over into FY 2024/25. The exact amount of the carry-over will not be known until the end of the current FY.

Vehicle and Equipment Fund:

- **Ambulance and Equipment/AED (\$325,000):** A contract to build the new ambulance with equipment for \$410,000 was executed last year. Delivery is anticipated in December 2025. Funding of \$275,000 from the Vehicle and Equipment Fund and a \$50,000 donation will need to be carried forward until the invoice is due. Staff recommends carrying the funding over into FY 2024/25, and placing the estimated \$85,000 balance for the ambulance into the 5-year CIP for Fiscal Year 2025/26 (Year 2).
- **Fire Engine (Prepaid \$880,000 in prior FY):** In October 2022, Council appropriated this funding and added the fire engine into the FY 2022/23 CIP. The Pierce Manufacturer Enforcer diesel fire

engine has been ordered with delivery anticipated by late 2025. Although the purchase is complete, the project is being carried over until delivery of the fire engine.

Capital Improvement Fund:

- Annual Paving Project, FY 2023/24 (\$1,096,000):** At the April 4, 2023 meeting, Council adopted a list of streets to be included in the FY 2023/24 annual paving project. The City's Maintenance of Effort contribution of \$657,329 leverages \$438,570 of external funds via TAMC from Measure X, Gas Tax, SB 1, and RSTP. The project includes design and construction of asphalt pavement overlays of five roadway segments, including Upper Ocean Avenue and Santa Lucia Avenue between Dolores Street and Rio Road, removal of failed pavement sections and providing a slurry seal on up to 21 road segments predominately in residential neighborhoods, and replacing broken concrete, asphalt, and brick sidewalks with permeable pavers along five road segments in the downtown area. **Status:** Wallace Group submitted the 30% design for City review. Additional funding is needed for construction as discussed in Section 4A below.
- Coastal Engineering Study, Phase 2 (\$500,000 - Strategic Priority):** In March 2024, Council is anticipated to approve Amendment No. 2 to the Professional Services Agreement with EMC Planning Group, with subconsultants Integral Corporation and Haro, Kashunich & Associates, for a not-to-exceed fee of \$450,000, to prepare the Coastal Engineering Study, Phase 2. Phase 2 will focus on: hazards policy review and revisions, public outreach and engagement, socio-economic analysis, adaptation strategies and pathway development, and development of the City's Local Coastal Program Amendment. This project is fully funded under a recently-executed Local Coastal Program Grant Agreement by the California Coastal Commission. **Status:** Phase 1 completed in FY 2023/24. Phase 2 to begin upon execution of the Amendment.
- Concrete Street Repairs (FY 2022/23, \$1,005,000):** In January 2023, Council awarded a \$189,667 Professional Services Agreement to BKF Engineers to design this project. The project includes repairs and resurfacing of concrete intersections at Ocean/San Antonio, San Carlos/Fifth, San Carlos/Sixth, and along Ocean Avenue, between Monte Verde and San Antonio, and along San Carlos between Fifth and Sixth. An ADA ramp and bulb outs are also included at the Junipero/Seventh intersection. The total project budget includes \$441,300 in external funds (i.e. Measure X, SB-1) plus the Maintenance of Effort requirement of \$563,700. During design, the project scope increased along Ocean Avenue to include the three intermittent side streets up to the sidewalks, on both sides of Ocean Avenue. In September 2023, an Amendment was approved with BKF for \$49,092. **Status:** Engineering and design are completed and are "shelf ready". However, the cost estimate well exceeds available funding. The balance of this project funding should be carried over into FY 2024/25, and additional funding will need to be allocated prior to advertising for construction bids as discussed in Section 4A below.
- CIP Contingency Fund (\$500,000):** During FY 2023/24, \$336,831 of this fund was used as follows: Award bid for FY 2022 Paving Project \$262,779, award bid for MTNP Tank and Pump House Removal and Well Decommissioning Project \$42,378, \$17,860 for the Urban Forest Master Plan to cover unanticipated funding shortfall from CalFire Grant, and final payment of \$13,814 for the electric Street Sweeper following 3CE reimbursement. Any balance should be carried over into FY 2024/25. **Status:** The MTNP 3 Stream Stability/Drainage Projects is currently out for bids. It is anticipated that the remaining balance of the Contingency Funds will be exhausted to award this construction contract.
- Drainage System Repairs (\$580,000):** The 2023 City-wide Drainage Master Plan Update identified numerous spot repairs needed for our existing underground storm drain pipes, as well as significant

"bottlenecks" in the drainage system. In July 2023, Neill Engineers was issued a \$159,100 Amendment to their Professional Services Agreement to design the Acacia Way headwall, and storm drainage upgrades along Eleventh Avenue (Carmelo to San Antonio), along Lincoln Street, from First to Second, along Second Avenue, from Lincoln to Monte Verde, and along Santa Fe from Eighth Avenue to the MTNP outfall. Remaining funding, of approximately \$414,000, should be carried over into FY 2024/25 for construction, and additional funding will be required to complete this project. **Status:** Design is 90% complete. Environmental documentation is currently underway for two locations, and one easement will need to be acquired prior to bidding. With a construction cost estimate at roughly \$1M, additional funding will be needed as discussed in Section 4A below.

- **Facility Renovation Projects (\$649,000):** Six facility renovations were originally programmed with this Project. As noted above, two projects will be completed by the end of FY 2023/24 - the Harrison Memorial Library and Sunset Center painting projects - and two projects are recommended to be cancelled or deferred - the HML Backup Generator and HML Carpet Replacements which are assumed to be integrated into the Library Master Plan Program. Thus, the remaining funds of approximately \$283,600 should be carried over into FY 2024/25 to fund construction of the remaining two projects which are for the City Hall Roof Replacement and the Sunset Center Cottage Window Repairs. **Status:** The City Hall Roof contract was extracted from a larger, bundled facilities renovation project which resulted in very high bid proposals which were subsequently rejected by Council. This project is anticipated to be advertised for bids this Spring with construction scheduled for the summer. The Cottage Window Repairs will be advertised for bids following the City Hall roof replacement. Supplemental funding is being requested for the City Hall Roof and Cottage Window Repairs Projects as discussed below in Section 4A.
- **Library Master Plan, Phase II-IV (\$100,000):** This project complements the Library's Strategic Plan objective to develop facility plans for the Harrison Memorial and Park Branch Library buildings. The Harrison Memorial Library is 96 years old, and the Park Branch Library was last significantly remodeled 35 years ago. Phases II-IV will encompass community outreach, conceptual designs, and construction documents for initial renovation contracts. Renovations to the facilities are intended to ensure that both library facilities are able to continue to serve the community well into the future. **Status:** A Request for Proposals is being prepared to retain an architect to design the proposed renovations. Carmel Public Library Foundation will be embarking on a significant fundraising campaign to support proposed renovations to both library buildings.
- **Mission Trails Nature Preserve 3 Stream Stability/Drainage Projects (\$85,000):** This project, which consists of the first three of eight stream restoration and erosion control measures recommended by the MTNP Stream Stability Study, is partially funded by a California State Parks Per Capita Grant in the amount of \$178,000. Acquisition of three environmental permits from regulatory agencies delayed the project for one year. Remaining funding of approximately \$67,000 should be carried over in Fiscal Year 2023/24 for construction. **Status:** This project is currently being advertised for construction bids with an estimated cost of \$510,000 and a bid opening scheduled for March 19th. It is anticipated that the remaining CIP Contingency funds will be required to award the construction contract. Further, supplemental funding may be required as discussed in Section 4A below.
- **Police Building Project (\$3,239,000 - Strategic Priority):** In January 2023, Council formed an Ad Hoc Committee, and in June 2023, awarded a \$300,000 Professional Services Agreement to Indigo Architects. In FY 2023/24, Indigo prepared a draft Condition Assessment Report and developed Police space programming needs. In January 2024, the results of these tasks were introduced to Council with preliminary recommendations for advancing the project into schematic design to consider the possibility of constructing a new Police Building at a different site, or significantly renovating the

Police/Public Works building at the existing site. Several public meetings were held to solicit public input. In addition, a number of urgent safety repairs were completed in the Police Building, including electrical panels, steel doors, security systems, Dispatch Room renovation, and others. The FY 2023/24 project balance of approximately \$2.6M to \$2.8M should be carried over into FY 2024/25 to cover remaining costs for schematic design, cost estimating, and potentially commencing design development of a selected alternative. Funding should also be earmarked to continue with 4Leaf project management services and to make necessary safety repairs in the building. As listed in Section 4C below, two repairs are proposed to be funding from this project account: replacement of a garage roll up door for \$30,000, and installation of a covering over the emergency generator for \$15,000. **Status:** Additional public outreach in progress.

- **Scenic Pathway Hardscape Renovations (\$100,000 City, \$100,000 Donations):** Carmel Cares continues to improve the Scenic Pathway. City expenses to date from this fund in FY 2023/24 has been minimal and includes additional lumber and hardware for barrier rail improvements. Proposed improvements along the Pathway include: signage, irrigation repairs, pathway trim edging, decomposed granite repairs, and other hardscape improvements. Remaining funds should be carried over into FY 2024/25. Also, Council requested staff and Carmel Cares to develop a holistic game plan to cover the complete renovation of the Pathway. **Status:** This game plan is currently under review as it may trigger State public works contracting regulations.
- **Shoreline Infrastructure Repairs (\$350,000):** The first phase of the Coastal Engineering Study included a Shoreline Condition Assessment. The Assessment concluded that 2-4 existing seawalls need repairs, with the Fourth Avenue Outfall as the highest priority. Similarly, of the 11 beach access stairs, 9 need repairs with four stairs now closed due to damage resulting from winter storms. Finally, of the 6 rock revetments, 4 need repairs, 3 of which are high priority. Project funding for FY 2023/24 was set at \$250,000; however, at the March 4, 2024 meeting, Council is anticipated to reallocate \$100,000 that was originally earmarked to launch the Coastal Engineering Study, Phase 2 into this project, because Phase 2 is fully funded by the Coastal Commission LCP Grant. In November 2023, Council awarded an Amendment to the Professional Services Agreement with Wallace Group to provide project management services for this project for a fee of \$64,485. The remaining funds should be carried over into FY 2024/25. **Status:** A Request for Proposal required to retain a consultant with expertise in environmental permitting, coastal and structural engineering, and cost estimating has been prepared. RFP release is pending consultation with the California Coastal Commission, staff evaluation of wooded stairs that can be repaired by City crews, and City emergency permitting.
- **Sunset Center – North Lot Electrical Panel (\$100,000):** In July 2023, Council awarded a \$64,560 Professional Services Agreement to Advance Design Consultants for electrical engineering services associated with three projects, including this project for a fee of \$18,240. Based on the 30% design plans and consultations with PG&E and Sunset Center, the project will be able to provide EV charging stations all along the west wall of the parking lot. A two-pronged approach is being pursued. First, the existing, deteriorated electric panel along the Eighth Avenue ADA ramp will be relocated down into the parking lot and rebuilt. This relocated panel will be for commercial service for the parking lot lights. A new PG&E transformer (to be furnished by PG&E at no cost to the City) and electrical panel will also be installed to provide power to the proposed, and future, EV charging stations at discounted energy rates. It is anticipated to 3CE will provide a reimbursement for EV charging stations, but for an amount currently unknown. Remaining funds should be carried over into FY 2024/25. **Status:** Proceeding to 60% design, and engaging PG&E to design the new transformer.

4. Potential Capital Improvement Projects for FY 2024/25

While 16 capital improvement projects were completed, or are anticipated to be completed during FY 2023/24, there are still 14 active projects that should be carried over into FY 2024/25. Numerous new projects have been identified, a majority of which were previously included in the prior 5-Year CIP forecast, and all project are needed and worthwhile. The following is a list of the most pressing or urgent projects as identified by staff. Therefore, the list below certainly does not identify all priority projects.

The fiscal impact to the FY 2024/25 Budget for Capital Improvement Projects cannot yet be assessed until specific capital projects are tentatively selected by Council. In other words, screening the projects at the March 5th meeting, and subsequently fine-tuning the list, will allow staff to focus on the highest priority projects, prepare project descriptions, and refine cost estimates for incorporation into the final CIP and Budget for FY 2024/25.

This year, staff will be presenting the proposed projects under three different categories as follows:

- Carry-Over Paving, Drainage, and Facility Renovation Projects described in Section 3 above, but which require additional funding to proceed with construction
- Potential New Projects funding by the Vehicle and Equipment Fund
- Potential New Projects funding by the Capital Improvement Fund

A) Supplemental Funding for Carry-Over Paving, Drainage, and Facility Renovation Projects

No.	Carry Over Paving Project	Project Construction Cost	Available Funding	Additional Funding Needed
1	FY22 Paving 4 Bid Additives: (San Antonio, 4th–8th, Monte Verde, 4th-Ocean, Torres, 2nd – 4th)	\$835,000	0	\$835,000
2	FY23 Concrete Street Repairs: (Ocean, Monte Verde to San Antonio, San Carlos, 5th to 6th, and Junipero at 7th intersections)	2,815,000	\$792,000	2,023,000
3	FY24 Paving Projects: (4 overlays, 21 slurry, 5 sidewalk repairs)	1,682,000	918,000	764,000
4	FY 25 – No new project; MOE (\$660k) + TAMC Match (\$440k)	0	1,100,000	0
	Paving Subtotals	\$5,332,000	\$2,810,000	\$2,522,000

At the November 2023 meeting, Council awarded a contract in the amount of \$1,139,566 to Monterey Peninsula Engineering for construction of the Base Bid work for the FY 22 Paving Project. It was noted in that staff report that bid prices for paving work have significantly escalated since these prior year paving projects were initially estimated. Furthermore, the Concrete Street Repair Project had a significant, but necessary, scope increase associated with Ocean Avenue structural repairs and improvements to transitions to the intermittent side streets. At that time, staff suggested that no additional paving project designs commence for approximately two fiscal years until funding can be programmed to catch up with

construction.

Each FY, the City is obligated to invest Maintenance of Effort funding to maintain our transportation infrastructure to qualify for Measure X, SB-1, and other external funding. For FY 2024/25, with a **City MOE of \$660,000 plus an estimated TAMC match of \$440,000**, the total available to help catch up on the above carry-over projects is \$1,100,000.

Staff proposes to reformulate the remaining portion of the FY22 and full FY24 paving projects listed above, and fully fund these two projects for construction in FY 2024/25 as follows. Combine Project 1 (FY 22 Bid Additives) plus Paving Project 3 (FY 24 Paving Projects). Total cost estimate needed for construction = \$2,517,000. Funding available for Project 3 (\$918,000), plus new MOE and TAMC funding for FY 25 (\$1,100,000), plus reallocate \$499,000 of the \$792,000 from Concrete Streets Project 2, for a total funding of \$2,517,000. This approach will allow us to complete two major paving projects next year. However, only \$293,000 will remain available for the Concrete Streets, a \$2.8M project, for FY 2025/26. Unless other funding is identified to cover this shortfall, the MOE and TAMC match for FY 2025/26 and FY 2026/27 should also be earmarked to cover the cost for construction of the Concrete Streets. This funding strategy is shown in the attached 5-year CIP.

No.	Carry Over Drainage Project	Project Construction Cost	Available Funding	Additional Funding Needed
5	Drainage System Repairs (4): Acacia Headwall, Eleventh Ave, Lincoln/Second, and Santa Fe	\$1,052,000	\$414,000	\$638,000
6	MTNP 3 Stream Stability/ Drainage Projects	510,000	408,000	102,000
	Drainage Subtotals	\$1,562,000	\$822,000	\$740,000

For the Drainage System Repairs Project 5 above, additional funding of **\$638,000** is requested for FY 2024/25 to proceed with construction.

For the MTNP Drainage Project 6 above will have more precise costs following the upcoming bid opening. It is anticipated that using the available funding of \$67,000 carry-over funding, plus the \$178,000 Per Capita Grant (not yet received), plus the remaining balance of the CIP Contingency Fund of \$163,000, we should be able to award the Base Bid of two of the three projects, and a supplemental allocation of **\$102,000** for FY 2024/25 should be able to cover the third project.

No.	Carry Over Facility Renovation Project	Project Construction Cost	Available Funding	Additional Funding Needed
7	City Hall Roof Replacement	\$350,000	\$183,000	\$167,000
8	Sunset Center Cottages Window Repairs	200,000	100,000	100,000
	Facility Renovation Subtotals	\$550,000	\$283,000	\$267,000

The City Hall Roof Replacement and Sunset Center Cottage Window Repairs were both included in the FY 2023/24 Facility Renovation Project, with four other projects, and which had an initial budget of \$649,000.

Two of the four projects are recommended to be cancelled/deferred in Section 2 - Harrison Memorial Library Carpeting Replacement and Backup Generator Project.

A construction contract in the amount of \$392,150 was awarded to Color New Company in January 2024 for the Sunset Center North Wing Exterior Painting Project and the Harrison Memorial Library Exterior and Interior Painting Project. A deductive change order of \$85,000 was negotiated with the contractor due to the reduction in interior painting in the library. Additional costs for this project included project management services by Ausonio, Inc., architectural services by Ten Over Studio, and hazardous materials testing and abatement monitoring by M3 Environmental. An estimated balance of \$283,000 is recommended to be carried over into FY 2024/25 to cover the above Projects 7 and 8; however, a combined Supplemental allocation of **\$267,000** will be needed to complete these projects.

Supplemental Funding Summary

No.	Carry Over Projects Summary	Project Construction Cost	Available Funding	Additional Funding Needed
1-3	FY22 Bid Additives + FY24 Paving	\$2,517,000	\$1,417,000	\$660,000
4	FY25 TAMC Match		440,000	
5	Drainage System Repairs (4)	1,052,000	414,000	\$638,000
6	MTNP 3 Stream Stability/ Drainage Projects	510,000	408,000	102,000
7	City Hall Roof Replacement	350,000	183,000	167,000
8	SC Cottage Window Repairs	200,000	100,000	100,000
	Additional Allocation Needed	\$4,629,000	\$2,962,000	<u>\$1,667,000</u>

B) Potential New Projects: Vehicle and Equipment Fund

No.	New Project Description	Estimated Cost	Notes
1	Council Chambers AV Upgrade	\$60,000	
2	Core Networks (IT)	50,000	
3	Network Firewalls (IT)	180,000	
4	Police EV Patrol Vehicle (2017)	75,000	Assume \$15k 3CE Reimbursement
5	Police Radios, Year 4 of 6	30,000	
6	Public Works Dump Truck (1995)	150,000	
	Total	\$545,000	

C) Potential New Projects: Capital Improvement Fund

No.	New Project Description	Estimated Cost	Services
1	ADA Upgrades, Year 7	\$20,000	

2	CIP Contingency Fund FY25	400,000	
3	Junipero Bypass Drainage System	175,000	Design
4	Lincoln/Fourth Trestle Bridge	175,000	Environmental Permits and Design
5	MTNP Laiolo Bridge and Path Realignment	125,000	Environmental Permits and Design
6	Norton Court Garage – Security Access System	15,000	
7	Park Branch Library – Windows & Dry Rot Repairs	45,000	
8	San Antonio Pathway Reconstruction	275,000	PM and Construction
9	Shoreline Infrastructure Repairs, Fourth Avenue Outfall Reconstruction	250,000	PM, Environmental Permits and Design
10	Sunset Center – Portico	450,000	PM, Design, and Construction
11	Sunset Center – Retaining Walls Repairs	550,000	PM and Construction
12	Vista Lobos – EV Chargers Installation and Building Electrical Panel	400,000	Final Design and Construction, Partial 3CE Reimbursement (\$60k)
	Totals	\$2,880,000	

Resource Limitations

Please refer to the Fiscal Impact section of the report for anticipated funding available for the Vehicle and Equipment and Capital Improvement Funds for FY 2024/25. Available funding is recommended to be allocated to already designed, "shovel ready" projects that can proceed into construction with supplemental funding. As shown in Section 4A above, \$1,667,000 is needed to complete these projects. Therefore, the list of projects in Sections 4B (Vehicle and Equipment Fund) and 4C (Capital Fund), should be significantly trimmed back to meet the anticipated budget, despite the fact that each project has merit.

Staffing capacity has also an ongoing concern. Since the CIP funding resumed following the Covid Pandemic, the City has relied on three outside project management consultants (4Leaf, Ausonio, Inc., and Wallace Group) to manage (currently) 10 capital projects. While they are providing excellent services, the added cost of outside project management is not sustainable in the long term and has contributed, along with inflation, material availability, and construction labor shortages, to the higher than estimated project costs. Also, the in-house project manager is working on an additional eight capital projects, as well as several large utility permits and special projects. As discussed in Section 3 above, 14 projects are proposed to be carried over into FY 2024/25. Even if no new capital projects are funded for FY 2024/25, there is still a full year of workload for our project manager and project management consultants.

5. Introduction of the Updated 5-Year Capital Improvement Plan

The updated 5-year CIP Exhibit is shown in **Attachment 1**. Although only the first Fiscal Year (2024/2)

would be funded as part of the City Budget, the remaining 4 years serve as a planning tool to identify in advance anticipated future projects.

The 5-year CIP is a “snap shot” in time of anticipated needs for future infrastructure revitalization funding in the outer years. As a dynamic planning document, the CIP for Years 2-5 is subject to change as updated information becomes available. A multi-year plan also accommodates scheduling larger projects into multiple years to allow more projects to be underway concurrently, and to allocate construction funding only when those funds are needed.

Note that the needs for infrastructure renewal and facility repairs far exceed the anticipated revenue over the subsequent four years as well.

The following are key projects, by asset category and preliminary budget estimates, for Years 2-5 only:

- **Drainage:** Includes highest priority drainage repairs and upsizing for 20-year storm events as identified in the 2023 Storm Drain Master Plan Update, bottleneck reconfigurations, and CDS reconstruction = **\$3.33M**.
- **Streets:** Annual paving MOE and TAMC match funding for Years 2 and 3 are earmarked for the FY 23 Concrete Street Repair Projects. For Years 4 and 5, traditional paving overlays, micro-surfacing treatments, slurry seals, sidewalk repairs, parking lot resurfacing, and a bicycle master plan are proposed = **\$3.44M City plus \$1.81M external funds via TAMC**.
- **Facilities:** As a placeholder, a total allocation of \$22M is included to cover final design and construction of a Police Building Project (whether a new station or renovation of the existing building) plus launching the design of the Public Works building renovations. This major project will obviously require a dedicated funding source once a project concept is approved, and these “plug in” numbers need to be adjusted as more information and scheduling becomes available.

Additional facility renovation projects include relocation and renovation of the Scout House wherein the sale of the existing parcel may offset the costs for renovation, critical repairs/code corrections to City Hall and the Fire Station, repairs to park restrooms, and facility condition assessments, painting, and railing repairs = **\$25.15M**.

- **Forestry Parks, and Beach:** Design and construction of the remaining 5 MTNP stream stability projects should continue during this time. Funding for construction of the MTNP Laiolo Bridge is proposed in Year 2, for a total of = **\$1.50M**.
- **Fleet and Equipment:** Replace aging Police, Fire, and Public Works vehicles with Electric Vehicles whenever possible. Replace broken and outdated heavy equipment, including Street’s dump truck and asphalt patch truck, Forestry’s bucket truck and water truck, Police’s speed radar trailer and animal control vehicle, and other vehicles and equipment nearing the end of their useful lives. Complete funding for the Police radios lease and the ambulance purchase = **\$1.48M plus \$0.12M 3CE rebates**.
- **Environmental and Climate Change:** Shoreline infrastructure repairs, notably reconstruction of the Fourth Avenue outfall/wall, as well as for stairs and revetments, and climate action projects and energy upgrade initiatives = **\$3.85M**.
- **IT:** Equipment replacements, security upgrades, Police records management system, and GIS applications expansion = **\$0.58M**.

- **Library:** It is difficult to estimate costs for the library as major renovations proposed under the Library Master Plan are largely subject to donor funding. As a placeholder, for Years 2-5, the 5-Year CIP plan assumes the design and construction of the first two or three renovation projects with a cost of \$4M, primarily funded by private donations, but with a City matching contribution of \$200,000 per year = **\$0.8M plus \$3.2M donations**. These “plug in” numbers need to be adjusted as more information and scheduling becomes available.

Years 2 - 5 Needs Summary:

The total estimated investment of City funds identified for Years 2-5 is **\$42.2M**. This amount clearly exceeds anticipated CIP fund revenues over those four years of **\$5.1M** plus any ending fund balance that may be available in those future years. However, without proper investment, the City's infrastructure noted will further decline into worsening conditions with more costly deferred repairs. Therefore, additional revenue sources should be considered.

6. Council Guidance

Staff is seeking Council's direction on the following issues. Note that this is just the first review and screening of potential projects. Staff will return at the April 2, 2024 meeting to refine the potential projects based on comments received on March 5th.

- Acceptance of the 15 capital improvement projects completed, or anticipated to be completed, in FY 2023/24 as listed in Section 1 above
- Confirmation to cancel or modify the 4 projects described in Section 2 above
- Confirmation to carry over 14 projects from FY 2023/24, including their remaining project funds, into FY 2024/25 as described in Section 3 above
- Review potential projects for the FY 2024/25 CIP, including supplemental funding for carry over paving, drainage, and facility renovation projects, and new projects identified for funding by the Vehicle and Equipment and Capital Improvement Funds as listed in Section 4 above
- Review the preliminary 5-Year CIP, **Attachment 1**, including the preliminary list of identified projects for Years 2 - 5 as described in Section 5 above
- Add, delete, or modify identified projects considering public comments and as desired by Council, and direct staff to return at the April meeting to refine the list of proposed projects for a second review

Upon Council's tentative approval in April, the CIP document will be presented to the Planning Commission in May for a General Plan consistency review as required by State law and the City's Municipal Code.

FISCAL IMPACT:

The preliminary amount of CIP project funding available to be carried over into FY 24/25 is approximately \$5.9M. This amount will be refined during the remainder of the current FY 23/24. For comparison purposes, approximately \$6.8M was carried over from prior fiscal years into the FY 23/24 CIP budget.

The additional fiscal impact for FY 24/25 cannot yet be assessed until specific projects are selected by the City Council.

Carry-Over Paving, Drainage, and Facility Renovation Projects requiring Additional Funding: Staff recommends that the FY22 and FY24 paving projects, two drainage projects, and two facility renovation projects, most of which have already been designed, bid, and/or are “shelf ready” for bidding, be funded before allocating capital funds to new projects that have not yet been started. As noted above a total of \$1,667,000 of City funds are needed to complete these projects

Potential New Projects - Vehicle & Equipment Fund: Six (6) new vehicle and equipment projects are proposed for funding at an estimated cost of \$545,000. The City recognizes a 10% reserve in the Vehicle and Equipment fund balance for replacements. For FY24/25, the Vehicle & Equipment Fund reserve balance is estimated to be \$310,000.

Potential New Projects - Capital Improvement Fund: Fourteen (14) additional projects were listed above with a total estimated cost of \$2,955,000. Staff recommends that this list be slimmed down to fit into the available budget.

PRIOR CITY COUNCIL ACTION:

None for Fiscal Year 2024/25.

ATTACHMENTS:

Attachment 1) Preliminary 5-Year Capital Improvement Plan

City of Carmel-by-the-Sea																
5-Year Capital Improvement Plan																
Excluding Operating Budget Projects																
For March 5, 2024 Council Meeting																
		EXTERNAL FUNDING		2/23/24												
Category	Last Fiscal Year	FY 23/24			Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5		
	FY 2023/24	Budget	Status		FY 2024/25	Estimate	FY 2025/26	Estimate	FY 2026/27	Estimate	FY 2027/28	Estimate	FY 2028/29	Estimate		
Contingency	CIP Contingency	500	Carry Over		CIP Contingency	400	CIP Contingency	250	CIP Contingency	250	CIP Contingency	250	CIP Contingency	250		
\$1,900		\$ 500				\$ 400		\$ 250		\$ 250		\$ 250		\$ 250		
Drainage	Drainage System Repairs (4)	580	Carry Over		Drainage Repairs - Supplemental	638	Junipero Bypass Construct Ph 1	750	Junipero Bypass Construct, Ph 2	1000	Drainage Repairs - Design	250	Drainage Repairs Construct	800		
					Junipero Bypass Pipe - Design	175			4th Ave CDS - Design	75	4th Ave CDS - Construction	450				
\$4,718		\$ 580				\$ 813		\$ 750		\$ 1,075		\$ 700		\$ 800		
	FY 22 Paving Overlay/Micro Surf	543	Done		FY25 Paving Allocate to FY22 & FY24	660	FY26 Allocate to Concrete Streets	670	FY26 Allocate to Concrete Streets	680	FY28 Paving, Bike, S/W	690	FY29 Paving, Bike, S/W	700		
Streets	TAMC: SB1, X, HUTA, RSTP	335	Done		TAMC: SB1, X, RSTIP, HUTA	440	TAMC: SB1, X, RSTIP, HUTA	445	TAMC: SB1, X, RSTIP, HUTA	450	TAMC: SB1, X, RSTIP, HUTA	455	TAMC: SB1, X, RSTIP, HUTA	460		
	SC - Retaining Walls - Design	40	Done		SC Retaining Walls - Construction	550	Resurface Parking Lots	300	Bicycle Master Plan	70	Resurface Parking Lots	300				
	FY 23 Concrete Street Repairs	564	Carry Over		San Antonio Pathway - Construction	275			Pavement Survey Update	30						
	TAMC: SB1, X, RSTIP, HUTA	441	Carry Over		Lincoln/4th trestle bridge - Design, Env	175	Lincoln/4th trestle bridge - Const	825								
	FY24 Paving Overlay, Slurry, S/W	657	Carry Over													
	TAMC: SB1, X, RSTIP, HUTA	439	Carry Over													
\$11,194		\$ 3,019				\$ 2,100		\$ 2,240		\$ 1,230		\$ 1,445		\$ 1,160		
	ADA Updates - Year 6	20	Done		ADA Updates - Year 7	20	ADA Updates - Year 8	20	ADA Updates - Year 9	20	ADA Updates - Year 10	20	ADA Updates - Year 11	25		
Facilities	City Hall Retaining Wall Repair	170	Done				Scout House Relocate-PM, Env, Des	250	Scout House Relocation	350	Scout House Renovation	500				
	Elect Panels (CH, FS, VL, Ocean)	75	Done		Vista Lobos: EV Chargers & E Panel	400	Assess Facilities (Flanders, RRs)	85	Sell Scout House Property	TBD						
	Sunset Center Ext Painting	250	Done		3CE EV Chargers & Electrical	60	Fire Station Painting	100	Flanders Structural Repairs	250	FS FCA: Roof, Windows, Alarm	500				
	Sunset Center - 8 Bollards	20	Done		Norton Garage - Secure Access	15	Design Repairs - CH, FS per FCA	150	CH FCA: Fire, Doors, Lighting	400	Sunset Center Railings	225				
	SC - Carpenter Hall Heater	45	Done				Fire Backflows to Code (3 bldgs)	150	Park Restroom Repairs	100						
	Sunset Center - Portico - Design	40	Done		Sunset Center Portico Construction	450	Sunset Ctr Painting, Ph 2	250								
	Police Building Project	3,239	Carry Over		PD/PW Gen Cover (PD)	-	Police Building Project - Design	1000	Police Building - Construction	10,000	Police Building Construction	10000	PW Building Reno - Design	1,000		
	Resilience Infr. Pilot Design	85	Merge w/PD													
	City Hall Roof Replacement	160	Carry Over		City Hall Roof - Supplemental	167										
	Sunset Ctr Cottage Windows	100	Carry Over		Sunet Ctr Cottage Windows - Suppl	100										
	Sunset Center - N Lot Electrical	100	Carry Over													
\$30,911		\$ 4,304				\$ 1,212		\$ 2,005		\$ 11,120		\$ 11,245		\$ 1,025		
	MTNP Tank & Well Demo	121	Done		MTNP Laiolo Bridge - Env, Design	125	MTNP Lailo Bridge Construct	125								
Forestry,	Urban Forest Master Plan	75	Done													
Parks & Beach	Urban Forest MP CalFire Grant	150	Done													
	N Dunes Split Rail + Signage	25	Fence Done		MTNP - 3 Drainage Supplemental	102	MTNP Stream Projects 4-5 Design	125	MTNP - Stream 4-5 Construct	500	MTNP-Stream 6-7-Design	150	MTNP-Stream 6-7-Design	600		
	MTNP - Stream 3 Drainage	85	Carry Over													
	MTNP - Stream 3 Drainage Grant	178	Carry Over													
	Scenic Pathway Hardscape	100	Carry Over													
	Scenic Pathway Hardscape (CC)	100	Carry Over													
\$2,561		\$ 834				\$ 227		\$ 250		\$ 500		\$ 150		\$ 600		
	Radios Lease, Year 3	30	Done		Radios Lease, Year 4	30	Radios Lease, Year 5	30	Radios Lease, Year 6	30						
Fleet &	2 Forestry & 2 PD Vehicles	220	Done		PW Dump Truck (1995)	150	Forestry Bucket Truck (1995)	225	Facilities Truck EV (2007)	85	Streets Pickup EV (2005)	75	Streets Pickup EV (2012)	75		
Equipment	EV Vehicles - 3CE Grants	25	TBD		Police EV Patrol (2017)	75	Fire Vehicle EV (2010)	75	Fire Inspector Vehcile EV (2012)	75	Forestry Water Truck (1994)	120	PD Detective Veh EV (2017)	75		
(Vehicle &	Ambulance & Equipment/AED	275	Carry Over		EV Vehicles - 3CE Grants	15	Ambulance - Balance of \$410k	85	PD Admin Vehicle EV (2013)	75	Streets Patch Truck (1999)	100	PD Patrol Vehicle EV (2020)	75		
Equipment Fund)	Ambulance (Donation)	50	Carry Over				Ambulance Heart Monitor	35	PD Animal Control Veh (2009)	75	PD Patrol Vehicle EV (2019)	75				
	Fire Engine (Prepaid \$880k)	0	Carry Over				PD Motorcycle EV (2008)	30	PD Radar Trailer (2009)	25	PD Parking Vehicle EV (2014)	45				
							EV Vehicles - 3CE Grants	20	EV Vehicles - 3CE Grants	30	EV Vehicles - 3CE Grants	30	EV Vehicles - 3CE Grants	35		
\$2,470		\$ 600			\$ -	\$ 270	\$ -	\$ 500		\$ 395		\$ 445		\$ 260		
	Coastal Engineering Study, Ph I	133	Done				Climate Action Plan Projects	50	Climate Action Plan Projects	50	Climate Action Plan Projects	50	Climate Action Plan Projects	50		
Environmental	Coastal Engineering Study, Ph 2	500	Carry Over				Energy Upgrades	50	Energy Upgrades	50	Energy Upgrades	50	Energy Upgrades	50		
& Climate Change	Undergr. Utility Dist. (Rule 20A)	667	Carry Over													
	Shoreline Inf Repairs, Stairs	350	Carry Over		Reconst. 4th Outfall - Env, Design	250	Reconst. 4th Outfall - Const	900								
							Shoreline Inf Repairs - Const 1	750	Shoreline Inf Repairs - Const 2	750	Shoreline Inf Repairs - Const 3	750				
							Shoreline Inf Repairs - Design 2	150	Shoreline Inf Repairs - Design 3	150						
\$5,750		\$ 1,650			\$ -	\$ 250	\$ -	\$ 1,900		\$ 1,000		\$ 850		\$ 100		
	HML Generator	-	Cancel		Core Networks	50	IT Network Refresh	60	IT Equipment	75	IT Equipment	80	IT Equipment	85		
IT	IT Servers	50	Done		Network Firewalls	180	Wireless Access Point	50	GIS Upgrades	30						
(Vehicle &					Council Chambers AV Upgrade	60	PD Records Management	200								
Equipment Fund)																
\$920		\$ 50			\$ -	\$ 290	\$ -	\$ 310		\$ 105		\$ 80		\$ 85		
	HML Carpet	-	Cancel		PBL - Windows, Dry Rot	45										
Library	HML Exterior + Part Interior Paint	140	Done				MP Project #1 - Construction	200	MP Project #2 - Design	200	MP Project #2 - Construction	200	MP Project #3 - Design	200		
	Library Master Plan - Phases 2-4	100	Carry Over		Library Master Plan Supplemental	TBD	MP Project #1 - Donations	800	MP Project #2 - Donations	800	MP Project #2 - Donations	800	MP Project #3 - Donations	800		
\$4,285		\$ 240				\$ 45		\$ 1,000		\$ 1,000		\$ 1,000		\$ 1,000		
Grand Totals	\$64,709	\$11,777			\$5,607	\$9,205	\$16,675	\$16,165	\$5,280							
City Funding	\$56,184	\$8,892			\$5,092	\$7,940	\$15,395	\$14,880	\$3,985							
External Funding	\$8,525	\$2,885			\$515	\$1,265	\$1,280	\$1,285	\$1,295							



CITY OF CARMEL-BY-THE-SEA

Capital Improvement Program:

Review Completed and Carry-Over Projects
and
First Review of Fiscal Year 2024/25 Projects

City Council Meeting
March 5, 2024



FY 2024/25 CIP – Agenda

- Review CIP definition and sources of projects
- Review 15 CIP & 14 Operating Budget projects completed in FY 24
- Consider 4 projects to cancel/modify
- Review 14 carry-over projects
- Review initial CIP Projects for FY 2024/25:
 - 6 shovel-ready carry over projects requiring \$1.7M to construct
 - 6 vehicle and equipment purchases (Vehicle and Equipment Fund)
 - 12 new CIP projects (Capital Fund)
- Introduction of Updated 5-year CIP



CIP Definition and Sources of Projects

CIP Definition:

- Over \$10,000
- Service life exceeding 10 years

Sources of Projects:

- ADA Transition Plan
- City Departments and Partner Organizations
- Climate Action/Adaptation Plans
- Coastal Engineering Study
- Council Strategic Priorities
- Facility Condition Assessments
- Storm Drain Master Plan, Update, and MTNP Stream Stability Study
- Street Saver Pavement Program



15 Completed CIP Projects in FY 24

No.	Asset Category	Project	City Funds	External Funds
1	Streets	FY22 Paving: Junipero, Santa Fe, San Carlos, Bike Route	\$878,000	\$364,000
2	Streets	Sunset Center – Retaining Walls - Design	40,000	
3	Facilities	ADA Upgrades, Year 6	20,000	
4	Facilities	City Hall Retaining Wall Repair	170,000	
5	Facilities	Electrical Panel Assessments (CH, FS, VL, Junipero)	75,000	
6	Facilities	Harrison Memorial Library Exterior Painting, Ltd Interior, and Sunset Center Exterior Painting	440,000	
7	Facilities	Sunset Center – 8 Bollards	20,000	
8	Facilities	Sunset Center Carpenter Hall Heater Replacement	45,000	
9	Facilities	Sunset Center Portico Concept Design	40,000	



15 Completed CIP Projects in FY 24

No.	Asset Category	Project	City Funds	External Funds
10	Forestry/Parks	MTNP Tank and Pump House Removal, Well Decom	121,000	
11	Forestry/Parks	Urban Forest Master Plan (Outreach and Ordinances continue)	75,000	
12	Fleet	2 Forestry Trucks & 2 PD Admin EV Vehicles	220,000	
13	Fleet	Police Radios Lease, Year 3	30,000	
14	Environment	Coastal Engineering Study, Phase 1	133,000	
15	IT	IT Servers	50,000	
		Totals	\$2,607,000	\$364,000



14 Operating Projects in FY 24

No.	Asset Category	Project	City Funds	External Funds
1	Streets	San Antonio Pedestrian Pathway Repairs – Structural Design	\$25,000	
2	Facilities	Park Branch Library Dumbwaiter Decommissioning	15,000	
3	Facilities	Sunset Center Fire Pump Recirculation System	8,000	
4	Facilities	Fire Station Deck Resurfacing	5,000	\$5,000
5	Forestry/Parks	MTNP Tree Removals (2023 storm - 43 damaged trees),	75,000	
6	Forestry/Parks	Scenic Pathway Gardeners (Reimburse Carmel Cares)	28,000	
7	Forestry/Parks	Beautification - Ocean Ave. Medians Landscaping w/ Carmel Cares (Strategic Priority)	25,000	
8	Forestry/Parks	Wildfire Risk Assessment Plan (Strategic Priority)	20,000	
9	Forestry/Parks	Forest Hill Park and North Dunes Split Rail Fences	9,000	30,000
10	Forestry/Parks	MTNP 11th Ave Footbridge, Entry Road, and Gate	8,000	
11	Forestry/Parks	Forest Hill Park - Nature Play Equipment (Leadership Carmel Donation)	0	
12	Environment	North Dunes Habitat Restoration, Year 8	60,000	
13	Environment	Trash Containers: 20 Dual Trash/Recycle, 10 Trash Only	46,000	
14	Environment	Storm Water Ordinances (Strategic Priority)	0	
		Totals	\$324,000	\$35,000



4 Projects to Cancel/Modify

No.	Asset Category	Project	Reason	Recommendation
1	Facilities	HML – Backup Generator	Cost Prohibitive	Cancel as Separate Project. Merge w/Master Plan
2	Facilities	HML – Carpet Replacement	Part of Master Plan	Cancel as Separate Project. Merge w/Master Plan
3	Facilities	Resilience Infrastructure \$83k	Part of PD Building Project	Transfer Funds to PD Project
4	Environment	North Dunes – Interpretive Signs	No Donor Funds	Defer until Donor Funds Committed



14 Carry-Over Projects (#1-8)

No.	Asset Category	Project	City Funds	External Funds
1	Fleet	Ambulance and Equipment (delivery late 2025)	\$275,000	\$50,000
2	Fleet	Fire Engine – Prepaid \$880k (delivery late 2025)	0	
3	Streets	FY 23 Concrete Street Repairs: Shovel Ready Supplemental Funding Needed FY 26, 27	564,000	441,000
4	Streets	FY 24 Paving Project: 60% Design, Shovel Ready July Supplemental Funding Needed	657,000	439,000
5	Drainage	Drainage System Repairs – 90% Design, Env & ROW IP Supplemental Funding Needed	580,000	
6	Drainage	MTNP – 3 Stream Stability/Drainage Projects – Bidding - Supplemental Funding Needed	85,000	178,000
7	Environment	Coastal Engineering Study, Phase 2	0	500,000
8	Environment	Shoreline Infrastructure Repairs – Staff to fix 5 Stairs; RFP for structural stairs, cost estimating & environmental permitting for all repairs	350,000	



14 Carry-Over Projects (#9-14)

No.	Asset Category	Project	City Funds	External Funds
9	Facilities	Facility Renovation Projects Remaining: <ul style="list-style-type: none">• City Hall Roof Replacement – Shovel Ready• Sunset Center Cottage Window Repairs – Shovel Ready Supplemental Funding Needed for Both	160,000 100,000	
10	Facilities	Police Building Project	3,239,000	
11	Facilities	Sunset Center North Lot Electrical Panels – 60% Design	100,000	TBD
12	Library	Library Master Plan, Phases II-IV	100,000	TBD
13	Forestry, Parks	Scenic Pathway Hardscape Renovations	100,000	100,000
14	N/A	CIP Contingency: \$337k spent on FY Paving, MTNP Tank/Well, UFMP, Sweeper. Balance of \$163k earmarked for MTNP 3 Drainage Bid Award	500,000	
		Totals	\$6,810,000	\$1,708,000



Comparison of Carry-Over Funding

Total CIP Program	No. Projects	City Funds (Balance of..)	External Funds (Balance of...)	Total
FY 22 + 23 Carry Overs	25	\$6,676,000	\$1,122,000	\$7,798,000
FY 24 Carry Over	14	\$6,810,000	\$1,292,000	\$8,102,000



Supplemental Funding Needs FY24/25

No.	Shovel Ready Carry Over Projects	Construction Cost	Available Funding	Additional Funding Needed
1-2	FY22 Bid Additives + FY24 Paving	\$2,517,000	\$1,417,000	\$660,000 FY 25 MOE
	FY25 TAMC Match		440,000	
3	Drainage System Repairs (4)	1,052,000	414,000	\$638,000
4	MTNP 3 Stream Stability/ Drainage Projects	510,000	408,000	102,000
5	City Hall Roof Replacement	350,000	183,000	167,000
6	SC Cottage Window Repairs	200,000	100,000	100,000
	Additional Allocation Needed	\$4,629,000	\$2,962,000	<u>\$1,667,000</u>

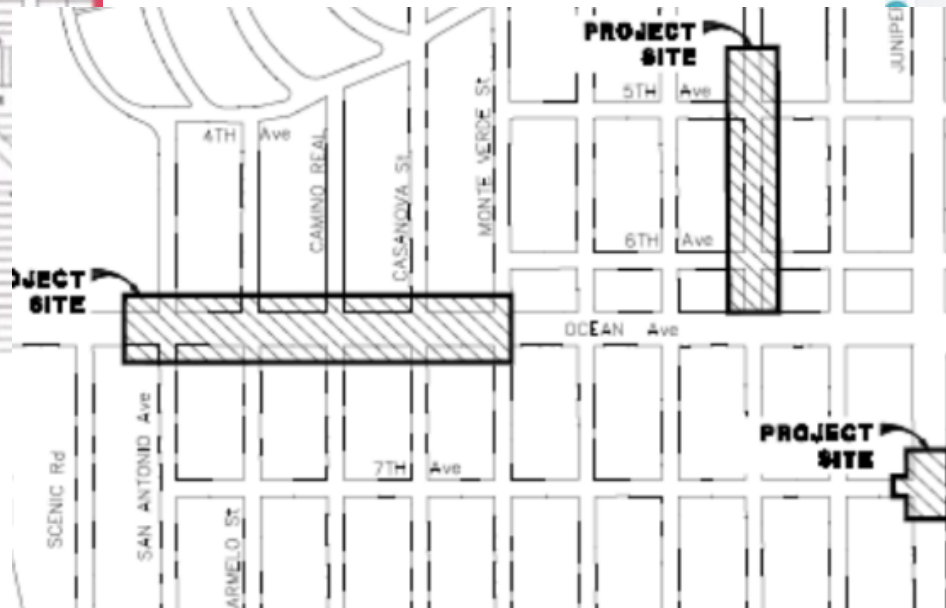


FY 22, 23, 24 Street Projects

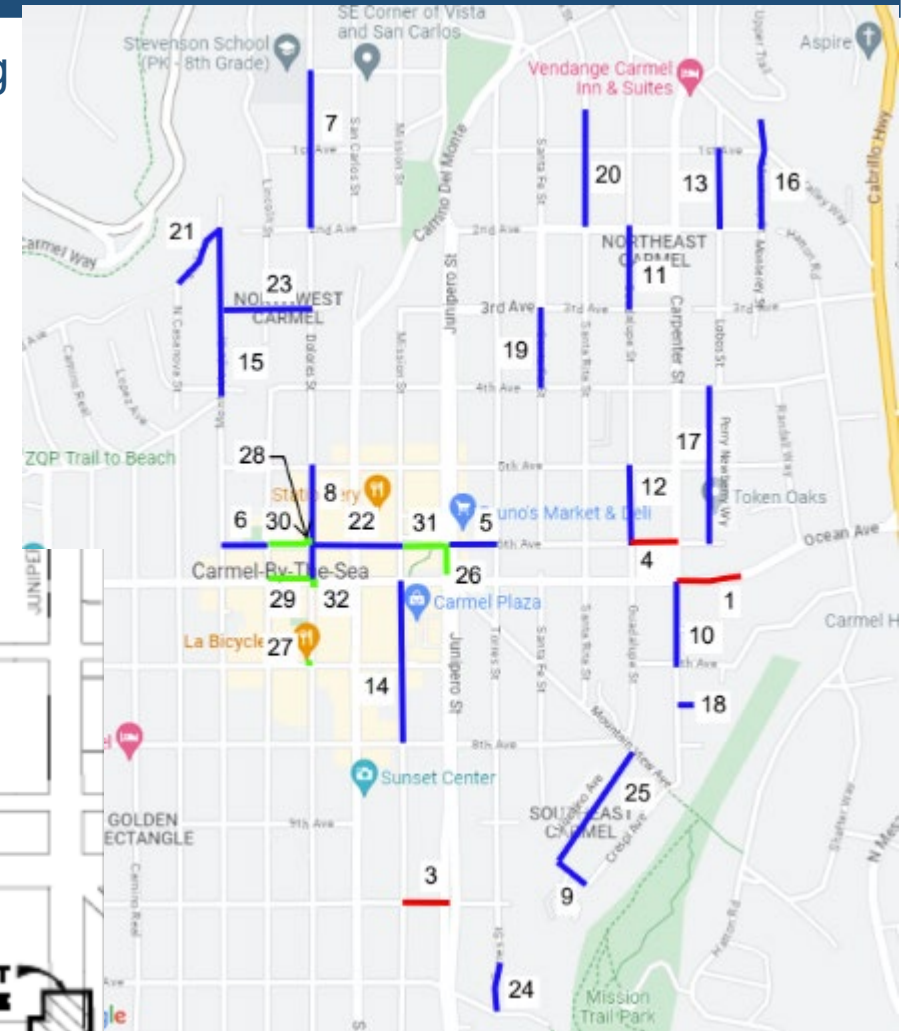
FY 24 Paving



FY 23 Concrete Streets



FY 22 Bid Additives





Supplemental Funding - Streets

No.	Carry Over Street Projects	Construction Cost	Available Funding	Additional Funding Needed
	FY 22 Paving: (Junipero, Santa Fe, San Carlos, Bike Route, 4 S/Ws)	Under Construction		
1	FY 22 Bid Additives: (San Antonio, 2 – 8, MV, 2 – Ocean, Torres 2 – 4)	\$835,000	\$0	\$835,000
2	FY 24 Paving: 4 Overlays, 21 Slurry, 5 Sidewalks)	1,682,000	918,000	764,000
	FY 23 Borrow Funding	0	499,000	
	FY 25 Funding – No New Project	0	MOE 660,000 TAMC 440,000	
	Total	\$2,517,000	\$2,517,000	0
3	FY 23 Concrete Streets: (Ocean, Monte Verde-San Antonio, San Carlos – 5-6, Junipero/7 th)	2,815,000	293,000	
	FY 26 & 27 Funding, No New Projects		MOE 1,320,000 TAMC 880,000	322,000



6 Potential V&EF Projects FY 24/25

No.	Asset Category	Project	City Funds	External Funds
1	IT	Council Chambers AV Upgrade	\$60,000	
2	IT	Core Networks (2016 Arista Switches expire)	50,000	
3	IT	Network Firewalls (2017 end of useful life)	180,000	
4	Fleet	Police Radios, Year 4 of 6	30,000	
5	Fleet	Police EV Patrol Vehicle (2017)	75,000	\$15,000
6	Fleet	Public Works Dump Truck (1995)	150,000	
		Total	\$545,000	\$15,000



12 Potential CIP Projects FY 24/25

No.	Asset Category	Project	City Funds	External Funds
1	Drainage	Junipero Bypass Drainage Project – Design	\$175,000	
2	Streets	San Antonio Pathway Reconstruction – PM, Construction	275,000	
3	Streets	Sunset Center Retaining Walls – PM, Construction	550,000	
4	Streets	Lincoln/Fourth Trestle Bridge – Env & Design	175,000	
5	Facilities	Sunset Center Portico – PM, Design & Construction	450,000	
6	Facilities	Vista Lobos: 3 EV Charging Stations and Building Electrical Panel – Construction	400,000	\$60,000
7	Facilities	ADA Upgrades, Year 7	20,000	
8	Facilities	Norton Court Garage Security Access System	15,000	



12 Potential Projects FY 24/25

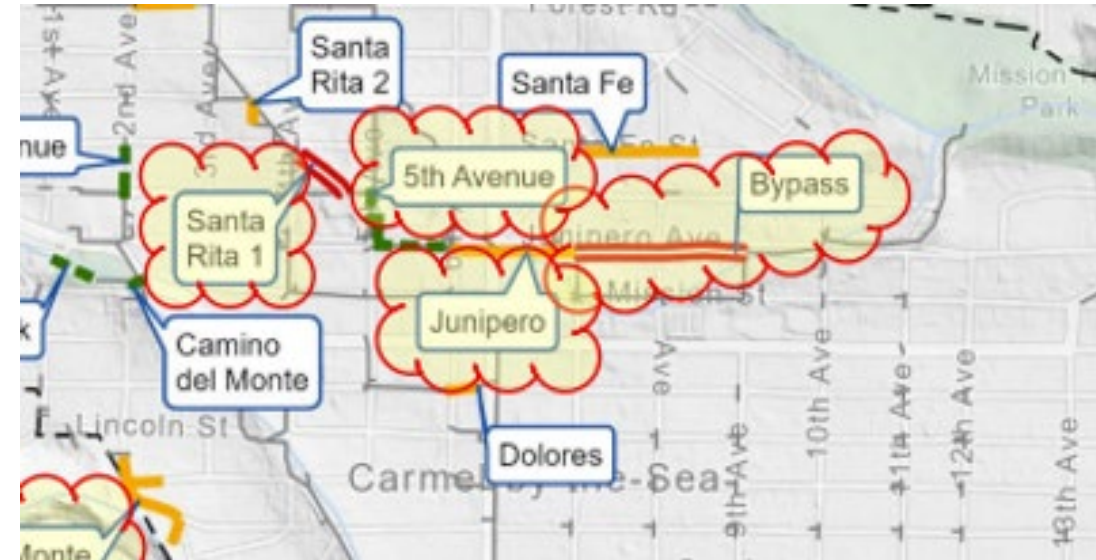
No.	Asset Category	Project	City Funds	External Funds
9	Forestry/Parks	MTNP Laiolo Bridge and Path Realignment – Env & Design	175,000	
10	Environment	Shoreline Wall: Fourth Ave Outfall – PM, Env & Design	250,000	
11	Library	Park Branch Library – Windows and Dry Rot	45,000	
12	Contingency	CIP Contingency FY 25	400,000	
		Totals	\$2,880,000	\$60,000



Potential FY 25 Projects



Dump Truck



**Junipero Drainage
Bypass**



Potential FY 25 Projects



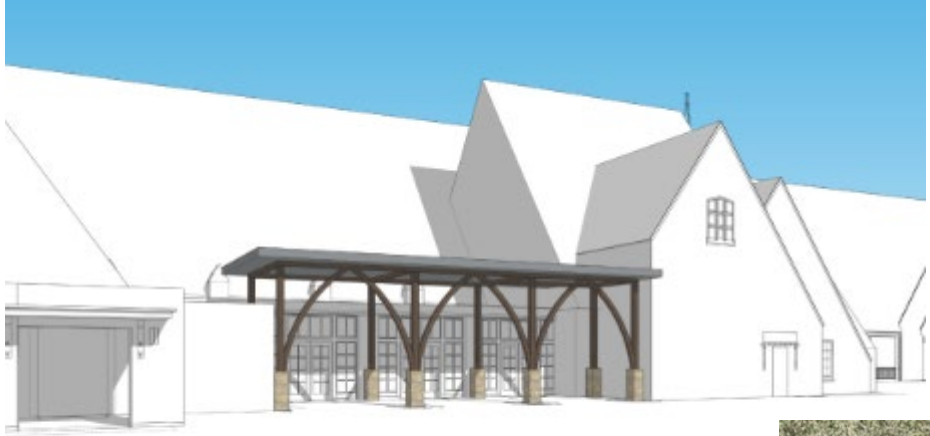
**San Antonio
Pathway**



**Sunset Center
Retaining wall Repairs**



Potential FY 25 Projects



CARMEL STONE COLUMNS, PAINTED METAL ARCHES AND METAL RAILINGS

**Sunset Center
Portico**

**Lincoln/Fourth
Trestle Bridge**



**Shoreline:
Fourth Avenue Outfall**



Total Funding for FY 24

Total CIP Program	City Funds	External Funds
14 Carry Over FY 24 Projects	\$6,810,000	\$1,708,000
FY 24 Supplemental Funding – Shovel Ready Projects	1,667,000	440,000
6 New FY 25 Equipment/IT Projects	545,000	15,000
12 New FY 25 CIP Projects	2,880,000	60,000
32 Projects Totals	\$11,902,000	\$2,223,000

General Comments:

- 1. Supplemental and Funding for 18 new FY 25 projects = \$5,092,000;
Should be reduced!**
- 2. Staff completed 14 CIP Projects in FY 23 and 15 in FY 24**
- 3. 14 Carry Over Projects is a full year of backlog**

5 Year CIP

City of Carmel-by-the-Sea

5-Year Capital Improvement Plan

Excluding Operating Budget Projects

For March 5, 2024 Council Meeting

Category	Last Fiscal Year	FY 23/24	2/23/24	FY 2024/25	Year 1	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5
	FY 2023/24	Budget	Status	FY 2024/25	Estimate	Estimate	FY 2025/26	Estimate	FY 2026/27	Estimate	FY 2027/28	Estimate	FY 2028/29	Estimate
Contingency	CIP Contingency	500	Carry Over	CIP Contingency	400	CIP Contingency	250	CIP Contingency	250	CIP Contingency	250	CIP Contingency	250	CIP Contingency
\$1,900		\$ 500			\$ 400		\$ 250		\$ 250		\$ 250		\$ 250	
Drainage	Drainage System Repairs (4)	580	Carry Over	Drainage Repairs - Supplemental	638	Junipero Bypass Construct Ph 1	750	Junipero Bypass Construct, Ph 2	1000	Drainage Repairs - Design	250	Drainage Repairs Construct	800	
				Junipero Bypass Pipe - Design	175			4th Ave CDS - Design	75	4th Ave CDS - Construction	450			
\$4,718		\$ 580			\$ 813		\$ 750		\$ 1,075		\$ 700		\$ 800	
Streets	FY 22 Paving Overlay(Micro Surf	543	Done	FY25 Paving Allocate to FY22 & FY24	660	FY26 Allocate to Concrete Streets	670	FY26 Allocate to Concrete Streets	680	FY28 Paving, Bike, S/W	690	FY29 Paving, Bike, S/W	700	
	TAMC: SB1, X, HUTA, RSTP	335	Done	TAMC: SB1, X, RSTIP, HUTA	440	TAMC: SB1, X, RSTIP, HUTA	445	TAMC: SB1, X, RSTIP, HUTA	450	TAMC: SB1, X, RSTIP, HUTA	455	TAMC: SB1, X, RSTIP, HUTA	460	
	SC - Retaining Walls - Design	40	Done	SC Retaining Walls - Construction	550	Resurface Parking Lots	300	Bicycle Master Plan	70	Resurface Parking Lots	300			
	FY 23 Concrete Street Repairs	564	Carry Over	San Antonio Pathway - Construction	275	Pavement Survey Update	30							
	TAMC: SB1, X, RSTIP, HUTA	441	Carry Over	Lincoln4th trestle bridge - Design, Env	175	Lincoln4th trestle bridge - Const	825							
	FY24 Paving Overlay, Slurry, S/W	657	Carry Over											
	TAMC: SB1, X, RSTIP, HUTA	439	Carry Over											
\$11,194		\$ 3,019			\$ 2,180		\$ 2,240		\$ 1,230		\$ 1,445		\$ 1,160	
Facilities	ADA Updates - Year 6	20	Done	ADA Updates - Year 7	20	ADA Updates - Year 8	20	ADA Updates - Year 9	20	ADA Updates - Year 10	20	ADA Updates - Year 11	25	
	City Hall Retaining Wall Repair	170	Done			Scout House Relocate-PM, Env, Des	250	Scout House Relocation	350	Scout House Renovation	500			
	Elect Panels (CH, FS, VL, Ocean)	75	Done	Vista Lobos: EV Chargers & E Panel	400	Assess Facilities (Flanders, RRs)	85	Sell Scout House Property	TBD					
	Sunset Center Ext Painting	250	Done	3CE EV Chargers & Electrical	60	Fire Station Painting	100	Flanders Structural Repairs	250	FS FCA: Roof, Windows, Alarm	500			
	Sunset Center - 8 Bollards	20	Done	Norton Garage - Secure Access	15	Design Repairs - CH, FS per FCA	150	CH FCA: Fire, Doors, Lighting	400	Sunset Center Railings	225			
	SC - Carpenter Hall Heater	45	Done			Fire Backflows to Code (3 bldgs)	150	Park Restroom Repairs	100					
	Sunset Center - Portico - Design	40	Done	Sunset Center Portico Construction	450	Sunset Ctr Painting, Ph 2	250							
	Police Building Project	3,239	Carry Over	PD/PW Gen Cover (PD)	-	Police Building Project - Design	1000	Police Building - Construction	10,000	Police Building Construction	10000	PW Building Reno - Design	1,000	
	Resilience Infr. Pilot Design	85	Merge w/PO											
	City Hall Roof Replacement	160	Carry Over	City Hall Roof - Supplemental	167									
	Sunset Ctr Cottage Windows	100	Carry Over	Sunset Ctr Cottage Windows - Suppl	100									
	Sunset Center - N Lot Electrical	100	Carry Over											
\$30,911		\$ 4,394			\$ 1,212		\$ 2,055		\$ 11,120		\$ 11,245		\$ 1,025	
Forestry,	MTNP Tank & Well Demo	121	Done	MTNP Laloelo Bridge - Env, Design	125	MTNP Laloelo Bridge Construct	125							
Parks & Beach	Urban Forest Master Plan	75	Done											
	Urban Forest MP CalFire Grant	150	Done											
	N Dunes Split Rail + Signage	25	Fence Done	MTNP - 3 Drainage Supplemental	102	MTNP Stream Projects 4-5 Design	125	MTNP - Stream 4-5 Construct	500	MTNP-Stream 6-7-Design	150	MTNP-Stream 6-7-Design	600	
	MTNP - Stream 3 Drainage	85	Carry Over											
	MTNP - Stream 3 Drainage Grant	178	Carry Over											
	Scenic Pathway Hardscape	100	Carry Over											
	Scenic Pathway Hardscape (CC)	100	Carry Over											
\$2,561		\$ 634			\$ 227		\$ 250		\$ 500		\$ 150		\$ 600	
Fleet &	Radios Lease, Year 3	30	Done	Radios Lease, Year 4	30	Radios Lease, Year 5	30	Radios Lease, Year 6	30					
Equipment	2 Forestry & 2 PD Vehicles	220	Done	PW Dump Truck (1995)	150	Forestry Bucket Truck (1995)	225	Facilities Truck EV (2007)	85	Streets Pickup EV (2005)	75	Streets Pickup EV (2012)	75	
(Vehicle &	EV Vehicles - 3CE Grants	25	TBD	Police EV Patrol (2017)	75	Fire Vehicle EV (2010)	75	Fire Inspector Vehicle EV (2012)	75	Forestry Water Truck (1994)	120	PD Detective Veh EV (2017)	75	
Equipment Fund)	Ambulance & Equipment/AED	275	Carry Over	EV Vehicles - 3CE Grants	15	Ambulance - Balance of \$410k	85	PD Admin Vehicle EV (2013)	75	Streets Patch Truck (1999)	100	PD Patrol Vehicle EV (2020)	75	
	Ambulance (Donation)	50	Carry Over			Ambulance Heart Monitor	35	PD Animal Control Veh (2009)	75	PD Patrol Vehicle EV (2019)	75			
	Fire Engine (Prepaid \$880k)	0	Carry Over			PD Motorcycle EV (2008)	30	PD Radar Trailer (2009)	25	PD Parking Vehicle EV (2014)	45			
						EV Vehicles - 3CE Grants	20	EV Vehicles - 3CE Grants	30	EV Vehicles - 3CE Grants	30	EV Vehicles - 3CE Grants	35	
\$2,479		\$ 600		\$ -	\$ 270	\$ -	\$ 500		\$ 395		\$ 445		\$ 260	
Environmental	Coastal Engineering Study, Ph 1	133	Done			Climate Action Plan Projects	50	Climate Action Plan Projects	50	Climate Action Plan Projects	50	Climate Action Plan Projects	50	
& Climate Change	Coastal Engineering Study, Ph 2	550	Carry Over			Energy Upgrades	50	Energy Upgrades	50	Energy Upgrades	50	Energy Upgrades	50	
	Undergr. Utility Dist. (Rule 20A)	667	Carry Over											
	Shoreline Inf Repairs, Stairs	350	Carry Over	Reconst. 4th Outfall - Env, Design	250	Reconst. 4th Outfall - Const	900	Shoreline Inf Repairs - Const 2	750	Shoreline Inf Repairs - Const 3	750			
						Shoreline Inf Repairs - Const 1	750	Shoreline Inf Repairs - Design 3	150					
						Shoreline Inf Repairs - Design 2	150							
\$5,750		\$ 1,650		\$ -	\$ 250	\$ -	\$ 1,900		\$ 1,000		\$ 850		\$ 100	
IT	HML Generator	-	Cancel	Core Networks	50	IT Network Refresh	80	IT Equipment	75	IT Equipment	80	IT Equipment	85	
(Vehicle &	IT Servers	50	Done	Network Firewalls	150	Wireless Access Point	50	GIS Upgrades	30					
Equipment Fund)				Council Chambers AV Upgrade	60	PD Records Management	200							
\$920		\$ 50		\$ -	\$ 290	\$ -	\$ 310		\$ 195		\$ 80		\$ 85	
Library	HML Carpet	-	Cancel	PBL - Windows, Dry Rot	45			MP Project #2 - Design	200	MP Project #2 - Construction	200	MP Project #3 - Design	200	
	HML Exterior + Part Interior Paint	140	Done			MP Project #1 - Donations	850	MP Project #2 - Donations	850	MP Project #2 - Donations	850	MP Project #3 - Donations	850	
	Library Master Plan - Phases 2-4	100	Carry Over	Library Master Plan Supplemental	TBD									
\$4,285		\$ 240			\$ 45		\$ 1,000		\$ 1,000		\$ 1,000		\$ 1,000	
Grand Totals	\$64,709	\$11,727			\$5,867		\$3,250		\$15,673		\$16,155		\$5,250	
City Funding	\$56,184	\$5,892			\$5,892		\$7,940		\$15,395		\$14,850		\$3,985	
External Funding	\$8,525	\$2,835			\$515		\$1,265		\$1,280		\$1,285		\$1,265	



5-Year CIP: Funding Needs Years 2-5

Asset Category	Major Projects	Estimate Years 2 - 5
Drainage	Junipero Bypass, 4 th Ave. CDS, Priority Repairs	\$3,325,000
Street Improvements	Concrete Streets, FY 28, 29 Paving	5,250,000
Facilities	Police Building, Scout House Relocation, City Hall, Fire Station and Sunset Center Repairs, ADA	25,145,000
Forestry/Parks	MTNP 2-4 Stream Stability Projects, Laiolo Bridge	1,500,000
Fleet	Ambulance, Bucket, Water, and Patch Trucks	1,600,000
Environment	Shoreline Repairs: Fourth Ave Outfall, Structural Stairs, Revetments , Climate Action Projects	3,850,000
IT	Ongoing Equipment and Updates, PD Records	580,000
Library	Master Plan Renovations	4,000,000
Contingency	Contingencies	1,000,000
	Total Needs	\$46,250,000



Recommendations/Council Direction

- Accept 15 FY 24 CIP projects completed in FY 24
- Accept 14 FY 25 Operating Budget projects completed in FY 24
- Tentatively approve 4 projects to cancel/modify
- Tentatively approve 14 carry over projects from FY 24 into FY 25
- Tentatively approve Supplemental Funding for 6 of the carry over projects that are shovel-ready
- Refine initial list of 6 Equipment/IT Projects for FY 25 to meet budget
- Refine initial list of 12 CIP Projects for FY 25 to meet budget
- Guidance for first review of 5-year CIP
- Return in April for 2nd Review and Impacts to FY 25 Budget forecast

Questions?