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Title: Presentation of the Proposed 5-Year Capital Improvement Program (CIP) for Fiscal Year 2022-2023 Through Fiscal Year 2026-2027 (Public Works Director Lee).
(Estimated Time: 1 Hr.)
A) DISCUSS AND PROVIDE DIRECTION
B) APPROVE

Sponsors:

Indexes:

Code sections:

Attachments: 1. Schedule of Capital Improvement Projects by Fund, 2. CIP Project Summary Sheets, 3. PowerPoint Presentation

Date	Ver.	Action By	Action	Result
5/10/2022	1	City Council Adjourned Regular Meeting		

TO:
Honorable Mayor and Members of the City Council

THROUGH:
Bruce Moe, City Manager

FROM:
Erick Lee, Public Works Director
Steve S. Charelian, Finance Director
Katherine Doherty, City Engineer
Libby Bretthauer, Financial Services Manager

SUBJECT:
Presentation of the Proposed 5-Year Capital Improvement Program (CIP) for Fiscal Year 2022-2023 Through Fiscal Year 2026-2027 (Public Works Director Lee).
(Estimated Time: 1 Hr.)

A) DISCUSS AND PROVIDE DIRECTION
B) APPROVE

RECOMMENDATION:

Staff recommends that City Council receive a presentation on the Proposed 5-Year Capital Improvement Program (CIP) for Fiscal Year (FY) 2022-2023 through FY 2026-2027 and:

1. Review the Proposed 5-Year CIP projects listed in the attachments; and
2. Direct staff to revise the 5-Year CIP based on any changes or modifications requested by City

Council; or

3. Approve the 5-Year CIP projects list as presented.

EXECUTIVE SUMMARY:

The City of Manhattan Beach is committed to ensuring a well-maintained and up to date physical infrastructure. A core mission of the City is to ensure that its facilities and infrastructure meet the current and future needs of the community it serves. This is achieved by planning for and implementing a robust Capital Improvement Program, one that addresses physical assets throughout the City, including but not limited to streets and other right-of-way facilities, water, stormwater, and sewer infrastructure, public buildings, parks and open space, and community amenities.

Public Works staff has prepared the attached 5-Year CIP, which updates the annual CIP adopted last year. Overall, changes in the proposed 5-Year CIP focus on assessments and investments in the City's park system, taking major strides in ensuring compliance with stormwater quality regulations, catching up on the backlog of water and sewer infrastructure projects, and continuing with City-wide transportation improvements.

The proposed 5-Year CIP is ultimately presented to and reviewed by City Council and, pending any changes, becomes part of the adopted plan and operating budget for FY 2022-2023.

This report includes an overview of the proposed CIP for FY 2022-2023 through FY 2026-2027. Projects are grouped by funding sources and include prior, current, and future funding allocations. Lastly, the report highlights which projects have adjusted funding allocations relative to last year's approved budget. In all, there are 74 unique projects valued at over \$148 million. City Council is being asked to review and approve the proposed 5-year CIP as presented, or recommend modifications to be incorporated prior to final approval in June 2022.

FISCAL IMPLICATIONS:

The proposed 5-Year CIP as detailed on the attached Schedule of Capital Improvement Projects by Fund includes 74 individual projects totaling \$148,183,561. This includes projects already underway as well as those to be initiated within the next five years. The planned expenditures are for projects approved in prior years, representing approximately \$58.7 million, while the remaining \$89.5 million represents projects planned for implementation in FY 2022-2023 through FY 2026-2027. Collectively, the proposed schedule is comprised of:

\$219,989	Street Lighting & Landscape Projects
\$37.9 Million	Streets, Sidewalks and Other Rights-of-Way Projects (ROW)
\$21.0 Million	Building, Park, Pedestrian and Signal Preemption Projects (CIP)
\$36.8 Million	Water Infrastructure Projects
\$25.7 Million	Stormwater Projects
\$22.5 Million	Wastewater Projects
\$2.2 Million	Parking Lot Projects
\$1.8 Million	State Pier and Lot Projects

Upon the City Council's concurrence of the Proposed CIP Budget funding allocations proposed for FY 2022-2023, the funding appropriation can occur as part of City Council's adoption of the City's Operational Budget in June 2022.

BACKGROUND:

One of the City's primary functions is to ensure well-maintained facilities and physical infrastructure to meet the current and future needs of the community. This is achieved by planning for and implementing a Capital Improvement Program to address physical assets throughout the City including, but not limited to, streets and other rights-of-way facilities, water, stormwater, and sewer infrastructure, public buildings, parks and open space, and community amenities. The 5-Year CIP is the City's planning tool that guides the selection and implementation of near and mid-term capital improvement projects. The City Council considers and approves it annually as part of the budget adoption process. Projects listed in the CIP are aligned with the City's General Plan elements and include the priorities of City Council, staff, user groups, and the community at large.

On April 27, 2022, the Planning Commission reviewed the proposed 5-Year CIP Project List and determined that it is consistent with the City's General Plan.

On April 28, 2022, the Parking and Public Improvement Commission (PPIC) also reviewed the 5-Year CIP Project List.

Commensurate with the budget adoption cycle, Public Works staff initiates a review of the City's 5-Year CIP and recommends additions, alterations and adjustments based on changing priorities, funding availability, and updated information. This report includes an extensive summary of the proposed CIP for FY 2022-2023 through FY 2026-2027. Projects are grouped by funding sources and include prior, current, and future funding allocations. The proposed 5-Year CIP is ultimately presented to and reviewed by City Council and, pending any changes, becomes part of the adopted plan and operating budget for the fiscal year.

DISCUSSION:

The projects identified in the 5-Year CIP are grouped into eight categories based on their funding sources and project eligibility. These categories include:

1. Street Lighting & Landscape Projects
2. Streets, Sidewalks and Right-of-Way (ROW) Projects
With subcategories: Gas Tax, Proposition C, Measure R, and Measure M
3. CIP Projects (City Facilities, Buildings and Parks)
With subcategory: Construction Bond
4. Water Infrastructure Projects
5. Wastewater Infrastructure Projects
6. Stormwater Infrastructure Projects
With subcategory: Measure W
7. Parking Facilities Projects
8. State Pier and Lot Projects

5-Year CIP List and Implementation Priorities (FY 2022-2023 - FY 2026-2027)

The body of this report highlights the 74 proposed projects listed in the 5-Year CIP by funding category. In all, the projects programmed for implementation over the next five years total \$148.2 million. It is worth noting that the majority of the eight categories listed above have very specific project eligibility criteria, negating the ability to move most projects from one category to another unless they also meet that specific eligibility criteria.

A complete list of the proposed 5-Year CIP projects and their recommended funding sources and amounts is provided as an attachment to this report. All project line item adjustments are highlighted in red and summarized below.

Street Lighting and Landscape Fund \$219,989 1 Project

This category addresses the repair and replacement of the City's streetlights. In 2019, the City purchased 825 streetlights from Southern California Edison (SCE). Transitioning from utility-owned poles to customer-owned poles was projected to save the City nearly \$90,000 annually. A portion of this annual savings has been allocated to future pole maintenance and pole replacement needs in the Street Lighting and Landscape Fund.

Proposed Line Item Modification:

Annual Streetlight Replacement: Add \$35,000 in FY 2026-2027.

Staff Recommendation

Staff recommends that City Council approve the one project programmed in this section of the 5-Year CIP as proposed. Please note that while the fund will grow annually, actual pole replacements will occur on a five to ten-year cycle as a distinct CIP project using accumulated funds.

Streets, Sidewalks and ROW Funds \$37,933,503 16 Projects

This category of projects primarily addresses the rehabilitation, improvement and/or enhancement needs of streets, sidewalks, curbs and gutters. Project types include street resurfacing, slurry seal applications, replacement of damaged curbs, gutters and sidewalks, intersection and turn movement improvements, capacity enhancements such as lane widening, pedestrian safety projects, and Americans with Disabilities Act (ADA) access improvements. There are four Local Return funding sources that support the projects listed in the Streets, Sidewalks and ROW category, and they are commonly combined in any given fiscal year to implement one or two larger roadway projects. In addition, there are six individual grant-funded projects listed in these categories. The Local Return funding sources and the corresponding programmed revenues include:

\$8,061,493	<u>Streets and Highways Fund</u> (i.e., Gas Tax), inclusive of grants from South Bay Highway Program (SBHP) / Los Angeles County Metropolitan Transportation Authority (Metro) and the Federal highway programs. This fund can be used for a broad array of street-and sidewalk-related projects. Both local and arterial roadway projects are eligible. This Fund also includes the voter-affirmed Senate Bill 1 tax on gasoline.
\$9,609,725	<u>Proposition C Fund</u> , inclusive of grants from SBHP and Metro: This fund is limited to arterial and collector transportation corridors and can be used for street rehabilitation, maintenance and access improvements on these corridors.
\$4,968,671	<u>Measure R Fund</u> : This fund can be used for a broad array of street-and sidewalk-related projects throughout the City. Both local and arterial roadway projects are eligible.
\$15,293,614	<u>Measure M Fund</u> : This fund can be used for a broad array of street-and sidewalk-

related projects throughout the City, as well as stormwater pollution control projects. Both local and arterial roadway projects are eligible.

Proposed Line Item Modifications - Streets and Highway Fund (Gas Tax)

1. Annual Citywide Concrete Repairs Program: Add \$365,000 to FY 2026-2027.
2. Biennial Slurry Seal Program: Shift the biennial cycle up by one year, and revise biennial budget programming to add \$30,000, resulting in \$800,000 in FY 2022-2023, FY 2024-2025, and FY 2026-2027.
3. Annual Street Resurfacing Program: Add \$350,000 to FY 2026-2027.
4. Triennial Pavement Management System Update: Revise the triennial budget programming to add \$40,000, resulting in \$80,000 in FY 2023-2024 and FY 2026-2027.

Proposed Line Item Modifications - Proposition C

Annual Street Resurfacing Program: Revise programming to reflect an annual schedule of \$750,000 in FY 2023-2024 through FY 2026-2027.

Proposed Line Item Modifications - Measure R

1. Annual Street Resurfacing Program: Revise programming to reflect an annual schedule of \$500,000 in FY 2022-2023 through FY 2026-2027.
2. Ocean Drive Walk Street Crossings: Reduce programming in FY 2022-2023 by \$250,000 and add \$500,000 to FY 2023-2024.

Proposed Line Item Modifications - Measure M

1. Manhattan Beach Advanced Traffic Signal (MBATS): Add \$5,310,000 to FY 2022-2023 and add \$2,000,000 to FY 2023-2024.
2. Annual Street Resurfacing Program: Revise programming to reflect an annual schedule of \$500,000 in FY 2022-2023 through FY 2026-2027.

Staff Recommendation

Staff recommends that City Council approve the 16 projects programmed in this section of the 5-Year CIP as proposed. The annual and biennial projects listed (i.e., curb/gutter, resurfacing, slurry) will be implemented based on roadway priorities established in the triennial Pavement Management Program report and in conformance with the City's biennial slurry seal cycle.

CIP Funds

\$21,025,151

25 Projects

This category of projects addresses all of the projects that do not typically qualify for funding from the seven other groups listed herein. Projects include building and other facility improvements, park facility upgrades, studies and master plans, landscaping enhancements, signage, City-owned refuse enclosures and other right-of-way and public property improvements.

\$14,826,309

CIP Fund: This fund is generated from a combination of dedicated General Fund revenues, including transient occupancy tax (TOT), parking citations, and parking meter revenues. The CIP Fund also includes partial funding from grants and special project funds from Proposition A, the Public Arts Trust Fund, the Community Development Block Grant (CDBG) program, and the Manhattan Village Mall

developer deposit. The FY 2022-2023 Proposed Budget also includes a \$4.0 million transfer-in from the General Fund.

\$6,198,842

Construction Bond Fund: This fund was established to track the bond funds related to the Fire Station No. 2 Replacement Project, which involves demolishing and replacing the existing fire station located at Manhattan Beach Boulevard and Rowell Avenue. The project is currently in construction.

Proposed Line Item Modifications - CIP Fund

1. Annual Facilities Capital Maintenance Program (renamed from Facility Improvements): This funding is typically used for miscellaneous repairs and other maintenance work for all the facilities Citywide. Most of the work items are small maintenance items that are less than \$50,000 and contractually done under the signature authority of the City Manager. Occasionally, larger work items are specifically presented to City Council for review and approval. Projects such as the HVAC replacement at City Hall and the Citywide Security Cameras Project were historically tracked as sub-projects under this heading. They are now tracked as stand-alone projects. Reduce FY 2022-2023 by \$275,000, reduce FY 2023-2024 by \$425,000, reduce FY 2024-2025 by \$250,000, reduce FY 2025-2026 by \$250,000, and add \$300,000 in FY 2026-2027.
2. Citywide Security Cameras: Add \$230,000 in FY 2022-2023, \$160,000 in FY 2023-2024, and \$100,000 in FY 2024-2025.
3. Manhattan Village Senior Villas ADA Pathway: Add \$50,000 in FY 2022-2023.
4. Park Improvements Program: New project to assess and implement park improvements Citywide. Add \$150,000 in FY 2022-2023, and \$250,000 in FY 2023-2024 through FY 2026-2027.
5. Solar Power Installation at City Facilities: New project to assess and implement solar power at City-owned facilities. Add \$150,000 in FY 2023-2024 through FY 2026-2027.
6. Polliwog Park Lighted Pathway: New project to replace site lighting throughout Polliwog Park. Add \$180,000 in FY 2022-2023.
7. City Hall Renovations: New project to design and construct improvements to workspaces in City Hall. Add \$282,500 to FY 2022-2023.
8. Sand Dune Park Improvements: New project to replace the building at Sand Dune Park. Add \$1,200,000 to FY 2022-2023.
9. National Fitness Campaign (NFC) Equipment Installation: Add \$65,000 to FY 2022-2023.
10. Ceramics Studio Renovations (Kiln): Add \$100,000 in FY 2022-2023.
11. Joslyn Center Façade Replacement: New project to update the façade of the Joslyn Center in tandem with the Senior and Scout Community Center Renovation, City Council Work Plan item. Add \$70,000 in FY 2022-2023 and \$250,000 in FY 2023-2024.
12. Begg Field Improvements: Reprogram \$400,000 from FY 2022-2023 to FY 2023-2024.
13. Manhattan Beach Unified School District (MBUSD) Project: Add an annual allocation of \$250,000 in FY 2022-2023 through FY 2026-2027.
14. Biennial Slurry Seal Program - MBUSD: New project to provide funds to include

MBUSD school sites in the City's Biennial Slurry Seal Project, as requested by MBUSD. The Program's typical funding source (Gas Tax) can only be used for the public right-of-way; therefore, this item is included in the CIP Fund. Add \$50,000 in FY 2022-2023, FY 2024-2025, and FY 2026-2027.

15. City Owned Refuse Enclosures Improvements: Add annual allocation of \$50,000 to FY 2022-2023 through FY 2026-2027.
16. Annual Non-Motorized Transportation Program (Bike lanes, Crosswalks): Increase the annual allocation by \$100,000 to FY 2022-2023 through FY 2026-2027.
17. Annual ADA Improvements Program: Add \$100,000 funding stream from Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds to FY 2026-2027. The current approved allocation is being used specifically to construct a "zig-zag" pedestrian pathway with railings adjacent to the Senior Villas/Manhattan Village Soccer Field driveway entrance at Parkview Drive.

Proposed Line Item Modification - Construction Bond Fund

Fire Station No. 2 Replacement Project: Bond Fund was added in conjunction with the debt issuance and budget appropriation approved in August 2021.

Staff Recommendation

Staff recommends that City Council approve the 25 projects programmed in this section of the 5-Year CIP as proposed. Many of the projects identified have already begun, and the remaining projects will be prioritized according to grant funding deadlines as well as City Council and departmental priorities. Notably the majority of staff effort in the coming year will be dedicated to overseeing construction of the Fire Station No. 2 replacement, Polliwog Lower Playground replacement, and assessment and improvements at the City's parks.

Water Fund

\$36,831,042

14 Projects

This category of projects addresses the infrastructure needs, operations and maintenance of the City's water system, and includes water main and valve replacements, pump station refurbishments, reservoir maintenance and/or replacement, well pumping and treatment activities, meter upgrades and automation, and all studies and master plans. The projects in this category are fully funded through the Water Enterprise Fund using revenues collected through fixed and variable water rates. The most significant water project underway is the replacement of Peck Reservoir, which accounts for about 30% of the total funding allocated over the next five years. In response to depletion in the Water Enterprise Fund, staff recommends deferring all expenditures previously programmed in FY 2022-2023 to future years.

Proposed Line Item Modifications

1. Annual Pipe Replacement Program: Add \$3,000,000 in FY 2026-2027.
2. Redrill and Equip Well 15: Reprogram \$650,000 from FY 2022-2023 to FY 2023-2024.
3. Utility Radio Telemetry: Reprogram \$215,000 from FY 2022-2023 to FY 2023-2024.
4. Well 15 Electrical Panel Replacement and VFD Installation: Reprogram \$300,000 from FY 2022-2023 to FY 2023-2024.
5. Water Master Plan Update: Add \$150,000 in FY 2026-2027.
6. Generator Upgrades - Well 15 and Block 35: Reprogram \$250,000 from FY 2022-2023

to FY 2024-2025.

7. Rosecrans Avenue Pipeline Replacement Project (Phase 1): New project indicated as high priority in the 2021 Water Master Plan. Add \$1,200,000 in FY 2025-2026, and \$3,400,000 in FY 2026-2027.

Staff Recommendation

Staff recommends that City Council approve the 14 projects programmed in this section of the 5-Year CIP. The majority of staff effort in FY 2022-2023 will be focused on the on-going construction for the Peck Reservoir, replacement of deteriorated sections of water mains, replacement of water meters with automated registers, and starting construction on the Larsson Street and 2nd Street Booster Stations.

Stormwater Funds

\$25,677,454

9 Projects

This category of projects addresses the infrastructure needs for both stormwater conveyance and National Pollution Discharge Elimination System (NPDES) compliance requirements. Projects include storm drain repairs and upgrades, capacity enhancements, trash capture devices, a wastewater master plan, and enhanced watershed management plan (EWMP) infrastructure needs (e.g., infiltration projects). The Stormwater Fund is supported by a combination of stormwater assessment fees and transfers from the General Fund.

\$6,520,354	<u>Stormwater Fund</u> : This fund is limited to stormwater infrastructure and is supported by a combination of stormwater assessment fees and transfers from the General Fund.
\$19,157,100	<u>Measure W Fund</u> : This fund can be used to increase local water supply, improve water quality, and protect public health. The Measure W Fund includes a local return annual allocation and competitive grant funding from Measure W.

Proposed Line Item Modifications - Stormwater Fund

1. Storm Drain Capital BMPs: Add \$210,000 to FY 2026-2027.
2. Annual Storm Drain Repairs: Add \$500,000 to FY 2026-2027.
3. Beach Cities Green Streets Project: Funds reallocated from the canceled Joint Watershed Infiltration Project to the Beach Cities Green Street Project, per City Council direction on June 23, 2020.
4. Shelley Street Improvement Projects: New project indicated as high priority in the 2021 Stormwater Master Plan, add \$100,000 in FY 2025-2026, and \$600,000 in FY 2026-2027 for this multi-fund project.

Proposed Line Item Modifications - Measure W Fund

1. TMDL Trash Treatment Project: Add \$1,230,000 to FY 2023-2024 for construction. Design was funded by the Storm Drain Capital BMPs Program.
2. Shelley Street Improvement Projects: New project indicated as high priority in the 2021 Stormwater Master Plan, add \$410,000 in FY 2024-2025, FY 2025-2026, and FY 2026-2027 for this multi-funding source project.
3. 28th Street Stormwater Infiltration Project (Phase 1): Retitled from the Strand Infiltration Feasibility Study. Add \$1,200,000 in FY 2022-2023 and \$14,000,000 in FY 2023-2024.

Staff Recommendation

Staff recommends that City Council approve the nine projects programmed in this section of the 5-Year CIP. The majority of staff effort in the coming year will be to complete the storm drain improvements/repairs and incorporate designs of the best management practices (BMPs) such as bio-swales, infiltration galleries, etc. to mitigate localized flooding.

Wastewater Fund**\$22,505,361****9 Projects**

This category of projects addresses the infrastructure needs, operation, and maintenance of the City's wastewater system and includes sewer main replacements, lift station refurbishments, radio telemetry, and all required studies and master plans. The projects in this category are fully funded through the Wastewater Enterprise Fund using revenues collected through sewer service charges.

Over 70% of the funding allocated in this category is for addressing aging lift stations. Lift stations are the backbone of an otherwise gravity flow system, and their proper care is paramount to the safe and effective operation of the entire wastewater system.

Proposed Line Item Modifications

1. Annual Rehabilitation of Gravity Sewer Mains: Reduce \$1,100,000 from FY 2022-2023, reduce FY 2023-2024 by \$400,000, and reduce FY 2024-2025 and FY 2025-2026 by \$800,000.
2. Pacific Lift Station Upgrade: Add \$3,000,000 in FY 2023-2024.
3. Utility Radio Telemetry: Reprogram \$75,609 from FY 2022-2023 to FY 2023-2024.
4. Voorhees Lift Station Upgrade: Add \$2,441,000 in FY 2022-2023.
5. Meadows Lift Station Upgrade: Reprogram \$1,600,000 from FY 2023-2024 to \$1,250,000 in FY 2025-2026 and \$350,000 in FY 2026-2027.
6. Wastewater Master Plan Update: Add \$100,000 in FY 2022-2023.
7. Palm Lift Station Upgrade: Reprogram \$1,400,000 from FY 2023-2024 to FY 2024-2025.
8. City Hall Lift Station Upgrade: Reprogram from FY 2025-2026 to FY 2026-2027 and reduce by \$600,000.

Staff Recommendation

Staff recommends that City Council approve the nine projects listed in this section of the 5-Year CIP. Staff prioritizes sewer infrastructure repairs and replacements based on the age and condition of the pipes, useful life of operational equipment, and problematic areas of the system.

Parking Fund**\$2,239,778****3 Projects**

This category of projects addresses the maintenance, repair, and rehabilitation of City-owned and managed public parking lots and their surrounding landscaped areas, including Metlox and three other downtown parking structures, the North Manhattan Beach parking structure and streetscape, and several beach parking lots owned by Los Angeles County. Funding for projects in this category is generated by meter fees collected at parking lots and curbside parking meters.

Proposed Line Item Modifications

1. Parking Structure Replacement Project - Design: New project to begin the design for the replacement of Parking Structure Lot 3, add \$1,500,000 to FY 2026-2027.
2. Way Finding Program (Phase 1): City Council Work Plan item. Add \$200,000 to FY 2022-2023.

Staff Recommendation

Staff recommends that City Council approve the three projects listed in this section of the 5-Year CIP.

State Pier and Lot Fund

\$1,753,000

1 Project

This category of projects addresses the maintenance, repair and rehabilitation of state-owned upper and lower Pier parking lots as well as the Manhattan Beach Pier itself. Eligible projects include replacement and/or repair of the railing system, lighting, restrooms and deck, and installation of public safety devices. Funding for projects in this category come from the meter fees collected by visitors and patrons utilizing the upper and lower Pier parking lots. Notably, staff has initiated design efforts to replace the entire length of the Pier's railing system. The current rails were installed in the 1980s and are now beyond repair due to extensive corrosion from the salt air.

Proposed Line Item Modification

Pier Railings: Add \$200,000 to FY 2022-2023.

Staff Recommendation

Staff recommends that City Council approve the single project identified in this section, which is the complete replacement of the pier's railing system. No other projects are programmed in this category.

COMPLETED PROJECTS OVER THE PAST YEAR

Public Works has completed or anticipates completing the following projects in the current fiscal year ending in June 2022:

1. Sepulveda Bridge Widening Project
2. Parking Structure Lot 3 Rehabilitation Project
3. Aviation Blvd. at Artesia Blvd. Right Turn Improvements Project
4. Repainting Block 35 Elevated Water Tank
5. Downtown Traffic Signal Pole Updates Project
6. Local Roadway Safety Plan
7. Slurry Seal in the Central Area of the Sand Section and Rainbow Crosswalk
8. Storm Drain Master Plan
9. Water Master Plan
10. Water Rates Study

11. Strand Infiltration Feasibility Study
12. Citywide Concrete Repairs Program - Cycle 1
13. City Hall HVAC Improvements Project

SCHOOL DISTRICT PROJECT FUNDING REQUEST

In FY 2020-2021, the CIP Program included a \$250,000 budget for the school district to use on its facilities. The City paid an invoice for \$243,570 as reimbursement to the MBUSD for payment towards fall protection zone playground resurfacing improvements.

On May 4, 2021, the City received a written request from the MBUSD Superintendent's Office for funding consideration of their facilities as listed below. The City Council instructed staff to include an additional \$250,000 in FY 2021-2022. Moving forward, an annual allocation of \$250,000 in FY 2022-2023 through FY 2026-2027 is being proposed to further address these needs.

- Priority 1 - Playground Apparatus Fall Zone Surfaces improvements in five elementary schools for an estimated cost of \$346,500.
- Priority 2 - Mira Costa High School (MCHS) Pool Deck repair due to deteriorating deck and coping. The pool is used extensively by both MCHS and community users. The project's total cost would be approximately \$350,350.
- Priority 3 - Mira Costa High School Pool Resurfacing as the plaster surface interior to the pool itself is beyond its useful life and needs to be replaced. The project's total cost would be approximately \$208,000.
- Priority 4 - Mira Costa High School Tennis Court Retaining Walls and Fencing are deteriorating and the fence posts are rusting. The project's total cost would be approximately \$250,000.

STAFFING RESOURCES AND PROJECT WORKLOAD

The City of Manhattan Beach has seven full-time engineers and one consultant engineer dedicated to implementing the City's capital improvement plan, including the Underground Utility Assessment District (UUAD) program. They continue to make significant headway in clearing out the backlog of projects, while also taking on new projects over the past several years.

Currently, there are more than 40 active CIP projects underway, such as completing Peck Reservoir, replacing the Pier's railings, replacing Fire Station No. 2, replacing the Polliwog Lower Playground, MB Advanced Traffic Signal System improvements, sewer, stormwater and water pipeline replacements, slurry seal work, street resurfacing, and pump station improvements.

Due to the uncertainty of the Coronavirus pandemic, no new projects have been proposed by staff in the last two years. This coming year, staff recommends focusing on assessments and investments in the City's park system, taking major strides in ensuring compliance with stormwater quality regulations, implementation of water, stormwater, and sewer infrastructure projects as outlined in the Master Plan updates, and continuing with City-wide transportation improvements. Additionally, the Engineering Division continues to maintain a list of potential projects for which funding and staffing resources have not been identified yet. This "Unfunded List" currently consists of 25 projects valued at approximately \$65,700,000 and is not included in the Proposed 5-Year CIP.

In order to allocate sufficient resources to undertake the CIP Program outlined in this report, staff is

requesting the addition of one Associate Engineer and one Management Analyst (offset by the elimination of one part-time Management Analyst) as part of this budget cycle.

CONCLUSION

Individual staff recommendations for each funding category are provided throughout the staff report. Overall, staff seeks approval from City Council of the 74 projects listed in the Proposed 5-Year CIP and an appropriation of \$17,313,500 for FY 2022-2023.

PUBLIC OUTREACH

Staff participated in the Annual Community Budget Meeting and various other community meetings while developing the 5-Year CIP project list. The list reflects the priorities outlined in the City Council Work Plan and priorities provided by residents in the December 2021 Community Opinion Survey.

ENVIRONMENTAL REVIEW

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that adoption of the 5-Year CIP is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS

1. Schedule of Capital Improvement Projects by Fund
2. CIP Project Summary Sheets
3. PowerPoint Presentation