



Legislation Text

File #: 19-0422, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Stephanie Katsouleas Public Works Director
Prem Kumar, City Engineer
Anna Luke-Jones, Senior Management Analyst

SUBJECT:

Review the Unfunded Capital Improvement Program (CIP) List, Consider Which Projects Should Be Removed from the List, and Confirm the Order of Priority for the Projects That Remain on the List (Public Works Director Katsouleas).

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that City Council: 1) receive a presentation on projects that have been identified for consideration under the City's Capital Improvement Program (CIP), but which have not been programmed, 2) determine which CIP projects should be removed from the list for future consideration, and 3) confirm the order of priority for those projects remaining on the list.

FISCAL IMPLICATIONS:

There are 34 CIP projects, valued at \$63.4 million, which lack sufficient funding to be programmed for implementation under the CIP. These projects represent facility and infrastructure improvements and replacements, pedestrian access and safety measures, recreational enhancements, security projects, and right-of-way (ROW) upgrades.

BACKGROUND:

The 5-Year Capital Improvement Plan is the City's planning document that guides the selection and implementation of near and mid-term capital improvement projects. It is developed on a biennial basis and presented to City Council as part of the budget adoption process. Projects listed in the 5-Year plan are aligned with the City's General Plan goals and represent the priorities of the community, staff, and City Council within specific funding categories.

Over the years, more capital projects have been proposed than there are resources to fund them. Therefore, staff has kept a "rolling list" of these projects so that if additional funding became available, City Council could review them for consideration. However, there has never been a value-judgement discussion on the "worthiness" of the unfunded projects by City Council or staff, and thus no consideration has been given as to whether any project should remain on the list for future

consideration. This issue was brought up at the May 7, 2019, City Council meeting as part of the CIP adoption process, and staff was directed to bring back the unfunded list for further discussion and review. Councilmembers also suggested that the following be included as part of the discussion:

- List the fiscal year the project was first considered or proposed.
- Scale the projects by priority ranking, if possible.
- Consider which programs may be “needs” vs. “wants.”
- Remove all Manhattan Beach Unified School District projects from the list as these may be better considered through the City-District partnership agreement.
- Eliminate the Veterans Parkway Bike Path project in order to keep the Veterans Parkway more of a natural, wild landscape.
- Remove projects from the list if not a priority of the current Council, such as Begg Pool.

DISCUSSION:

The CIP Project Request List (e.g., unfunded list) is a log of project suggestions and identified needs made by City staff, various community groups, the public, and City Council that have not been programmed for implementation in the CIP due to a lack of available funding. The list has been used as a reference tool for City Council consideration should additional funding become available or Council priorities change, as well as to help guide staff recommendations during the biennial CIP adoption process. It is also a tool to provide continuity when staff changes occur, and helps in financial planning for future projects that are several years away from implementation.

The most up-to-date CIP Project Request List (Attachment) has been grouped into three categories, as follows:

1. Infrastructure Needs: \$50,140,000

17 projects addressing security needs, building and other facility upgrades/replacements, roadway infrastructure, the storm drain system, and water infrastructure. Many of the projects listed address degraded infrastructure that will need attention at some point in the future.

2. Community, Staff, and City Council Requests: \$5,310,000

16 projects addressing downtown enhancements, pedestrian safety, building façades, recreational opportunities, and one roadway improvement. Although not mandated, many of these projects improve quality of life experiences for residents, businesses, and community groups, increase service levels, and contribute to community well-being. This list does not include additional Downtown enhancements that are in the process of being vetted, for which the scope and costs are being evaluated.

3. Grant Opportunities: \$8,000,000

One project calls for diverting storm drain flows into an infiltration basin on The Strand. Due to its cost, this project-and other potential projects-is dependent on securing grants for implementation.

This Project Request List is robust and inclusive of a variety of capital projects ranging from a low implementation cost of \$50,000 to a high of \$12 million. There are many reasons why a project may be included on the Project Request List, such as:

- The project is a priority for a specific user group, business district, or residential area, but it is not a life or safety issue, or an infrastructure requirement.
- The project is necessary but would require City Council action to raise revenues to provide sufficient funds to pay for the project (e.g., water rates, meter rates, storm water fees).
- The project idea is the result of a study that was conducted, but funding to implement the study recommendation is not available.
- The project is a City Council or City priority to address a legal requirement, although there is not currently funding available for implementation (e.g., Americans with Disabilities Act retrofits).
- The project is cost-prohibitive but highly desirable should appropriate grant funding become available.

In addition to the attached CIP Project Request List, staff has attached the Project Summary Sheets, which provide additional information, for a majority of these projects. Note that two projects do not have summary project sheets because they were recently identified as necessary pending recent City Council discussions but have yet to be fully vetted for scope and cost.

The CIP Project Request List will continue to be presented during the CIP development process but not published with the biennially adopted CIP.

CONCLUSION:

Staff recommends that City Council:

1. Review the CIP Project Request List and provide direction on which projects should remain on the list and which projects should be permanently removed. Those projects removed will not be brought back for future consideration unless re-proposed at a sufficiently later date or unless City Council priorities have changed. A minimum of three City Council votes is needed to remove a project from the list.
2. Review the order of priority ranking of the projects and determine whether any of them should be listed as a higher or lower priority. It is important to note that, due to the applicability of unique funding sources for some projects, implementation priorities could shift based on earmarked or dedicated funds becoming available. Otherwise, the CIP Project Request List could be used as the guidance document for determining which projects should be “next in line” when funding becomes available.

PUBLIC OUTREACH/INTEREST:

No public outreach was conducted in consideration of this agenda item.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity 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. CIP Project Request List
2. CIP Project Request List Summary Sheets