

FY 2024 PROPOSED BUDGET HEARINGS ENTERPRISE FUNDS & INTERNAL SERVICE FUNDS CAPITAL IMPROVEMENT PLANS

Please refer to Project Sections for Page Numbers

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INTERNAL SERVICE FUND PROJECTS

Technology Fund Projects Pg. 593-624

Vehicle Replacement Fund Projects Pg. 625-653

FY 2024 PROPOSED BUDGET SUMMARY (TECHNOLOGY FUND)

Major Technology Projects in Progress

- **Enterprise Resource Planning (ERP) Phase 2 Updates**
 - Provide new functionality to improve efficiencies and support new City initiatives
- **Council Chambers Redesign**
 - RFP for design/build to support ADA Compliance and hybrid public meetings
- **Computer Aided Dispatch (CAD) Replacement for Public Safety**
 - RFP to upgrade or replace the current solution in partnership with Mountain View and Los Altos
- **Infrastructure Management System**
 - RFP will be issued for a new Electronic Reporting Management System (ERMS)

FY 2024 INFORMATION TECHNOLOGY FUND p.593

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	\$0.3 M	\$0.2 M	\$0.2 M	\$0.1 M	\$0.1 M	\$0.9 M
Expenses	\$5.4 M	\$1.7 M	\$0.2 M	\$0.1 M	\$0.1 M	\$7.5 M

FY 2024 – FY 2028 Information Technology Fund CIP Outlook

New Project:

- **Fiscal Year 2025 – IT Data Center Upgrade**

- The goal is to reduce the footprint of the current datacenter and reclaim space for IT staff

FY 2024 VEHICLE REPLACEMENT FUND p.625

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues*	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9	\$19.5
Expenses	\$5.9M	\$3.5M	\$3.5M	\$3.7M	\$3.7M	\$20.3M

*Revenue for Vehicle Replacements from other funds appears in the Operating Budget for this Fund

FY 2024 – FY 2028 Vehicle Replacement Fund CIP Outlook

- FY 2024 includes reappropriated funding (\$2.3M) from previous years for vehicles that still need to be ordered or outfitted
- Continue vehicle replacement program, addressing supply chain issues and fleet electrification S/CAP goals
- Add 18 passenger and light truck Electric Vehicles to the fleet in the FY 2024 vehicle replacement project, with "Tier 2" option for a fully electric FY2024 project



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ENTERPRISE FUND PROJECTS

Public Works Projects Pgs. 317-339; 461-490; 511-546; 625-653

Utilities Projects Pgs. 341-415; 417-433; 435-459; 491-509; 547-589

COUNCIL CONSIDERATIONS & PUBLIC WORKS ENTERPRISE PROJECT SUMMARY

Community Impact

Proposals will continue efforts to improve critical infrastructure at the airport, address storm drainage deficiencies, and ensure reliable wastewater treatment.

FY 2024 – FY 2028 Capital Improvement Plan Strategy

- Continue other Airport improvements following completion of 8-year, \$36 million Apron project
- Implement 13 Storm Water Ballot Measure priority projects
- Rebuild and rehabilitate the Regional Water Quality Control Plant (RWQCP), and begin an update to the 2012 Long Range Facilities Plan

FY 2024 PUBLIC WORKS - AIRPORT FUND p.317

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	\$0.8M	\$1.3M	\$0.9M	\$2.5M	\$2.3M	\$7.8M
Expenses	\$1.4M	\$1.7M	\$1.2M	\$3.0M	\$2.7M	\$10.0M

FY 2024 – FY 2028 Airport Fund CIP Outlook

- With FY 2023 completion of multi-year, \$36M apron project, focus on planning process and smaller projects
- \$3.8M Airport Access Road Reconstruction
- \$0.5M Automated Weather Observation Station
- Install parking lot EV Chargers and implement Zero Emission Vehicle Fleet Replacement Program

FY 2024 PUBLIC WORKS - STORMWATER MANAGEMENT FUND p.461

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	\$1.2M	\$0	\$0	\$0	\$0	\$1.2M
Expenses	\$9.9M	\$3.6M	\$1.7M	\$2.3M	\$2.8M	\$20.2M

FY 2024 – FY 2028 Stormwater Management Fund CIP Outlook

- Continue program to deliver 13 high priority projects funded by ballot measure
- \$3.4M Corporation Way System Upgrades and Pump Station
- \$0.6M East Meadow Circle Connection to Adobe Creek Pump Station
- \$0.6M East Meadow Drive System Upgrades
- \$2.5M West Bayshore Road Pump Station
- \$2.4M West Bayshore Road Trunk Line Improvements



FY 2024 PUBLIC WORKS – WASTEWATER TREATMENT FUND p.511

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	\$45.1M	\$62.7M	\$54.1M	\$0	\$0	\$161.9M
Expenses	\$55.8M	\$67.2M	\$59.0M	\$4.5M	\$5.0M	\$191.6M

FY 2024 – FY 2028 Wastewater Treatment Fund CIP Outlook

- Continue delivering existing capital renewal program while commencing a Long-Range Facilities Plan update
- \$56.4M Advanced Water Purification Facility
- \$52.1M Headworks Facility Replacement
- \$23.6M New Laboratory and Environmental Services Building
- \$12.6M Joint Intercepting Sewer Rehabilitation
- \$17.9M Outfall Line Construction

FY 2024 PROPOSED BUDGET SUMMARY (UTILITIES)

Community Impact

Utilities has been laying the foundation for the City's sustainability initiatives, and the community can expect to see some immediate benefits.

- Smart meters will enable more efficient monitoring of energy usage, resulting in cost savings for residents and businesses as well as a reduction in carbon emissions.
- Using grant opportunities to deploy critical infrastructure projects, providing a boost to the City's sustainability efforts.

Major Proposed Changes in Enterprise Fund

- Grid modernization project for citywide electrification with potential bond or grant funding
- Fiber-to-the-premises (FTTP) project to deliver high-speed fiber broadband internet

COUNCIL CONSIDERATIONS & UTILITIES ENTERPRISE PROJECT SUMMARY

FY 2024 – FY 2028 Capital Improvement Plan Strategy

- Large investments anticipated for S/CAP initiatives such as grid modernization, gas decommissioning studies
- Develop opportunities to coordinate projects such as electrification and fiber expansion or FTTP
- Maintain or accelerate main replacement schedules to protect reliability of aging infrastructure
- Invest in efforts to seek alternative funding such as grants

FY 2024 UTILITIES - ELECTRIC FUND p.341

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	26.9M	26.9M	26.9M	26.9M	25.0M	132.4M
Expenses	54.9M	45.1M	63.8M	65.9M	60.7M	290.5M

FY 2024 – FY 2028 Electric Fund CIP Outlook

- Invest resources for grid modernization master plan
- \$200-\$300M grid modernization project
- \$10.5M Foothills Fire Mitigation
- \$6.9M Colorado Power Station Equipment Upgrades
- \$5.7M Substation Breaker Replacement
- \$4.7M Substation Physical Security

FY 2024 UTILITIES - FIBER FUND p.417

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	0.2M	13.2M	0.2M	0.2M	0.2M	14.0M
Expenses	33.4M	0.6M	0.5M	0.5M	0.5M	35.4M

FY 2024 – FY 2028 Fiber Fund CIP Outlook

- \$26M dark fiber backbone project;
- \$20M and fiber-to-the-premises (FTTP) project

FY 2024 UTILITIES - GAS FUND p.435

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	\$0.5M	\$0.5M	\$0.5M	\$0.5M	\$0.5M	\$2.5M
Expenses	\$6.9M	\$7.2M	\$5.8M	\$7.8M	\$5.8M	\$33.3M

FY 2024 – FY 2028 Gas Fund CIP Outlook

- Invest resources to study the downsizing of gas in anticipation of changes in future uses
- Begin \$10M Gas Main Replacement (GMR) Project #25 in FY 2024

FY 2024 UTILITIES – WASTEWATER COLLECTION FUND p.491

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	0.5M	0.5M	0.5M	0.5M	0.5M	2.3M
Expenses	2.2M	3.2M	5.2M	3.3M	5.2M	19.0M

FY 2024 – FY 2028 Wastewater Collection Fund CIP Outlook

- Accelerate wastewater main replacement from 1 mile to 2.5 miles beginning in FY 2026
- Begin construction on \$8.6M Wastewater Collection Replacement Project (SSR) #31 (advanced from FY 2024 to FY2023) to align with Caltrans street improvement project



FY 2024 UTILITIES - WATER FUND p.547

2024-2028 CIP Proposed Budget Summary

	FY 2024 Proposed	FY 2025	FY 2026	FY 2027	FY 2028	5-Year Total
Revenues	1.4M	1.5M	1.5M	1.5M	1.5M	7.5M
Expenses	26.2M	4.3M	18.9M	4.8M	13.1M	67.3M

FY 2024 – FY 2028 Water Fund CIP Outlook

- Proceed with the \$7.4M second to last of six water tank seismic upgrade or replacement (Park Reservoir)
- Complete construction of \$9.6M Water Main Replacement Project (WMR) #28



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SUSTAINABILITY AND CLIMATE ACTION PLAN

Office of Transportation (OOT) Operating Budget Page 180,
Public Works (PW) Operating Budget Page 352,
Utilities (UTL) Operating Budget Page 447, Capital Budget EL-24000,

Additional OOT, PW, UTL, and Planning and Development Services,
Climate priority proposals in Transmittal Att C, pages xxvi to xxiv

FY 2024 BUDGET SUMMARY (Sustainability and Climate Action Plan)

Community Impact

The FY 2024 budget requests will enable the City to begin preparing the electric and gas systems to accommodate widespread vehicle and building electrification and will improve facilities to enable more bicycling and walking. The City will be able to lead by example by implementing electrification in City facilities.

Major Proposed Changes to Various Funds

Fund	Description	Cost	Council Priority
General	Staffing for bicycle and pedestrian projects and Caltrain crossings (1.0 Sr Planner)	\$196,000 (ongoing)	Climate (m)
Electric	Grid Modernization	\$25M (ongoing, varies)	Climate (p)
Gas	Gas decommissioning studies and implementation – contract costs + staffing	\$250,000 (one time) + \$150,000 (ongoing)	Climate (p)
Various Funds	Staffing for City facility electrification (1.0 Project Manager)	General Fund expenditure \$72,000 per year	Climate (S/CAP work plan)

FUTURE PROGRAM OUTLOOK (Sustainability and Climate Action Plan)

Additional requests may be forthcoming in FY 2025 for individual programs based on 2023 planning efforts. Potential areas include:

- Expansion of existing electrification programs, expansion of program sales and marketing efforts, new programs
- Mobility: new program proposals (e.g. on-demand transit program extension) and plan implementation (e.g. Bicycle / Pedestrian Plan, Vision Zero)
- City facility electrification project budgets
- Water/wastewater proposals related to recycled water or other new sources
- Sea Level Rise Plan implementation and/or flood protection efforts
- Zero waste, urban canopy, low carbon construction
- Green stormwater infrastructure plan implementation