



DATE: May 7, 2024

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Capital Improvement Program Work Session: Review of Recommended Capital Improvement Program for FY 2025 – FY 2034

RECOMMENDATION

That the Council reviews and comments on the Recommended Capital Improvement Program (CIP) for FY25 through FY34.

SUMMARY

The CIP is a planning document intended to guide the City's capital project expenditures for the upcoming ten-year period. The proposed CIP budget includes approximately \$158 million in FY25 and an estimated \$1 billion in the next ten years. Given that Hayward is a full-service city, the CIP covers a wide range of projects, which may include street construction and improvements; bike and pedestrian improvements; traffic calming; wastewater, recycled water, storm water, and water system upgrades; groundwater projects; construction of public buildings; airport projects; replacement of major equipment; clean and renewable energy generation; and other miscellaneous projects. As in past years, the document also includes Identified and Unfunded Capital Needs, which currently total \$690 million.

The Recommended FY25 – FY34 CIP can be found [here¹](#) on the City's website and features a new online format. More information about navigating the new format can be found at the provided link.

Planning Commission Review

State law requires that the Planning Commission review the Recommended CIP to ensure consistency with the City's adopted General Plan. The Recommended FY25 – FY34 CIP was presented to the Planning Commission at their April 11, 2024, meeting², and the Commission unanimously found that the Recommended FY25 – FY34 CIP is consistent with the City's 2040 General Plan.

¹ <https://www.hayward-ca.gov/your-government/documents/capital-improvement-program>

² <https://hayward.legistar.com/MeetingDetail.aspx?ID=1189779&GUID=5E483A40-F17D-450E-B6A5-43F99B012E09&Options=info&Search=>

Council Infrastructure & Airport Committee Review

On April 24, 2024, the Council Infrastructure & Airport Committee (CIAC) discussed the proposed CIP budget, in response to Community members public comments, the Committee commented on the need for the continued maintenance of the Skywest property. The Committee unanimously approved and recommended the CIP's adoption to the Council.

BACKGROUND

The CIP process begins with staff's preparation of projects and related cost estimates, which are framed by the guidance provided by Council, as well as the needs of the community. Capital projects are identified and prioritized with an emphasis on eliminating geographic inequities in the distribution of City services and infrastructure. Highest priority is given to areas in the community which have experienced a disproportionate level of improvements in past years, as well as those communities with the current highest need.

The projects in the Recommended FY25 – FY34 CIP have also been identified and prioritized based on their relevancy to the Strategic Roadmap. The CIP, by its nature, predominantly supports the Invest in Infrastructure Priority, but it also includes a number of projects which support the Confront Climate Crisis & Champion Environmental Justice, Enhance Community Safety & Quality of Life, Grow the Economy, and Strengthen Organizational Health Priorities.

The projects ultimately identified for inclusion in the CIP are designed to meet the requirements of the City's General Plan, specific plans, and master plans. The capital project funding requests are then submitted for evaluation to an internal capital projects review committee. Once the review committee's feedback is incorporated, the Recommended Ten- Year CIP is compiled and presented to the Planning Commission for determination of consistency with the General Plan, as well as the Council Infrastructure & Airport Committee for review and input. The public can provide comments at each of these meetings, as well as at the last public hearing, which is tentatively planned to take place on June 4, 2024. It is at this final public hearing that the capital spending plan for the upcoming year will be considered by Council for adoption.

DISCUSSION

The CIP is a planning document intended to guide the City's capital project expenditures for the upcoming ten-year period. The proposed CIP budget includes approximately \$158 million in FY25 and an estimated \$1 billion in the next ten years. Given that Hayward is a full- service city, the CIP covers a wide range of projects, which may include street construction and improvements; wastewater, recycled water, storm water, and water system upgrades; groundwater projects; construction of public buildings; airport projects; replacement of major equipment; clean and renewable energy generation; and other miscellaneous projects. As in past years, the document also includes Identified and Unfunded Capital Needs, which currently total \$690 million.

Below is a discussion of major projects in each category for which work will begin or continue into FY25. Please note that not all of the projects featured in this report are recommended to receive new FY25 funding.

Livable Neighborhoods Projects

Projects categorized as “Livable Neighborhoods” include street lighting projects, pedestrian traffic signal improvements, parks, buildings, public art and engagement, transportation equity projects, and traffic calming measures, as well as sidewalk and wheelchair ramp improvements throughout the City. Some examples of Livable Neighborhoods Projects in the Recommended FY25 – FY34 CIP include the Campus Drive Improvements, through which the City is implementing pedestrian, bicycle, and traffic calming improvements to address safety concerns and mobility needs in the 0.78 mile-stretch of Campus Drive between 2nd Street and Hayward Boulevard.

Another ongoing Livable Neighborhoods Project is La Vista Park, the 39-acre destination park located a quarter mile east of the intersection of Tennyson Road and Mission Boulevard in South Hayward. In FY 2022, the California Environmental Quality Act (CEQA) report was updated to include the park expansion area, and staff are currently working with consultants to finalize the design. Construction bid documents are anticipated to be completed by Spring 2024, and construction is planned to commence in late Spring or early Summer 2024.

The Safe Routes for Seniors (SR4S) and Safe Routes to School (SR2S) projects are two additional projects included in the Livable Neighborhoods category. The SR4S Program is a collaborative effort between the City and local senior housing facilities, senior centers, and community-based organizations. Through these partnerships, the City is working to identify areas in Hayward at which to focus accessibility and walkability improvements.

The City's first SR4S effort was completed in four downtown Hayward intersections, including Foothill Blvd/Hazel Ave-City Center Dr, Montgomery Ave/A St, Montgomery Ave/B St, and Watkins Ave/D St. Improvements include increased pedestrian crossing times, installation of high-visibility ADA ramps, repositioning of cross walks and pedestrian push buttons to align with ADA improvements, and widening medians for pedestrian refuge, and more. Future SR4S intersection improvements will be evaluated and then selected within the Tennyson Rd corridor in FY25.

The City completed its first SR2S project in late FY 2023 near Cesar Chavez Middle School, which included installation of curb and median extensions, advanced stop and yield marking, yellow high-visibility crosswalks, bike lanes, updated push buttons and more. The goal was to provide safer access and better visibility for pedestrians and bicyclists, especially for the students walking to and from the middle school. The project went to bid in May 2023, construction began in August 2023, and the project was closed out in December 2023.

Palma Ceia Elementary participated in a school safety assessment as part of the Alameda County's Safe Routes to Schools Program in April 2022. The safety assessment resulted in infrastructure recommendations to improve safety and accessibility in the vicinity of the school. These improvements include traffic calming, curb extensions, and increased visibility of crosswalks. The design for this project is expected to be completed in late 2024 and is included as part of the scope of the Safe Routes to School Implementation Project.

Road and Streets Projects

Projects in the “Road and Streets” category range from curb and gutter repair to major gateway corridor improvements and are primarily funded through non-discretionary funding including

Measures B (Fund 215 and 216) and Measure BB (Fund 212, 213, and 219), Gas Tax (Fund 210), Vehicle Registration Fee (VRF) (Fund 218), Road 238 Corridor Improvement (Fund 410), Streets Improvement (Fund 450), Transportation System Improvement (Fund 460), and grants such as LATIP and the Alameda County Transportation Commission (Alameda CTC) funds.

A key project in this category is Phase 3 of the Mission Boulevard Corridor Improvement Project, located from A Street to the northern City limit at Rose Street. Phase 3 is the last phase of the three-phase Mission Blvd Corridor Improvement Project. Improvements include undergrounding of overhead utilities, electrical service conversions of private properties, construction of bicycle cycle track, sidewalk, curb and gutter, rehabilitation of pavement, installation of traffic signals and streetlights, installation of traffic striping, pavement marking and signage, improvements to storm drains systems, installation of irrigation system and landscaping, as well as City of Hayward monument signs. The construction bids received in 2021 to implement this project were significantly higher than expected and subsequently rejected, delaying the project timeline. The call for bids was reinitiated in March 2023. Construction began in July 2023 and is anticipated to be completed at the end of 2024.

Another project in this category is the Main Street Complete Streets project. This project will improve pedestrian and bicycle facilities along Main Street to create a safe and friendly environment for multimodal travel in the Downtown Hayward Priority Development Area. Proposed improvements include reducing the roadway from four to two lanes and one center lane for left turns and temporary areas for delivery truck loading and unloading, adding bulb-outs (curb extensions) and bike lanes, improving ADA access with new curb ramps, replacing existing sidewalk, adding decorative streetlights, creating on-street parking opportunities that provide door zone protection for bicyclists, resurfacing and restriping roadways, and creating an attractive, sustainable landscaping buffer along sidewalks. Construction for this project will begin in June 2024 and completion is anticipated in Summer 2025.

Pavement Rehabilitation

Pavement Rehabilitation projects are a subsection of the Road and Streets projects which are typically discussed separately because they represent a relatively large part of the annual CIP. Approximately \$13.1 million in Pavement Rehabilitation programming is recommended for FY25.

Street selection for pavement rehabilitation projects is based on several criteria. First, the Pavement Management Program (PMP) is used to evaluate current roadway conditions and future condition predictions. The PMP provides a logical and efficient method for identifying street rehabilitation needs and determining a path for implementation. Staff also refers to the Metropolitan Transportation Commission's (MTC) guidelines, Maintenance Services staff's reports on streets in need of repair, especially after a severe rainy season, and public requests for street rehabilitation. The PMP is updated every two years and is a prerequisite for certain funding sources. The industry standard practice recommended by MTC is that a minimum of 15% of funding be spent on preventive maintenance and a maximum of 85% on pavement rehabilitation. The City improves on this standard with a minimum of 20% spent on preventive maintenance and 80% on pavement rehabilitation. Additionally, in 2014, Council approved the Economic Development Strategic Plan, which recommended additional improvements be made to streets in the Industrial area. Approximately 15% to 20% of the overall paving budget is allocated to

improvements in that area. Staff also has an internal policy to allocate at least 10% of the overall paving budget to roads with a Pavement Conditions Index (PCI)³ of less than 30.

The table below shows the City’s historical PCI for the last ten years. It is measured on a scale of 0 to 100, where 100 means a newly paved road.

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Pavement Conditions Index (PCI)	67	70	71	70	70	69	70	67	70	73

Municipal Facility Improvements

The “Municipal Facility Improvements” category includes projects that involve improvements to existing municipal buildings and construction of new municipal buildings. One major project included in this category is the Fire Station No. 6 & Fire Training Center Project. The new training center was constructed at the Hayward Executive Airport as a campus with classrooms, offices, a training tower, a burn building, and other facilities for urban search and rescue, as well as a new Fire Station No. 6. Construction began in August 2020 and was completed in Fall 2023. Remaining punch list items are expected to be completed by Summer 2024.

Another project to highlight would be the Hayward Police Department (HPD) Locker Rooms Design and Construction project. HPD needs a new locker room for separated use by both male and female police officers, other employees, and visitors. The existing facilities that are housed inside the HPD building are inadequate in terms of both space and amenities. The HPD Locker Room Projects will involve designing and constructing a new building adjacent to the existing HPD building to accommodate necessary improvements.

Sewer System Projects

The “Sewer Systems” category includes projects which are Enterprise Fund-supported, and which are related to the improvement of our sewer system, water re-use efforts, and Water Resource Recovery Facility (WRRF), formerly known as Water Pollution Control Facility (WPCF)

The City’s sewer line replacement projects are examples of key projects in this category. They typically involve the replacement of pipelines that are showing signs of age, or the upsizing of undersized mains to increase their conveyance capacity to handle current and future flows. With an ambitious goal of replacing an average of 2.5 miles of sewer mains annually, the proposed CIP recommends \$7 million in funding for the FY25 Sewer Line Replacement Program.

Other projects in this category include those related to the WRRF Phase II Improvements, which have been established following the recent development of a Facilities Plan Update, which is intended to guide the plant’s infrastructure and technology needs for the next twenty years. The Phase II Facilities Plan addresses future regulatory requirements restricting discharge of nutrients

³ <https://mtc.ca.gov/operations/programs-projects/streets-roads-arterials/pavement-condition-index>

to the Bay. Although the San Francisco Bay has not been adversely impacted by nutrient loading, discharge of nutrients is a growing concern and, as a result, recent requirements have been developed regulating their discharge into the Bay.

The final plan update was completed in June 2020 and in Spring 2022, Staff began working with a consultant for the design work to implement the identified improvements. In addition to the design and construction of the Phase II WRRF Upgrade, the project includes a new administration building and laboratory, as well as other related improvement needs. The total cost of the project, including the design and construction of the improvements, is currently estimated to cost \$534 million. Staff is in the process of applying for a USEPA Water Infrastructure Finance and Innovation Act (WIFIA) loan, and plan to apply for the State Revolving Fund (SRF) and selling municipal bonds to help finance the project.

Recycled Water Project

The Recycled Water Projects are also included in the Sewer Systems category. These projects are intended to improve the City's overall water supply reliability and conserve drinking water supplies through the delivery of tertiary treated recycled water to sites near the WRRF for landscape irrigation and industrial uses. Construction of the storage tank, pump station, and distribution pipelines for the system was completed in FY 2020. Construction of the treatment facility was completed in Summer 2020, and recycled water deliveries to the first phase of customers began in March 2022. Staff is currently developing a Master Plan to guide design and construction efforts for Phase II of the Recycled Water Program. Phase II will involve increasing the recycled water customer base, which will require designing and constructing an expanded treatment facility to meet the increased demand.

Water Systems Projects

"Water System Projects" are Enterprise Fund-supported and are related to the improvement of our water system, as well as projects which promote water conservation. One key program in this category is the Cast Iron Water Pipeline Replacement Program. Over the next ten years, the City will annually replace existing cast iron and asbestos cement pipes that are either reaching the end of their practical useful life, as evidenced by the frequency of the main and service connection breaks and leaks, or they are hydraulically undersized. The Recommended CIP includes \$500,000 in annual programming to support this effort.

The FY25 Annual Line Replacement Program is another key Water Systems project, which involves the replacement of existing water mains to provide adequate capacity for fire flow and to maintain the operability of the water distribution system. Water mains are selected for a variety of reasons including having exceeded service life, frequency of breaks, and/or upgrades needed for supply reliability. With a goal of replacing an average of two miles of water pipeline annually, the proposed CIP includes \$6.5 million in funding for the FY25 Annual Line Replacement Program.

Fleet Management

The "Fleet Management" category is comprised of projects involving the replacement of fleet units in various departments, divisions, and work groups. Fleet purchases benefitting the Fire and Police departments are predominantly funded by transfers from the General Fund, while fleet

purchases benefitting the Airport, Stormwater, Sewer, and Water divisions are predominantly supported by Enterprise funding. Approximately \$3.5 million in FY 2025 Fleet Management category projects are included in the proposed CIP, and involve projects supporting General Fund fleet replacement efforts, Enterprise Fund-supported fleet replacement efforts, and Electric Vehicle Infrastructure efforts.

The City maintains a fleet of approximately 450 vehicles and equipment units, and the useful life of these fleet units is maximized and managed via the 10 Year Fleet Capital Replacement Plan. The plan identifies replacement timelines based on age, mileage, maintenance, and safety. When it comes time to retire a unit, carbon emissions are a key consideration. This is in alignment with the City's Strategic Roadmap "Confront Climate Crisis & Champion Environmental Justice" Priority Project to transition 15% of total City fleet to EV/hybrid models.

Following a successful pilot program in FY21, Fleet Management adopted a new standard for Hayward Police Patrol Vehicles in which all replacement purchases will be hybrid-powered models. In FY 2022, a total of ten hybrid patrol cars were ordered to replace vehicles that have reached the end of their useful life, and an additional nine were ordered in FY 2023. Once received and placed into service, the fleet vehicle matrix will consist of 18% EV/hybrid units.

The Citywide EV Charging Projects are another key group of projects in this category. A recent report by Ava Community Energy (Ava), formerly known as East Bay Community Energy (EBCE), provided an analysis of the charging infrastructure that will be needed to electrify the City's 129 light duty, non-emergency, fleet vehicles. The report concluded the City will need three Level 1 chargers (15-20 Amps each), fifty-four Level 2 chargers (40 Amps each) and four Direct Current Fast Chargers (80 Amps or more) installed across eleven City facilities. Staff is currently preparing an assessment of charging needs for City employees. Installation of charging infrastructure for the City's fleet and employees will begin after the assessment is completed.

Staff is also working with Ava to install one to three fast charging hubs for electric vehicle charging. Hubs would serve the general public, but would be sited to also serve residents of multi-family properties, many of which are older buildings that lack the infrastructure needed to support EV charging. Implementation of these projects will be contingent on receiving funding through the Federal Infrastructure Investment and Jobs Act, which staff plan to apply for.

Equipment and Software

The "Equipment and Software" category is predominantly comprised of equipment-related purchases supporting the Fire, Police, Maintenance Services, Public Works & Utilities, and Information Technology Departments, such as the purchase of Fire Department radios, purchase of fleet cameras, and replacement of aging fiber optic lines between City facilities. The recommended FY25 CIP includes programming of approximately \$5.6 million in this category.

Airport

This category encompasses all projects related to the improvement of the Hayward Executive Airport (HWD), the City's self-supporting general aviation reliever airport which encompasses nearly 500 acres. One key project in this category is the Sulphur Creek Safety Enhancement –

Design and Construction Project, which involves the installation of box culvert to place portions of Sulphur Creek underground adjacent to airport runways. These areas were identified by the local Runway Safety Action Team as a safety hazard. The project is designed to eliminate open ditches and create a flat surface near the runways. This will prevent damage to aircraft that veer off the runway pavement. Implementation of this project has been delayed due to the issues related to inter-agency agreement related to location of a suitable environmental mitigation site, and the project is anticipated to begin after Fiscal Year 2025. The project includes a total budget of \$8.3 million, which is being provided by the Federal Aviation Administration (FAA), Caltrans Division of Aeronautics, and the City's Airport Enterprise fund.

Miscellaneous

The "Miscellaneous" category includes projects which do not neatly fit into the other categories. Projects include the Comprehensive General Plan Update, Property Acquisition Management, Route 238 Property Projects, and Parcel Group Projects. The Parcel Group projects, which are currently budgeted at \$585,000 combined in FY25, are used to facilitate the new cohesive development of former Caltrans 238 property parcels with the goals of eliminating blight, creating public benefits for the community, and generating excess land value to the City.

Identified and Unfunded Capital Needs

The last section of the Recommended FY25 – FY34 CIP is the Identified and Unfunded Capital Needs section. This list was last significantly modified for the FY 2016 CIP to remove projects that were funded with Measure C and Measure BB funds, like improvements to Fire Stations 1-6, construction of a new 21st Century Library and Community Learning Center, and \$1 million per year for paving improvements. A significant reduction occurred with street and transportation-related projects, due to the passage of Measure C, Measure BB, and the Road Repair and Accountability Act (RRAA) (SB1).

While the approval of Measure C allowed the City to address many critical facility needs (e.g., the new Library, upgrades to Fire Stations, and the new Fire Training Center), significant needs still exist. The facility update to the City's Corporation Yard (Corp Yard) is one such capital need that remains unfunded. The Corp Yard is comprised of six buildings on Soto Road which were originally constructed in the early 1980s and are in need of major improvements. The necessary improvements to the Corp Yard were estimated to amount to more than \$66 million. The FY25 CIP included a "Corporation Needs Assessment" Project, which is funding the development of a revised assessment to determine the current improvement needs and update costs.

Another significant need included in the Unfunded Capital Needs list as part of the Recommended CIP is the South Hayward Youth and Family Center, which currently has an unfunded need of an estimated \$25,000,000 for the future phases of the project.

Unfunded Capital Needs are generally broken down into the following categories:

Information Technology:	\$1,100,000
Street Improvement:	\$11,500,000
Airport:	\$43,000,000

Sewer System:	\$56,000,000
Alternate Modes:	\$59,000,000
Interchange:	\$74,500,000
Pavement Maintenance:	\$142,000,000
Facilities and Improvement:	<u>\$303,000,000</u>
Total:	\$690,100,000

It is important to reiterate that this list identifies critical needs that have, as of now, no identified funding sources. The number of projects will continue to grow over time, as will the amounts needed to fund these extremely important upgrades and repairs to infrastructure and equipment.

Proposed changes to the published Recommended FY25 – FY34 CIP

Transportation System Management Improvement Fund 460 – In the weeks following publication of the Recommended CIP, staff have worked to continue identify opportunities to reduce the CIP's reliance on transfers from the General Fund. One such opportunity was changing the transfer of \$1,000,000 from the General Fund and proposing the transfer to come from Measure C (Fund 101). This will reduce the impact to the General Fund by \$1 million. Additionally, Staff are proposing to remove Project 06939, Tennyson Neighborhood Improvement Project, in the amount of \$1 million in FY25 and FY26. Staff originally applied for the \$800,000 grant with a \$200,000 matching contribution for FY25 and FY26. The City was informed that the grant was denied in April 2024 and staff will continue to seek and apply for future grant opportunities to fund this project.

Fleet Replacement (General Fund) Fund 736 – Staff have also identified three proposed changes to Fund 736 to further reduce the impact on General Fund. The Fire Fleet Replacement, General Fund Fleet Replacement and Police Fleet Replacement project budgets are proposed to be reduced by \$1,651,000 due to the suppliers delay in several vehicle purchases. This reduces the fleet replacement capital fees from \$3.1 million to \$1.45 million. If authorized by Council, these updates will result in a net reduction of \$1,651,000 to the Fund's impact on the General Fund, and the fleet capital replacement fees will be reduced to \$1,450,000.

ECONOMIC IMPACT

The direct economic impact of these projects is not quantifiable. However, maintaining and improving the City's infrastructure, fleet, and equipment will have an unquestionable impact on maintaining and improving economic health and vitality of the City. It is also important to note that capital projects are identified and prioritized with an emphasis on eliminating geographic inequities in the distribution of City services and infrastructure. Highest priority is given to areas in the community which have experienced a disproportionate level of improvements in past years, as well as those communities with the current highest need.

FISCAL IMPACT

The capital budget for FY 2025 totals approximately \$158 million, with a total of approximately \$1 billion tentatively programmed for the entire ten-year period from FY 2025 through FY 2034. An additional \$690 million of unfunded needs have been identified for the same period.

Four of the twenty-three CIP funds rely on transfers from the General Fund for project expenses. The following table reflects the proposed General Fund transfers to these four funds when compared to FY 2024.

CIP Fund	FY 2024 GF Transfer	FY 2025 GF Transfer	Increase / (Decrease) from FY 2024
405/Capital Projects (General)	\$2,231,630	\$500,000	(\$1,731,630)
460/Transportation System Improvement	\$500,000	\$0*	(\$500,000)
726/Facilities Management Capital	\$360,000	\$360,000	\$0
731/Information Technology Capital	\$300,000	\$1,248,000	\$948,000
Total Cost to General Fund	\$3,391,630	\$2,108,000	(\$1,283,630)

**Note: The proposed FY25 General Fund transfer in Fund 460 would be reduced from \$1 million to \$0 as Staff is proposing the transfer to come from Measure C (Fund 101). This will reduce the General Fund impact by \$1 million.*

Four of the CIP funds are also Internal Service Funds, meaning they use Internal Service Fees (ISF) to finance project expenses. Internal Service Fees are collected when one City department provides a service to another, drawing those service expenses from the operating budget of the benefiting department. Although some departments are funded by Enterprise funds, many are part of the General Fund. The Internal Service Fees paid by General Fund-supported departments have an impact on the General Fund. The total proposed Internal Service Fees for FY 2025 are shown below.

CIP Fund	FY 2024 ISF	FY 2025 ISF	Increase / (Decrease) from FY 2024
726/Facilities Management Capital	\$350,000	\$450,000	\$100,000
731/Information Technology Capital	\$810,000	\$850,000	\$40,000
736/Fleet Management Capital (General Fund)	\$4,000,000	\$1,450,000*	(\$2,550,000)
737/Fleet Replacement (Enterprise Funds)	\$156,000	\$156,000	\$0
Total ISF	\$5,316,000	\$2,906,000	(\$2,410,000)

**Note: The Fire Fleet Replacement, General Fund Fleet Replacement and Police Fleet Replacement projects are proposed to be reduced by \$1,651,000. This project budget reduction further reduces the fleet replacement capital fees from \$3.1 million to \$1.45 million. If authorized for implementation by Council, these updates will result in a net reduction of \$1,651,000 to the Fund's impact on the Fleet Replacement General Fund and the fleet capital replacement fees will be reduced to \$1,450,000.*

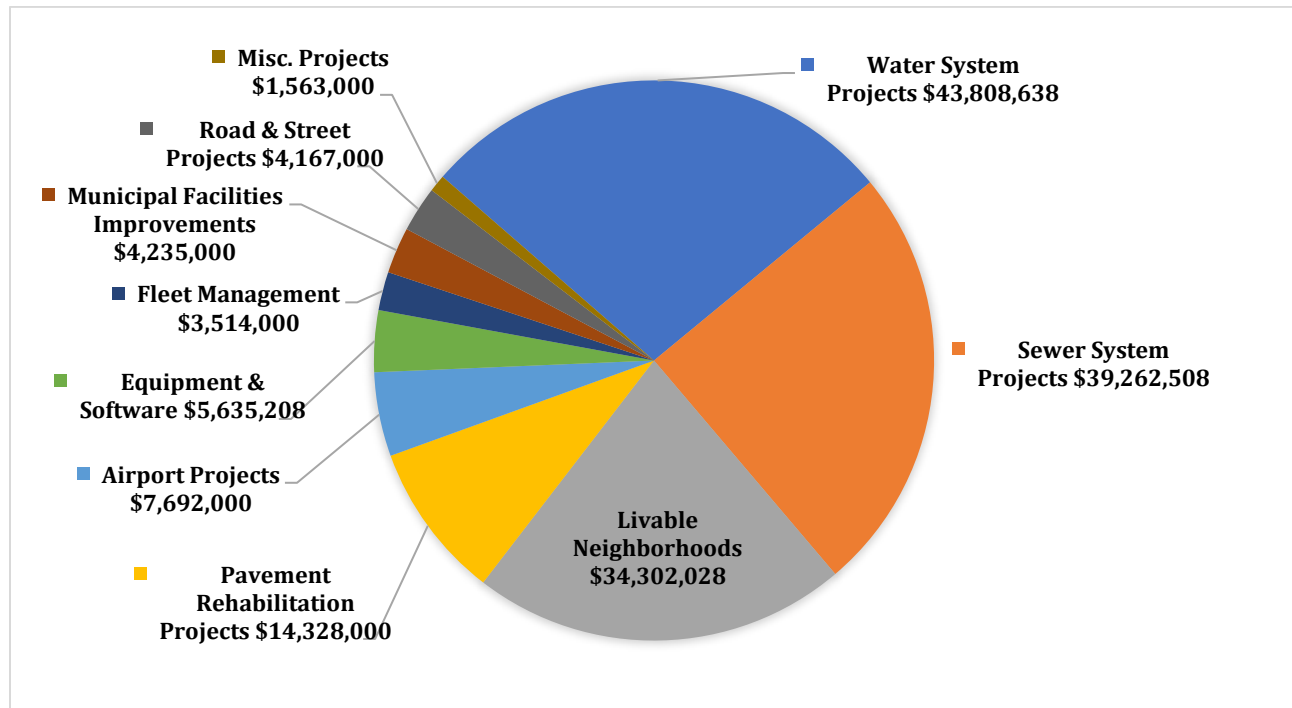
As displayed in the tables above, there is an overall decrease of \$1,283,630 in proposed FY 2025 General Fund transfers when compared to FY 2024, and a decrease of \$2,410,000 in

proposed FY 2025 ISF. It is important to note that some of the ISF referenced above have General Fund impacts, as many Departments paying ISF are funded by the General Fund. Fund 736 for General Fund Fleet Replacement, for instance, supports fleet replacement efforts for the Fire Department, Police Department, and other General Fund-funded departments, and therefore has a direct General Fund Impact.

Project Cost by CIP Category

The proposed project costs by CIP category are as follows:

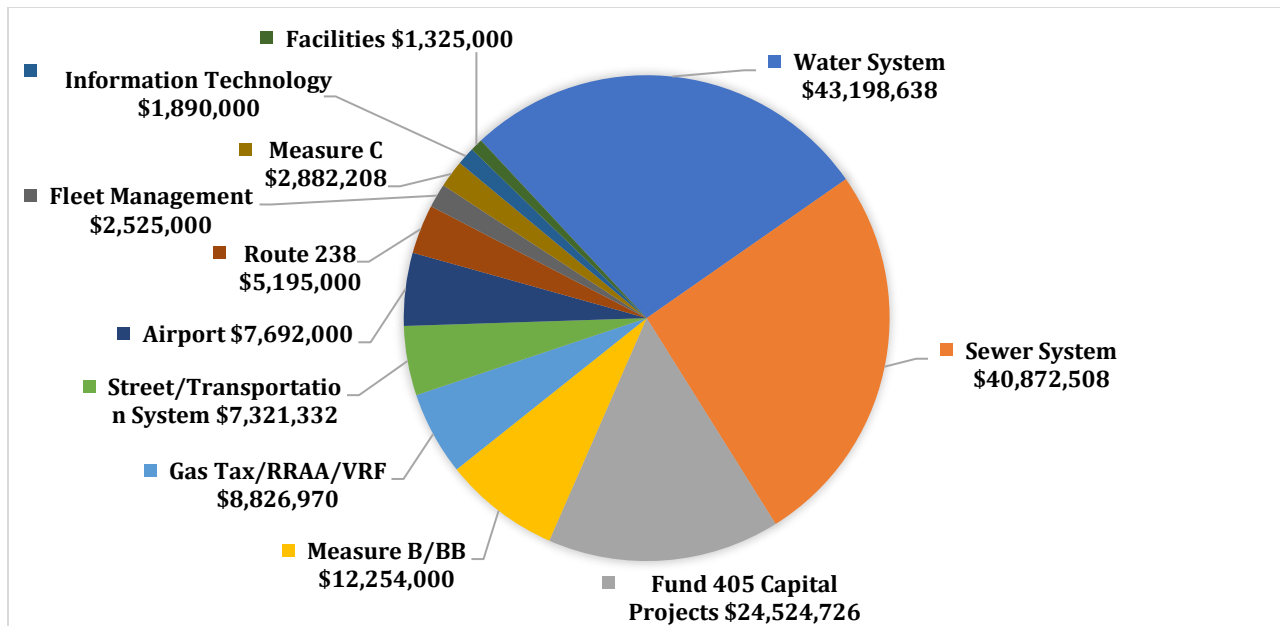
Project Category	FY 2024 Adopted	FY 2025 Recommended	Increase/ (Decrease) from FY 2024 CIP
Water System Projects	\$18,527,000	\$43,808,638	\$25,281,638
Sewer System Projects	\$28,135,390	\$39,262,508	\$11,127,118
Livable Neighborhoods	\$21,789,265	\$34,302,028	\$12,512,763
Pavement Rehabilitation Projects	\$16,539,000	\$14,328,000	(\$2,211,000)
Airport Projects	\$1,015,000	\$7,692,000	\$6,677,000
Equipment & Software	\$8,040,000	\$5,635,208	(\$2,404,792)
Fleet Management	\$1,286,000	\$3,514,000	\$2,228,000
Municipal Facilities Improvements	\$8,727,000	\$4,235,000	(\$4,492,000)
Road & Street Projects	\$6,789,000	\$4,167,000	(\$2,622,000)
Misc. Projects	\$4,742,000	\$1,563,000	(\$3,179,000)
Total Capital Improvement Projects	\$115,589,655	\$158,507,382	\$42,917,727



Project Cost by CIP Fund

The proposed project costs in each CIP Fund are as follows:

CIP Fund	FY 2025 Recommended
(210) Special Gas Tax	\$3,986,970
(211) RRAA (SB1)	\$4,000,000
(212) Measure BB - Local Transportation	\$9,267,000
(213) Measure BB - Ped & Bike	\$1,895,000
(215) Measure B - Local Transportation	\$39,000
(216) Measure B - Ped & Bike	\$53,000
(218) Vehicle Registration Fund	\$840,000
(219) Measure BB - Paratransit	\$1,000,000
(405) Capital Projects	\$24,524,726
(406) Measure C Capital	\$2,882,208
(410) Rte. 238 Corridor Improvement	\$4,157,000
(411) Rte. 238 Settlement Admin	\$1,038,000
(450) Street System Improvements	\$3,436,000
(460) Transportation System Improvements	\$3,885,332
(603) Water Replacement	\$27,203,765
(604) Water Improvement	\$15,994,873
(611) Sewer Replacement	\$12,391,500
(612) Sewer Improvement	\$28,481,008
(621) Airport Capital	\$7,692,000
(726) Facilities Capital	\$1,325,000
(731) Information Tech Capital	\$1,890,000
(736) Fleet Management Capital	\$1,625,000
(737) Fleet Management Enterprise	\$900,000
Total	\$158,507,382



STRATEGIC ROADMAP

The Strategic Roadmap adopted in 2023 are at the forefront of the City's capital project planning efforts, and each CIP project is evaluated for consistency with the City's Strategic Priorities.

The Recommended CIP Projects touch the Confront Climate Crisis & Champion Environmental Justice, Enhance Community Safety & Quality of Life, Grow the Economy, and Strengthen Organizational Health Priorities, but predominantly support the Invest in Infrastructure Priority.

Social Equity

Consideration of social equity has been an important element of selecting projects, such as roadway improvements, sidewalk improvements, traffic calming, complete streets, and landscaping.

SUSTAINABILITY FEATURES

While the proposed projects are aligned with and advance the Council's Sustainability goals and policies, the action taken for this agenda report will not result in a physical development, purchase or service, or a new policy or legislation. Any physical work will depend upon a future Council action. Sustainability features for individual CIP projects are listed in each staff report.

PUBLIC CONTACT

The public has the opportunity to review and comment on the CIP at this evening's Council Work Session and will again at the Council Public Adoption Hearing, which has been tentatively scheduled for June 4, 2024.

Staff presented the Recommended FY25 – FY34 CIP to the Planning Commission at their April 11, 2024⁴ meeting, at which the Commission unanimously found that the CIP was consistent with the Hayward 2040 General Plan. A notice advising residents about the Planning Commission Public Hearing on the CIP was published on March 29, 2024 in *The Daily Review* newspaper. On April 24, 2024⁵, staff presented the Recommended FY25 – FY34 CIP to the CIAC for review and input at which the Committee recommended the CIP’s adoption to Council. Another Public Notice will be published in the Daily Review newspaper at least ten days in advance of the Council Public Adoption Hearing on June 4. A copy of the Recommended CIP is made available online at www.hayward-ca.gov/CIP, and printed copies are available at the Public Works & Utilities’ Department office, at the City Clerk’s office, and at both [Libraries](#). Individual projects receive Council approval and public input as appropriate.

A notice advising residents about the Council Public Hearing on the CIP will be published in the *Daily Review* newspaper at least ten days in advance.

NEXT STEPS

Once Council has reviewed and offered comments on the Recommended CIP, the appropriate updates will be made. The Council Public Hearing for the adoption of the CIP budget is currently scheduled to take place on June 4, 2024.

Prepared by: Michael Wolny, Management Analyst

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Dustin Claussen, Interim City Manager

⁴ <https://hayward.legistar.com/MeetingDetail.aspx?ID=1189779&GUID=5E483A40-F17D-450E-B6A5-43F99B012E09&Options=info&Search=>

⁵ <https://hayward.legistar.com/MeetingDetail.aspx?ID=1192536&GUID=69FC729E-042C-47F0-AC83-1BE98B6F81D1&Options=info&Search=>