



**City of
Santa Clara**
The Center of What's Possible



FY 2024/25 and FY 2025/26
Adopted Biennial Capital
Improvement Program Budget

Budget-in-Brief

City of Santa Clara Budget-in-Brief

FY 2024/25 and FY 2025/26 Adopted Biennial Capital Improvement Program Budget



To Our Santa Clara Residents:

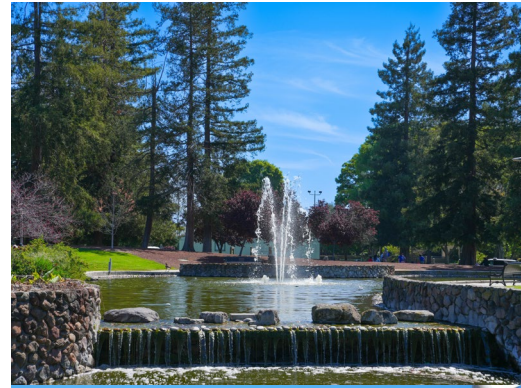
I am pleased to present the Adopted Biennial Capital Budget for fiscal years (FY) 2024/25 and 2025/26 and Five-Year Capital Improvement Program (CIP) as well as amendments to the FY 2024/25 Adopted Operating Budget. This continues the biennial budget process that alternates between an operating and capital budget. This year's budget focuses on our capital infrastructure, supporting the facilities that serve our residents and community.

The Biennial Capital Budget totals \$927.9 million and the Five-Year CIP totals \$1.33 billion, supporting infrastructure improvements throughout the City. Of this CIP amount, \$1.1 billion (83%) funds capital projects for the City's utilities and there is sufficient funding in the associated utility funds to support these projects. The other projects total \$225 million and fund improvements to the parks, trails, libraries, fire stations, transportation system, storm system, convention center and other City facilities. There are significant funding gaps in these areas and unfunded projects identified in this budget total \$626 million over the next five years. This funding gap does not fully represent all the unmet/deferred infrastructure needs throughout the City beyond the five-year CIP period.

While the use of the General Fund Capital Projects Reserve addresses the most immediate needs in this Adopted Budget, the General Fund does not have sufficient funding to cover the significant unfunded capital costs. New funding strategies are needed to meet these infrastructure needs. After an analysis of potential options, the City Council approved the inclusion of a \$400 million General Obligation Bond measure on the November 2024 ballot for voter consideration.

While the focus of this budget is on capital improvements, there are FY 2024/25 operating budget adjustments to update revenue estimates and account for updated labor and non-personnel costs in the General Fund and other funds. In the General Fund, \$0.4 million from the General Fund Budget Balancing Reserve and \$0.5 million from the Budget Stabilization Reserve are used to balance the budget.

Jövan Grogan
City Manager



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Biennial Capital Improvement Program Budget by Theme

Adopted Capital Improvement Program by Theme			
Theme	2024/25 Budget	2025/26 Budget	Total Biennial Budget
Administrative Facilities	\$4,095,210	\$310,000	\$4,405,210
Community Facilities	6,073,553	500,000	6,573,553
Convention Center	4,426,973	0	4,426,973
Electric Utility	381,349,796	304,154,500	685,504,296
Other Community Projects	10,155,928	5,411,998	15,567,926
Parks and Trails	22,359,260	2,158,838	24,518,098
Sewer Utility	44,498,871	22,216,632	66,715,503
Solid Waste	788,000	812,000	1,600,000
Storm Drain	9,387,028	1,934,750	11,321,778
Technology and Equipment	7,949,131	751,000	8,700,131
Transportation	68,462,528	14,470,938	82,933,466
Water and Recycled Water Utilities	9,385,881	6,225,000	15,610,881
Total Capital Budget	\$568,932,159	\$358,945,656	\$927,877,815

Capital Projects Highlights

Administrative Facilities

Fire Training Tower Stair Repair – This project funds the repair of the stairwells of the fire training tower that is a major component of daily firefighter training.

City Buildings – Upgrade Lighting to LED – This project funds the replacement of fluorescent bulbs with LED lighting as required by AB 2208.

Community Facilities

Planning and Construction of Temporary and/or Permanent International Swim Center Replacement Facility – This project funds the temporary refurbishment option to remediate critical safety issues and reopen a portion of the facility with reduced capacity. The permanent replacement project is unfunded.

Lawn Bowls Improvements – As part of the budget deliberation process, the City Council added funding for a lawn bowl facility.

Northside Branch Library – Automated Materials Handling System – This project funds the replacement of the Automated Materials Handling System at Northside Branch. This critical equipment sorts upwards of 118,000 items annually.





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Capital Projects Highlights

Convention Center

Santa Clara Convention Center Condition Assessment Repair – The Convention Center’s CIP is managed by OVG360 and is comprised of projects focused on the maintenance, repair, renovation or replacement of existing systems and infrastructure. This CIP funds the replacement of the Grand Ballroom air wall system and updates to the restroom facilities, except those in the Mission City Ballroom wing.

Electric Utility

Enhancement Projects – These consist of rebuilding, remodeling, renovating, and adding additional capacity or reliability capabilities. SVP plans to increase system capacity to the transmission and distribution system by completing several projects including: rebuilding and replacing two receiving stations (Kifer Receiving Station and Scott Receiving Station), expanding the Northern Receiving Station, adding feeders at Fairview Substation; constructing several 12kV undercrossings; upgrading/reconfiguring the Northwest, Center, and South loops; and reconductoring the Walsh to Uranium, Duane to Scott, and Northwest to Zeno substation lines.

Major Maintenance Projects – These fund the upkeep of equipment or property, such as major engine overhauls at the Don Von Raesfield (DVR) and Gianera power plants, generation betterments, street lighting projects, control systems replacements, and inspections/repair of a gas pipeline.

New Construction Projects – These include site preparation and construction for new structures and/or significant extensions to existing structures. New business work and fiber work is requested from current and future customers.

Other Projects – These include new initiatives, such as the carbon reduction through battery implementation, electric vehicle chargers, and a utility scale battery energy storage system.



Parks and Trails

Playground Rehabilitations – The Montague Park was renovated, and the Westwood Oaks playground rehabilitation was completed and reopened in summer 2024. CIP funding is allocated for playground rehabilitation projects at Maywood Park, Henry Schmidt Park, Earl Carmichael Park, Warburton Park, and Mary Gomez Park; additional funding will be needed for project construction.

Magical Bridge Playground at Central Park – Groundbreaking occurred in May 2023 and the park opened in summer 2024.

Central Park Access & Parking Improvements – Includes installation of the new entrance and related accessibility, landscaping, and safety improvements (from Kiely Boulevard at Kaiser) and the resurfacing and repair of the Pavilion parking lot at the southwestern corner of Central Park as well as the pathways.





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Capital Projects Highlights

Sewer Utility

San José-Santa Clara Regional Wastewater Facility (RWF) – This project funds the City’s share of the RWF infrastructure rebuild based on the 2013 Plant Master Plan that had an anticipated 30-year rebuilding period. The City owns the RWF jointly with the City of San José.

Sanitary Sewer Condition Assessment – This project funds the ongoing assessment of the City’s sanitary sewer system via CCTV inspections. The most serious deficiencies are prioritized and repaired each year.

Sanitary Sewer Improvements – This project addresses high priority deficiencies identified through condition assessments.



Solid Waste

Sanitary Landfill Development – Post Closure – This project provides for required monthly monitoring, data collection, reporting, repairs and maintenance at the City’s closed landfill.

Storm Drain



Anna Drive Neighborhood Flood Protection – This project upsizes approximately 4,000 linear feet of storm drain pipelines ranging in diameters from 12-inch to 48-inch on Anna Drive between San Tomas Aquino Creek and McCormick Drive. The City received federal funding of \$3 million for this project.

Green Stormwater Infrastructure Design and Construction – The City is required to install green stormwater infrastructure (GSI) that will treat five acres of stormwater runoff by June 30, 2027. The first phase of the project is funded in FY 2024/25 and includes feasibility studies and development of plans and specifications for four project locations. In FY 2025/26 staff will seek grant funding to offset construction costs.

Technology and Equipment

Fire Protective Equipment and Fire Defibrillator Replacements – These projects fund the replacement of personal protective fire equipment used by the firefighters and defibrillators used for medical call responses. Effective FY 2025/26, these project budgets will be reflected in the Fire Department’s General Fund operating budget.

Police Vehicle Mobile Data Computer (MDC) Replacement – This project replaces 67 MDCs and necessary accessories to ensure the effective operation of this equipment that is integral in the delivery of Police services.





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Capital Projects Highlights

Transportation

Annual Street Maintenance and Rehabilitation Program – This ongoing allocation funds the maintenance and repair of City streets.

Santa Clara Vision Zero – With the support of Federal grant funds, the City will develop a Santa Clara Vision Zero Plan through a robust community engagement process and comprehensive citywide safety analysis to identify the highest types, locations, severity, and demographics of collisions occurring within the City.

Uncontrolled Crosswalks Improvements – This project will enhance some of the approximately 200 uncontrolled crosswalks in Santa Clara.

Rainbow Crosswalk – This project funds the installation of a rainbow crosswalk at a location to be determined.



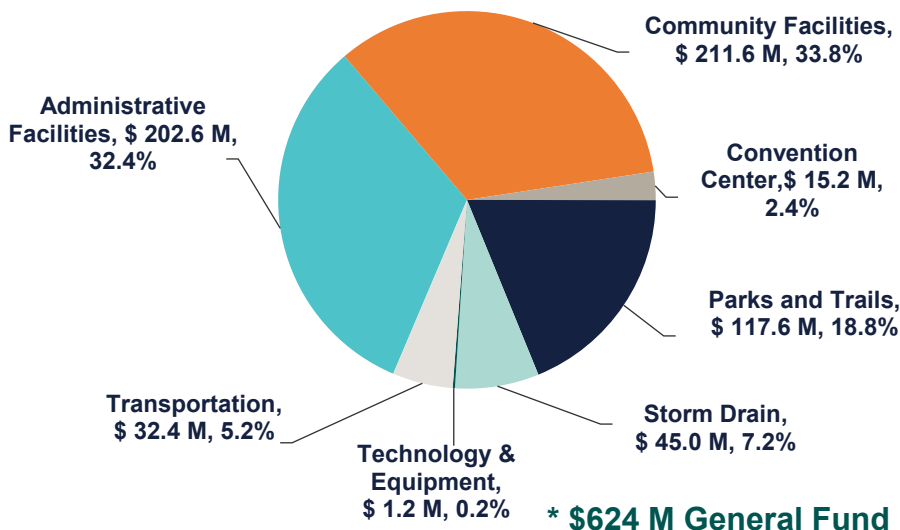
Water and Recycled Water Utilities

New and Replacement Wells – This project funds the study of the feasibility of two new replacement groundwater wells.

Recycled Water System Mains and Services – This project funds the installation, upgrade, or extension of recycled water mains for incoming developments as financially and practically feasible.

Unfunded Capital Projects

Five-Year Unfunded Needs of \$626 M*



The budget identifies unfunded projects of approximately \$626 million (\$624 million in the General Fund) spread across the capital theme areas. Some of the unfunded or underfunded projects in this budget include:

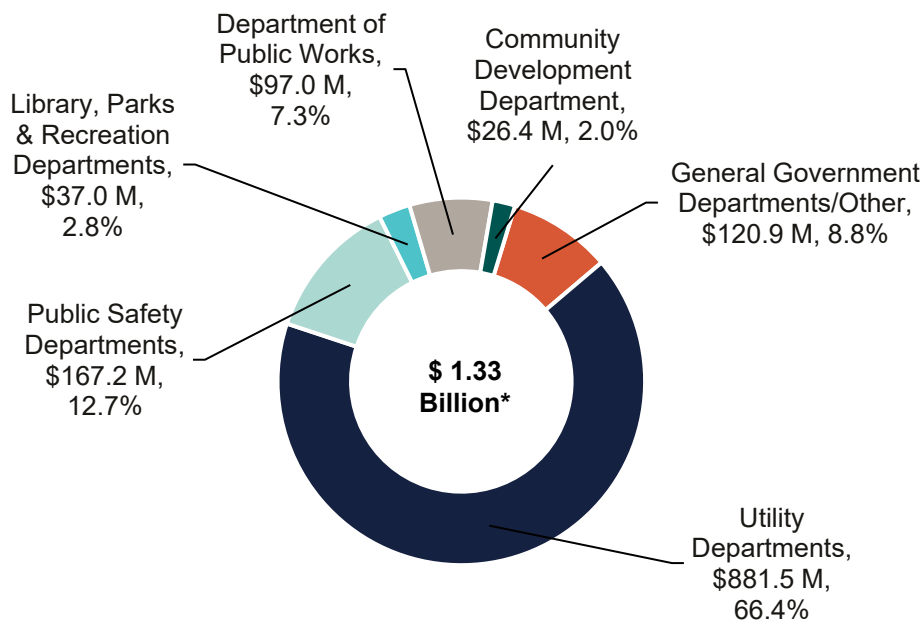
- Fire Station Renovations
- Planning and Construction of Temporary and/or Permanent International Swim Center Replacement Facility
- Aged Infrastructure at Parks and Community Facilities
- Annual Street Maintenance and Rehabilitation
- Storm Drain Improvements

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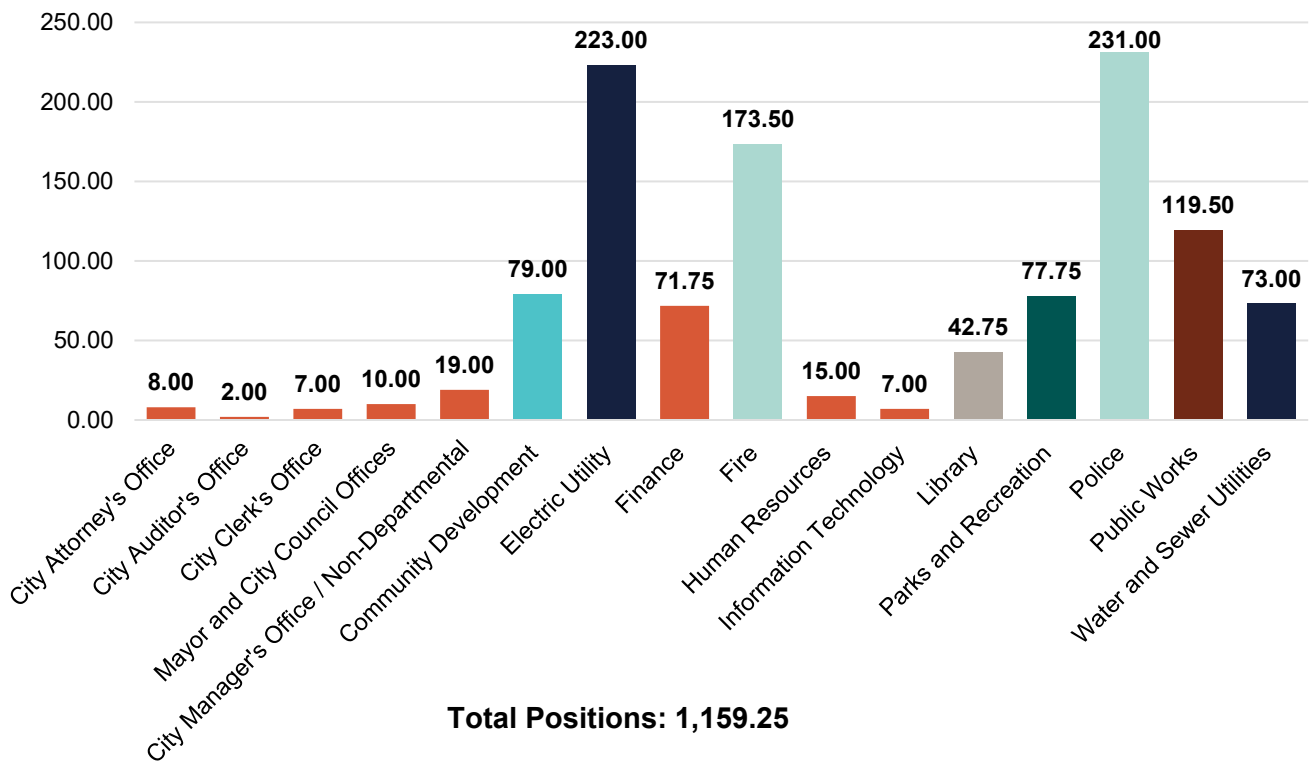


FY 2024/25 Operating Budget Expenditures by Department



*Excludes internal service funds not tied to a particular department and debt service

FY 2024/25 Positions by Department



Roster of City Officials

Mayor Lisa M. Gillmor
Councilmember District 1 Kathy Watanabe
Councilmember District 2 Raj Chahal
Councilmember District 3 Karen Hardy
Councilmember District 4 Kevin Park
Councilmember District 5 Sudhanshu “Suds” Jain
Councilmember District 6 Anthony J. Becker

City Manager Jōvan Grogan
City Attorney Glen Googins



The Budget-in-Brief is intended to provide an overview of the City of Santa Clara's FY 2024/25 and FY 2025/26 Adopted Biennial Capital Improvement Program Budget. The complete budget document can be accessed on the Finance Department's website at: <https://www.santaclaraca.gov/our-city/departments-a-f/finance>

Questions about this report should be directed to:

City of Santa Clara - Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2340