



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: LAKE CUNNINGHAM
WATER QUALITY PROJECTS

DATE: May 31, 2023

Approved

Date: 6/1/2023

BACKGROUND

With their approval of the Mayor's March Budget Message for Fiscal Year 2023-2024, the City Council also approved a request from Councilmember Candelas to issue a Manager's Budget Addendum to explore and recommend funding opportunities stemming from actions taken by Council during their March 14, 2023 meeting for Item 7.2 (Actions Related to the Lake Cunningham Shoreline and Water Quality Report and Prototype Wetland Restoration).

ANALYSIS

The Lake Cunningham Shoreline and Water Quality Study was completed in 2022.¹ The study provides a roadmap and options for water quality improvements, pathway stabilization, and recreational revitalization. The study provides estimates totaling \$22 million; however, these estimates will require refinement and further analysis. In the interim, staff is pursuing interim project funding totaling \$10.6 million as discussed below.

Since the Study's completion, the Parks, Recreation and Neighborhood Services Department (Department) has included funding in the 2023-2024 Proposed Capital Budget for the design of the Lake Cunningham Prototype Wetland Restoration project and has submitted a pre-application and full grant application for funding through the Urban Grant Program available through the Santa Clara Valley Open Space Authority (OSA). The \$250,000 grant, combined with City funds of \$138,000 within the Construction and Conveyance Tax Fund and the Subdivision Park Trust Fund, will advance the design and environmental clearance for a pilot project to filter lake water using a flow-through wetland. The pilot project seeks to improve the lake's water quality by reducing nitrogen and phosphorus and will also provide a study area for water sampling and monitoring. A total of \$2.0 million was requested as Federal Community Project Funding (CPF) to advance the pilot project from design to construction.

¹ <https://sanjose.legistar.com/View.ashx?M=F&ID=11692400&GUID=C9E65C29-F5AB-43B9-9DC4-0F0286C21022>

To further explore funding opportunities, a State Earmark is being coordinated with the City Manager’s Office of Administration, Policy, and Intergovernmental Relations and the State Assemblymember Ash Kalra to explore \$7,600,000 to be used for the Lake Cunningham Big Meadow Flow-Through Project and will advance the following:

- \$5,320,000: 19-acre flow through wetland;
- \$1,500,000: 10,000 linear feet of interception bioswales along the shoreline path; and
- \$875,000: 5-acre turf conversion to native landscapes.

Both funding requests, summarized in the table below, are pending final passage of the budget at both the Federal and State level and may change depending on budget negotiations.

The table below summarizes the pending funding requests for tasks associated with the water quality project. These are planning estimates and will be refined once the project advances through design. Once the design is completed, staff will have engineer estimates which will provide a more refined construction cost.

Project	Cost	City Funding
Lake Cunningham Prototype Wetland Restoration Project (Design and Construction)	\$2.9 million	\$933,000 ¹
Lake Cunningham Big Meadow Flow-Through Project	\$7.7 million	\$0

¹ Total funding available for this project is \$388,000 for the design plus \$545,000 has been set aside in the Lake Cunningham Future Water Quality Improvements Reserve. An amount of \$2.0 million is requested as Federal Community Project Funding for construction and a reimbursement amount up to \$250,000 is still under review by OSA.

COORDINATION

This memorandum has been coordinated with the City Manager’s Budget Office and the Office of Administration, Policy, and Intergovernmental Relations.

/s/
JON CICIRELLI
Director, Parks, Recreation and
Neighborhood Services