

TOWN COUNCIL STAFF REPORT

Title: Approve the Town of Mammoth Lakes Fiscal Year 2025-26 5-Year Capital Improvement Plan (CIP).

Meeting Date: September 3, 2025

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RECOMMENDATION:

Staff recommend the Town Council approve the 5-year Capital Improvement Plan.

BACKGROUND:

On August 7, 2024, The Town Council approved the current version of the Capital Improvement Plan (CIP). The current version includes both the 5-year CIP and Long-range CIP. Staff revised the CIP and presented the documents to the Parks and Recreation Commission (December 3, 2024) and the Planning and Economic Development Commission (October 9, 2024). Staff incorporated comments received from these commissions. Revisions to the CIP were presented to the Town Council as part of the budget process and advanced during the June 2025 budget presentation. After a Staff presentation and discussion by Town Council there was consensus to advance the draft document and associated projects. Government Code Section 65401 requires the Town's planning agency to review and report on proposed CIP projects for conformity with the General Plan. The Planning and Economic Development Commission (PEDC) is the Town's designated planning agency. On August 13, 2025, Staff presented the draft CIP along with a matrix demonstrating each project's conformance with the General Plan. The Planning & Economic Development Commission adopted a resolution confirming that the 5-year CIP is consistent with the General Plan.

ANALYSIS/DISCUSSION:

The 5-Year CIP is the Town of Mammoth Lakes plan for short and mid-range capital facilities and infrastructure implementation. The plan is well coordinated with the ongoing maintenance of facilities and infrastructure as well as the development of new infrastructure. The CIP provides a linkage between the Town General Plan, Strategic Priorities, the budget and various master planning documents, and provides a means for planning, scheduling, and implementing capital projects over the next five years. The 5-year Capital Improvement Plan attempts to program the highest priority Capital Projects and Maintenance and Rehabilitation Projects for the next five-year period. Projects included in the 5-Year CIP are generally non-recurring projects that generally cost \$25,000 or more and have a long service life. CIP expenditures are considered beyond the scope of normal annual operating or maintenance expenditures and work programs.

CIP Process and Structure

The draft 5-Year CIP is designed to be reviewed at least twice a year and revised based on current circumstances and opportunities. Revisions made with the budget process and during the third and fourth quarter adjustments should consider historic requirements and expenditures for capital projects. The funding for the CIP may also be considered with the close-out of the Fiscal Year analysis of fund balances. While the 5-Year Plan does not appropriate funds, it does serve as a planning tool to identify needed capital projects, estimate capital requirements, and coordinate financing and timing. The CIP identifies projects for annual funding, focuses resources in program areas, and supports planning recommendations.

Where appropriate, the CIP identifies project impacts on future operating budgets, including additional staffing, maintenance, and other recurring operational expenditures that require ongoing funding that must be considered in the planning and approval of projects. In general, the full cost of the project will be identified in the fiscal year work is proposed to begin; however, most projects will take more than one fiscal year to complete. In all cases a project is fully funded at the time of construction contract award, and the annual budgeting of multi-year projects is represented in the Finance Department's annual budget. In some cases, incremental steps or phases of large projects will be taken with future work dependent on funding. For this reason, Staff will carry over aspects of multi-year projects in the CIP for reference. This helps to maintain focus on new project development, scheduling, and financing. Future reports will have background information on completed projects and those in process looking back at least three years. The CIP includes some planning projects intended to help the Town Council understand impacts to staffing, work programs, and upcoming projects. Many of these planning projects require significant staff resources.

The 5-year CIP will include a large variety and number of projects. To allow focused and comparative evaluation and decision-making, facilities will be grouped by the following general categories:

- **Affordable Housing (AF).** Includes capital projects that advance the Town's housing goals. Includes development of The Parcel and other Town owned land and creative solutions to attain additional community housing for the local workforce.
- **Airport (AP).** The Town of Mammoth Lakes owns and operates "The Mammoth-Yosemite Airport" (MMH). The facility is located within the Town limits six miles south of the Town on Highway 395. The facility includes hangars, a commercial terminal building, runway and apron, and support vehicles and equipment.
- **General Facilities (GF).** The category includes Town owned structures and equipment. This includes the municipal corporation yard on Commerce Drive. The corporate garage maintains Town vehicles as well as vehicles and equipment for Eastern Sierra Transit Authority (ESTA), Mammoth Lakes Police Department (MLPD), Mammoth Lakes Fire Protection District (MLFPD), Mono County Office of

Education (MCOE), and Mammoth Unified School District (MUSD). Structures specific to Transit are categorized as TT.

- **Police Department (PD).** The Town of Mammoth Lakes owns the MLPD Police Station. Regular maintenance and improvements are the responsibility of the Town of Mammoth Lakes. The maintenance of the MLPD fleet is managed under general facilities.
- **Parks and Recreation (PR).** Projects within this category are related to the numerous park facilities owned and managed by the Town. This category has been subdivided by park facility.
- **Storm Drain Projects (SD).** This category includes all drainage related facilities within the Town, including storm drains, culverts, inlets, and basins.
- **Streetscape and Signage (SS).** Includes street side landscaping, furniture, banners and decorations, and wayfinding signage.
- **Streets (ST).** This category includes capital improvements within the 118 miles of public right-of-way in the Town. The improvements may include reconstruction of roadways, new traffic signals or streetlights, and new curb and gutter.
- **Sidewalks (SW).** This section contains all the Town sidewalks.
- **Trails (TR).** The Town is responsible for a large network of multi-use paths and trails. This system is managed within this category.
- **Transit and Mobility (TT).** Includes bus shelters, signs, and structures used to maintain and store transit vehicles.

The CIP includes a Long-range project list. The purpose is to identify projects which are important, but implementation and funding extend beyond the five-year window. Some of these Long-range projects may not be fully developed and ready to be placed in the 5-year CIP. The Long-range project list also supports the ongoing and future Development Impact Fee study. The CIP does not include all capital purchases and programs. For example, the Town has a robust vehicle replacement program, which is managed separately from the CIP. The Town regularly sets aside funding to update technology (hardware and software) outside of the CIP. The Town provides departmental or Town wide contingency funding to address emergency repairs or equipment failures.

Project Outlook

The FY25-26 CIP Project outlook represents 11 carry-over projects from FY24-25 and 11 new projects in development, planning, or ready for construction. A brief description of the projects is included in the draft CIP FY25-26 Project Summary. The budget breakdown including funding sources for FY24-25 Carry-over and FY25-26 projects are included in

Table 1 and **Table 2**. Of the over \$76M expected to be expended on public facilities through FY26 about \$14.5M will come from the general fund. Much of the general fund contribution is dedicated to housing and street related projects. The significant carry-over projects include the Town Hall, McCoy Arts and Cultural Center (MACC), and street maintenance projects. The FY25-26 CIP program is well established, and staff have started working on many of these projects. Currently almost all the proposed FY25-26 projects are funded. Significant projects for FY25-26 include various street maintenance projects.

The FY26-27 program includes the construction of the Minaret MUP (multi use path). This project is expected to begin in summer 2026. Staff also anticipate four infrastructure maintenance projects in 2026. Staff proposes a striping project to be contracted in late winter for painting of the entire Town, a slurry and fog seal project for the Slopes neighborhood, targeted asphalt repair and replacements, and miscellaneous concrete repairs Townwide. Staff are also proposing additional beautification work targeting Old Mammoth Road. The summer of 2026 will continue to be very busy. Staff will be closing out the Town Hall and managing the MACC. With the proposed infrastructure work and Minaret MUP there is little staff capacity to add larger projects for next summer. However, beyond summer 2026 staff see the opportunity for the Town Council to provide direction on CIP projects. The proposed FY26-27 program is included as **Table 3**.

Table 4 represents the complete 5-year CIP. Many of the projects in outlying years are there as place holders waiting for funding to be allocated. These projects have been discussed by the Town Council and/or are identified in existing Town documents. This Table represents the totality of the 5-year program and offers the most opportunity for the Town Council participation. Beyond FY26-27 Staff is looking for some consensus on future investment projects the Town Council desires to advance and those they wish not to pursue. As part of the presentation and approval process staff will walk through these tables and associated charts and provide an opportunity for the Town Council to respond to the proposed opportunities and provide direction. The results of this conversation will be included in the final draft at which time CIP final project sheets, tables, and charts will be completed and incorporated into the final document.

Future Investment Projects

The CIP process provides opportunity for the Town Council, Staff, and commissions to propose new projects. These projects could be funded with one time Town funds or through grants. The Town's budgeting practices provide the Town Council the option to dedicate and save funds to complete larger projects. The next opportunity will be September 17th. Staff have organized this discussion into the categories near and longer-term projects, maintenance projects, and TOML workforce housing strategy & priorities. The direction staff is looking for is identified in each element.

Near Term

Staff are seeking general consensus on the development of these two projects. Funding is available within existing budgets to advance both projects.

Davison Gate and Signage - The Town has been experiencing a significant increase in the number of multi-car accidents along Davison Road. Last winter in response to the accidents staff created a snow berm near the top of the road which blocked downhill traffic from the ski area. While not a perfect solution it did result in a reduction in accidents. Staff are proposing the installation of a gate and turnable “Not A through Street” and “No Ski Area Access” signage that would allow public works and the police department to open and close the road when it is icy. The gate would also be noted on Town mapping as a winter closure. If there is consensus to proceed staff would provide information by door hangers to residents advising of the change for this winter. The cost of the project is anticipated to be less than \$25,000.

Real Time Transit Information - The Town and ESTA have been working with Caltrans on the development of a real-time transit information system. The team is working on a pilot program that would evaluate real time signage at up to nine locations along Main Street. Signs would be deployed at existing bus shelters along Main Street and the Park and Ride lot. Caltrans is working with the manufacturer of the signs, the application developer, GPS programs, and has evaluated cellular coverage to ensure that the system will work when deployed. Initially Caltrans indicated that they had funding to purchase the signs, however, it does not appear that they will be able to do so. Considering the level of support the Town is receiving from the State, Staff will recommend use of existing Transit related funds to purchase the necessary hardware if the project is deemed to be viable.

Longer Term

The following projects have been discussed at some point over the years. The project descriptions offer a snapshot of the proposed project. These projects are large, expensive, and warrant further conversation. The projects offer the Town Council an opportunity to provide some level of prioritization for discussion and funding. If the Town Council is interested in setting aside funding including Development Impact Fees (DIF) to advance any of these projects Staff could incorporate these opportunities into future budget meetings. These projects provide an opportunity to plan for longer term infrastructure development while staff work through the larger planning process as discussed in the Parks and Recreation Master Plan discussion.

Restrooms

In recent years there have been requests for additional public bathrooms in public spaces along Main Street and the Park n’ Ride lot. Staff understand that this request is in order to take the burden off of private businesses. The request communicated to staff is to provide these facilities year-round. Currently the Town owns and operates 11 restrooms in the summertime. This does include the 13 restrooms the USFS operates. Of the 11 restrooms the Town owns only 3 are designed for winter service (Park at Parcel, Sherwin Trailhead (pit toilet), Pickleball complex). Staff have tried to heat other restrooms for winter operations with limited success. Staff are in the process of designing a replacement restroom for Shady Rest Park. This restroom would have separate Men’s and Women’s facilities and would be a heated, pre-manufactured unit like at the Park at the Parcel. The estimate for the restroom is just over \$500k not including the grading, utilities, ADA path or any other site work. We expect the final cost to approach \$1M inclusive of design. This

example illustrates the high cost of construction but does not include operations and maintenance. Staffing is the highest cost associated with maintaining restroom facilities. Most of the Town's restroom facilities are cleaned multiple times a day. As the Town adds facilities it needs to account for the additional staffing that is needed to maintain these facilities. This is compounded in the wintertime as it becomes harder to provide a high level of service for snow removal and janitorial work with the same staff, which is currently how the department is organized. The Town does not have a restroom replacement or upgrade plan. Staff would like direction from the Town Council on how to proceed in this space.

Infrastructure Projects

1. Safety Projects – The Town received \$80,000 in Federal funds to complete a Safety Action Plan. The plan will result in a toolkit of improvements aimed at reducing accidents. The plan will include a list of prioritized projects and locations. Projects like activated crosswalks. Staff anticipate recommending funding for these projects in future CIPs.
2. Bus Shelters – The Vons bus shelter on Old Mammoth Road is the only non-standard shelter in the system. All other shelters in Town have been updated. Staff have evaluated the reconstruction of this shelter and found that the existing easement is too small for our standard shelter. Staff are discussing the relocation of the shelter or designing a special structure for this location. There are needs for shelters in other parts of Town such as Old Mammoth Road and Tavern to serve the long-distance buses. The expansion of bus shelters is an opportunity for the Town Council to direct transit investment.
3. South Main MUP – Staff is currently designing the project using State Transportation Improvement Program (STIP) funds. It does not appear that there will be sufficient STIP funding in future years to program this project. Staff view this project as the last true gap closure in the MUP network. Considering the high use of the surrounding MUPs and the new Minaret MUP Staff see this as a high priority MUP project. The Town has received a Highway Safety Improvement Program (HSIP) grant which will provide a pedestrian activated crosswalk and some pedestrian infrastructure at the intersection of Highway 203 and Mountain Blvd. The grant funding and potential developer contributions could assist in funding the project
4. Chateau pedestrian and drainage improvements – Many years ago the design of this project was funded through STIP. However, that funding fell through. The proposed project would include a new sidewalk, transit infrastructure and a storm drain system. Water draining from Chateau impacts the intersection of Old Mammoth Road where there is a natural low spot. There are numerous condo complexes along Chateau, and pedestrian infrastructure would support visitor circulation and safe routes to school.
5. Lower Canyon Blvd Pedestrian and Transit Improvements – The corridor of Canyon Blvd adjacent to the village has become a busy and congested area. There is a need to

reconfigure the bus parking for the Lakes Basin shuttle, Mammoth Mountain Ski Area (MMSA) bike Park and Summer and Winter Transit buses. The pedestrian crosswalk in this area has limited sight distance and an alignment that is challenging to use. Revising the infrastructure to reflect current uses would reduce conflicts and improve access.

6. Lakeview Blvd – The area near Canyon Lodge is heavily used in the wintertime for ski area access. The corridor lacks formalized parking, sidewalks, and transit infrastructure. Staff envision developing improvements in order to move pedestrians off of the roadway and vehicles to the shoulder to allow for safer snow removal operations and preserving emergency vehicle access.

Maintenance Programs

As noted above, if funding is available staff will be recommending that all these projects move forward. Staff believe these treatments are critical to protecting and ensuring the longevity of our assets. It is expected that budgets and scope will be refined to fit within available funding.

Slurry seals are a pavement maintenance treatment used to preserve and extend the life of asphalt roads. In advance of the treatment, significant work is done to seal crack and patch potholes and other damage. In 2024 staff treated most arterials roads with a slurry treatment. In 2025 the program was expanded to incorporate residential neighborhoods around the Knolls and Allen tract. In 2026 staff are proposing to provide slurry treatments to the Slopes Neighborhood (Canyon/Lakeview area). In 2025 staff indicated that they would not be recommending any significant road rehabilitation projects until the Golden Connect fiber project is completed. Staff still believe that this is the right approach. Staff will focus on targeted repairs and stop gap asphalt work. Public Works plans to schedule Townwide striping as a stand-alone project. This maintenance work would be contracted in late spring with completion set for late May. Contracting this work frees up Public Works staff to focus on special projects that would typically be difficult to contract. Finally, Staff anticipate a need to complete concrete repairs throughout Town. Good progress has been made in addressing deferred concrete maintenance. However, each winter season results in new damage that will need to be addressed.

TOML Workforce Housing Strategy & Priorities

The Town General Plan has established a community vision for “Adequate and appropriate housing that residents and workers can afford”. The need for low-income housing, that is affordable to households earning ≤ 80 percent of area median income (AMI), is being met for the foreseeable future by several hundred low-income units being developed using state and federal funds at ‘The Parcel’ project. It is housing that is affordable to workforce households earning between 80 and 150 percent of AMI, that the Town should focus its limited capital and staff resources on over the next 10 years. This segment of the population is sometimes referred to as ‘the missing middle’, which describes the inability of the current housing inventory to meet their need for affordable rents and/or sales prices. These households, who are often employed in critical community-serving jobs, do not qualify for low-income housing programs, and market rents/prices often leave them cost-burdened

and/or overcrowded. This affects the economic and social health of many workforce households and, as a result, the health of the Town economy, services, and community fabric.

Workforce Housing Priorities:

1. Establish the community need and identify priorities for specific workforce income levels and unit types (this is currently underway via the Housing Needs Assessment & Housing Survey).
2. Complete the development of Phase 3 of The Parcel with its approximately 40 workforce ownership units (currently underway, expected completion 2028). Staff expect this will meet the for-sale workforce housing need for several years.
3. Identify and acquire, or lease, land suitable for workforce rental housing projects of sufficient scale (50+ units).
4. Commit local funding on an ongoing basis for middle-income workforce rental projects.
5. Explore various workforce rental housing financing models, partnerships with local agencies and large employers, and coordinate with workforce housing developers and construction contractors.
6. Continue to develop small site for-sale workforce housing ownership projects as needed and as funding allows.

Project Analysis

Several factors are considered in preparing a Capital Improvement Program. The primary one for the Town is the availability and restriction of funding. Some of our current projects are funded with restricted revenues such as grants, State or Federal funds or Town funds such as Measure R and U, gas tax or assessment districts. This often results in what may be a lower priority project being funded over a high priority one. CIP projects are also reviewed to address the following needs:

- To address legal requirements such as ADA, safety requirements, or hazardous conditions.
- To extend the useful life and reduce maintenance costs of existing capital investments such as roads, MUPs, sidewalks, storm drains, curbs & gutters, and airport improvements.
- To address deferred maintenance in parks, the Airport, and other Town facilities.
- To support and enhance mandated and core services such as solid waste, emergency services, communications, drainage, pedestrian improvements, transit improvements, traffic signals and signage.
- To expand and improve community services and amenities such as the Community Recreation Center (CRC), MACC, trails, and parks.
- To meet identified community needs and the Town Council strategic priorities such as affordable housing, parking, and mobility needs.

STAFFING CONSIDERATIONS:

The FY25-26 CIP represents a significant workload that continues to be historically large. The Town continues to add more capital and maintenance projects. Staff recognizes the

importance of these projects to the community and has not declined to take on additional projects however, many projects will be delayed as the capital work program is beyond the capacity of the existing Staff. The CIP is only one aspect of the overall Public Works work program and Staff is working to balance the many important competing priorities.

FINANCIAL CONSIDERATIONS:

Almost all the FY25-26 projects are funded. Beyond FY26-27 funding becomes less certain. The Town's current financial planning and budget process has provided a very workable and effective means of funding unforeseen budgetary needs and capital projects. This process is recommended to continue going forward. The 5-year CIP is designed to assist in prioritizing projects and funding allocations through a regular process. Annual funding recommendations and adjustments are recommended as part of the 3rd and 4th quarter budget review (9-17-25). This can also mean shifting project priorities. As part of the audit process and later discussion on available fund balances also represent an opportunity for funding, provided other fiscal policies are met such as reserve levels, cash flow, increased costs for existing projects, or other unforeseen impacts.

ATTACHMENTS:

Table 1 - CIP Budget Outlook for 24-25 Carry Over

Table 2 - CIP Budget Outlook for 25-26

Table 3 - CIP Budget Outlook for 26-27

Table 4 - 25-26 5-year CIP

Draft CIP - <https://www.ci.mammoth-lakes.ca.us/DocumentCenter/View/15725/Final-Draft-CIP-2025-26>