

Agenda Report

June 10, 2024

TO: Honorable Mayor and City Council

THROUGH: Finance Committee (June 10, 2024)

FROM: Department of Public Works

SUBJECT: AMENDMENTS TO FISCAL YEAR 2024 CAPITAL IMPROVEMENT PROGRAM

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions are not “projects” as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(4) and (5) of the State CEQA Guidelines and, as such, are not subject to environmental review; and
2. Amend the Fiscal Year 2024 Capital Improvement Program (CIP) Budget as detailed in Attachment A of this report.

BACKGROUND:

Throughout the Fiscal Year (FY), the Department of Public Works in conjunction with other impacted departments review active CIP projects to determine if budgetary changes are needed. Staff has completed this report detailing needed budget adjustments. The budgetary changes to the projects are listed below.

1. **Public Health Building Tenant Improvements (71920)** – The Department of Public Works recommends appropriating \$200,000 in Library Services Fund to this project and increasing the budget by a like amount. This funding will be used to purchase custom shelving and covers to provide necessary protection for the Central Library’s irreplaceable historic collection that will be stored at the Public Health Building.
2. **Improvements at City Yards Facility (71928)** – The Department of Public Works recommends transferring \$15,776 in Charter Capital from the Parking Lot Improvements at City Facilities FY 2019-2023 (71909) and \$38,009 in Sewer Fund from the Annual Citywide Street Resurfacing and ADA Improvement Program FY 2022 (73933) to this project, thereby increasing the budget for this project by \$53,785. This

funding will be used for repaving the City Yards parking lot. The Parking Lot Improvements at City Facilities FY 2019-2023 (71909) and Annual Citywide Street Resurfacing and ADA Improvement Program FY 2022 (73933) projects are complete.

- 3. East Side Storm Drain (76540)** – The Department of Public Works recommends transferring \$1,750,000 in Sewer Fund from the Annual Storm Drain System Repair & Improvements - FY 2020-2024 (76913) to this project and increasing the budget by a like amount. This funding will be used to initially fund and initiate phased implementation of the project. Remaining appropriations in the Annual Storm Drain System Repair & Improvements - FY 2020-2024 (76913) project will be sufficient to complete the project this fiscal year.
- 4. One Arroyo Project – Upper Arroyo Trail Loop and Lower Arroyo Trail Loop – Construction Phase (77382)** – The Department of Public Works recommends appropriating \$1 million in Private Capital – One Arroyo to this project and increasing the budget by a like amount. On January 24, 2022, the One Arroyo Foundation was awarded \$1 million in Proposition 68 grant funds from the Santa Monica Mountains Conservancy for the implementation of the Arroyo Seco Trail project under the State of California Agreement Number 3810-P68-2206. To utilize the awarded grant funds, One Arroyo Foundation requested the City competitively bid and implement the project since the City has construction expertise, resources, and owns the property to be improved. On May 13, 2024, a Reimbursement Agreement was approved by the City Council between One Arroyo Foundation and the City.
- 5. Purchase of Replacement Transit Vehicles and Expansion Fixed Route Transit Vehicles (75085)** – The Department of Transportation recommends appropriating \$381,697 from the Proposition C – Local Return Fund and increasing the budget by a like amount. This appropriation will be used to fund the charging infrastructure needed for the battery electric bus that will be delivered by the end of the calendar year. Design and construction are anticipated to be completed by the end of the 2024 calendar year.
- 6. T.M. Goodrich Receiving Station Upgrades (3263)** - The Water and Power Department recommends transferring \$50,728 in Power Fund from Distribution System Fault Indicators / Recorders / Digital Relays (3035) and \$10,179 in Power Fund from SCADA System Expansion (3073) to this project, thereby increasing the budget for this project by \$60,907. This transfer is necessary to complete Bank 3, Tap Changer, and Annunciator upgrades for T.M. Goodrich Receiving Station. The Distribution System Fault Indicators / Recorders / Digital Relays (3035) SCADA System Expansion (3073) projects were completed under budget and the remaining appropriations can provide for this adjustment.
- 7. Distribution System Expansion Program (3228)** - The Water and Power Department recommends transferring \$193,083 in Power Fund from 34.5kV Circuit from Oak Knoll to Santa Anita (3264), \$89,902 in Power Fund from Facility Security Systems (3013), \$80,000 in Power Fund from Electrical Vault Replacement and Reinforcement Program (3229), and \$37,015 in Power Fund from Vault Cover Lid Replacement Program (3230) to this project, thereby increasing the budget for this

project by \$400,000. This transfer is necessary to cover the significant price increases for the materials used on the project at the time of construction. 34.5kV Circuit from Oak Knoll to Santa Anita (3264) and Facility Security Systems (3013) were completed under budget and the remaining appropriation can provide for this adjustment. The Electrical Vault Replacement and Reinforcement Program (3229) and Vault Cover Lid Replacement Program (3230) have additional funds available to cover this adjustment.

- 8. Power Supply Integrated Resource Planning and Design (3249)** – The Water and Power Department recommends transferring \$215,000 in Power Fund from the Emergency Generator – Power (3223) to this project and increasing the budget by a like amount. This transfer is necessary due to the need of additional consultants and staffing hours to incorporate the requirements of City of Pasadena Resolution 9977, which directs the IRP process to identify multiple paths to achieving 100 percent carbon free electricity by 2030. The Emergency Generator – Power (3223) project and associated appropriations are no longer needed due the planned Energy Storage System installation.
- 9. Meters and Services (1081)** – The Water and Power Department recommends transferring \$450,000 in Water Fund from the Treatment Systems (1091), \$100,000 in Water Fund from the Reservoir Improvements (1093), \$50,000 in Water Fund from Well improvements (1074), and \$20,000 in Water Fund from Customer Driven-Mains, Meters, and Services (1082) to this project, thereby increasing the budget by \$620,000. This transfer is necessary primarily due to a delay in materials and an increase in material costs. Appropriations remaining in the Treatment Systems (1091), Reservoir Improvements (1093), Well Improvements (1074), and Customer Driven-Mains, Meters, and Services (1082) projects will be sufficient to complete the fiscal year 2024 work plan.
- 10. Water SCADA Improvements (1087)** – The Water and Power Department recommends transferring \$90,000 in Water Fund from Customer Driven-Mains, Meters, and Services (1082) to this project and increasing the budget by a like amount. This transfer is necessary primarily due to unexpected additional security and software systems required on the SCADA upgrade. Appropriations remaining in the Customer Driven-Mains, Meters, and Services (1082) project will be sufficient to complete the fiscal year 2024 work plan.

COUNCIL POLICY CONSIDERATION:

All of the above projects and actions address City Council’s goals to maintain fiscal responsibility and stability and improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:


CEQA excludes from environmental analysis those actions that are not “projects” as defined by State CEQA Guidelines Section 15378. That section excludes from the definition of

“project” the creation of government funding mechanisms and fiscal activities which do not yet commit the lead agency to any specific project, and also excludes organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein are budgetary and part of the City’s normal administrative process as it takes early steps to prepare for the possibility of undertaking a project, and therefore they are not yet “projects” as defined by CEQA. As the City becomes more certain it will undertake one of the projects, and before it commits itself to the project, the appropriate environmental analysis will be conducted and brought to the appropriate City body for approval.

FISCAL IMPACT:

The cumulative result of these recommendations will increase the FY 2024 CIP budget by \$1,581,697. The specific funding sources for the budget amendments are listed on Attachment A. There is no impact to the General Fund.

Respectfully submitted,



TONY OLMOS, P.E.
Director of Public Works

Prepared by:



Denise Garcia
Acting Management Analyst IV

Approved by:



MIGUEL MARQUEZ
City Manager