

# Agenda Report

June 9, 2025

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Department of Public Works

**SUBJECT: AMEND THE FISCAL YEAR 2025 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 2025 Capital Improvement Program (CIP) Budget as detailed in Attachment A of this report.

## **BACKGROUND:**

Throughout the fiscal year, the Department of Public Works in conjunction with other impacted departments reviews active CIP projects to determine if budgetary changes are needed. Staff has completed this report detailing needed budget adjustments and amendments to the Fiscal Year 2025 CIP Budget as detailed on Attachment A. The budgetary changes are listed below.

1. **Sierra Madre Blvd. Medium Enhancements – Design Phase (73945)** – The Department of Public Works recommends appropriating \$100,000 in Measure W Local Return Funds to this project and increasing the budget by a like amount. The total project increased by \$100,000 due to an unanticipated Army Corps of Engineers Section 408 Permit required for the proposed dry weather diversion elements of the project to address water quality compliance. This appropriation will cover the cost for consultant support services to develop and oversee application process, review and permitting fees.

2. **San Rafael Bridge Seismic Retrofit (73946)** – The Department of Public Works recommends transferring \$130,000 in General Fund from Colorado Street Bridge Barrier Enhancements – Design Phase (73324) to this project. The funding will be used to cover the local match requirement for the design phase and continue progress on important seismic safety improvements of the San Rafael Bridge Project. The Colorado Street Bridge Barrier Enhancements project is currently in the design phase and has sufficient funds to complete this phase. While additional funding will be needed for construction in the future, redirecting a portion of the current balance to address this immediate need will not affect the progress of the design phase of the project.
3. **Citywide Parks Playground Shade Structure Installations – Phase I (78084)** – The Department of Public Works recommends appropriating \$200,000 in Measure A Local Return Funds. This funding will allow for the construction of shade structures at McDonald Park, and Victory Park. Recent construction cost proposals for these sites have come in significantly higher than those received in 2024. This appropriation will allow the City to proceed with both installations as originally scoped, ensuring these park improvements are not delayed.
4. **Miscellaneous Sidewalk Repair Program – FY 2021 – 2025 (73940)** – The Department of Public Works recommends appropriating \$221,507 in Private Capital and increasing the budget by a like amount. These funds have been collected from property owners and developers as conditions of development or sales of the property. The program provides for replacement of damaged sidewalks along property frontages, these repairs will help maintain pedestrian accessibility along the City's sidewalk network.
5. **Installation of Low Voltage Electrical Services (3221)** – The Water and Power Department recommends appropriating \$700,000 from the Power Fund to this customer driven project and increasing the budget by a like amount. This appropriation is necessary to meet the increase in the number of customer requests for modifications, upgrades, or new low voltage electric service installations and the increased costs for labor and materials in FY 2025.
6. **Emergency Transmission and Distribution System Replacements (3222)** – The Water and Power Department recommends appropriating \$4,700,000 from the Power Fund to this project and increasing the budget by a like amount. This appropriation is due to emergency asset replacements from faults on three major 35kV sub-transmission lines mainly impacted by severe weather conditions, as well as Eaton Fire and Windstorm damage.
7. **Deteriorated Pole Replacement Program (3233)** – The Water and Power Department recommends transferring \$750,000 in Power Fund from the 4kV to 17kV Distribution System Conversion Program (3227) project to this project and increasing the budget by a like amount. This transfer is due to increased costs for labor and materials to replace poles and to meet annual replacement goals. Appropriations remaining in the 4kV to 17kV Distribution System Conversion Program (3227) project will be sufficient to complete the FY 2025 work plan.

- 8. Management Information Systems-Power (3239)** – The Water and Power Department recommends appropriating \$305,000 from the Power Fund to this project and increasing the budget by a like amount. This appropriation is due to recent capitalization requirements for software subscriptions.
- 9. Management Information Systems-Water (1083)** – The Water and Power Department recommends appropriating \$164,000 from the Water Fund to this project and increasing the budget by a like amount. This appropriation is due to recent capitalization requirements for software subscriptions.

### **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.

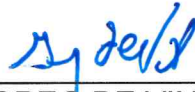
### **ENVIRONMENTAL ANALYSIS:**

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 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 2025 CIP budget by \$6,390,507. The specific funding sources for the budget amendments are listed on Attachment A. There is no net change to the General Fund.

Respectfully submitted,



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