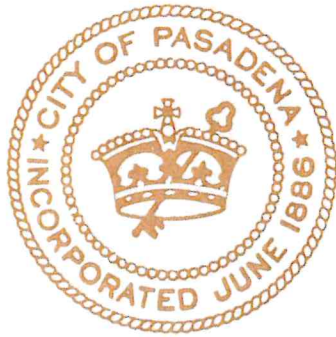




Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: AMEND THE FISCAL YEAR 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET

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 2027 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, reviews active CIP projects to determine if budgetary changes are needed. Staff has completed this report detailing needed budget adjustments and amendments to the FY 2027 CIP Budget as detailed on Attachment A.

Amendments to FY 2027 – 2031 CIP Budget

1. **Building Maintenance FY 2026 – 2030 (71931)** – The Department of Public Works recommends appropriating \$750,000 from the Building Preventive Maintenance Fund to this project and increasing the project budget by a like amount. The scope includes urgently needed modernization of the two elevators serving the west side (front entrance) of City Hall, which are approximately thirty-five years old and have obsolete components. One elevator has been out of service for months, and the remaining elevator

recently experienced a breakdown between floors with seven people trapped inside for almost two hours. Replacement parts are no longer readily available, making repairs increasingly difficult and creating a significant risk of prolonged outages. These failures compromise access to City Hall offices and services for individuals with disabilities and others who depend on elevator access. Prompt funding is necessary to advance design and procurement to address this critical accessibility and operational need. Staff will prioritize implementation, with completion of both elevators anticipated in FY 2028.

2. **Miscellaneous Sidewalk Repair Program FY 2026 - 2030 (73950)** – The Department of Public Works recommends appropriating \$116,029 in Private Capital to this project and increasing the project 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. This work is anticipated to be completed in FY 2028.
3. **High Voltage Series Street Light Conversion (74415)** – The Department of Public Works recommends transferring remaining balance of \$34,334 in Street Occupancy Rental Fees and \$30,034 in Gas Tax from the High Voltage Series Street Light Conversion – Phase III (74420) to this project and increasing the project budget by a like amount. The High Voltage Series Street Light Conversion phases will be consolidated and managed as a single project and as such, all available balances from previous phases shall be transferred to project 74415.
4. **Raymond Avenue Undergrounding – Street Lighting (74823)** –The Department of Public Works recommends appropriating \$5,000,000 from the Underground Utilities Fund and increasing the project budget by a like amount. The funding will be used to cover street lighting material procurement, and the construction. This project is currently in the design phase and has sufficient funds to complete this phase. Construction is anticipated to begin in March 2027.
5. **Annual ADA Sidewalk Improvement Program (73913)** – The Department of Public Works recommends appropriating \$30,245 in Street Occupancy Rental Fees and increasing the project budget by a like amount. This funding will cover ineligible administrative costs associated with Community Development Block Grant (CDBG)-funded sidewalk improvements.
6. **Jackie Robinson Community Center Improvement (78961)** – The Department of Public Works recommends appropriating \$1,000,000 in U.S. Department of Housing and Urban Development (HUD) Economic Development Initiative–Community Project Funding (EDI-CPF) grant funds to this project. The funding was secured through Congresswoman Judy Chu's Fiscal Year 2026 Community Project Funding request for improvements to the Jackie Robinson Community Center. The additional funding will primarily

support renovation of the Center's pottery/kiln room, which has been out of service for an extended period, allowing the City to restore pottery programming at the facility. Funding will also support facility accessibility improvements identified as part of the project. Work is anticipated to be completed in FY 2028.

- 7. Citywide Leading Pedestrian Interval/Accessible Pedestrian Signal (LPI/APS) Implementation Program FY 2025 - 2029 (75928)** – The Department of Transportation (DOT) recommends appropriating \$250,000 in Community Development Block Grant (CDBG) funds and \$75,000 in Street Occupancy Rental Fees to this project and increasing the budget by a like amount. The CDBG funds were awarded to the City as part of the CDBG Program Year 2026 entitlement funds and was approved by City Council on June 15, 2026. The Street Occupancy Rental Fees will be used to cover costs defined as non-eligible by the granting agency but is required to design and construct the project. This appropriation will fund the installation of new ADA compliant Accessible Pedestrian Signal push buttons and appurtenant materials at 20 intersections. This work is anticipated to be completed in FY 2027.
- 8. Pedestrian Crossing Enhancements Program FY 2021 - 2028 (75112, Sub-Project 75135)** – The Department of Transportation (DOT) recommends appropriating \$92,920 in Traffic Reduction Fees and \$35,000 in Street Occupancy Rental Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement Program Cycle 11 (HSIP 11) grant in the amount of \$249,120 for the design and construction of Rectangular Rapid Flashing Beacons (RRFBs) at multiple locations. The City Council accepted the funds on October 23, 2023. This appropriation will cover construction administration costs along with additional design costs. The Street Occupancy Rental Fees funding will support the installation of new Americans with Disabilities Act (ADA)-compliant Accessible Pedestrian Signal (APS) push buttons at signalized intersections by Street Maintenance crews, as well as associated project costs resulting from unforeseen field conditions and material procurement delays.
- 9. Transportation System Safety Enhancements Project FY 2021 – 2028 (75115, Sub-Project 75136)** – The Department of Transportation (DOT) recommends appropriating \$95,820 in Traffic Reduction Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement Program Cycle 11 (HSIP 11) grant in the amount of \$397,710 for the design and construction of retroreflective backplates and near side signal heads at various locations. The City Council accepted the funds on October 23, 2023. This funding will cover ineligible administrative costs associated with HSIP 11 grant.
- 10. Installation of Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave (75512)** – The Department of Transportation (DOT) recommends appropriating \$76,005 in Traffic Reduction Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement

Program Cycle 11 (HSIP 11) grant in the amount of \$357,210 to construct the Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave. The City Council accepted the funds on October 23, 2023. This funding will cover ineligible administrative costs associated with HISP 11 grant.

11. T.M. Goodrich Intertie Transformer Upgrades (3263) – The Water and Power Department recommends transferring the remaining balance of \$899,104 in Power Fund from 35kV Subtransmission System Upgrades (3283) to this project and increasing the budget by a like amount. The scope of the 35kV Subtransmission System Upgrades (3283) project is now under the workplan for T.M. Goodrich Receiving Station Upgrades (3263), as such all funds for that scope are requested to be moved accordingly. The 35kV Subtransmission System Upgrades (3283) project will close.

12. Purchase of Vehicles and Equipment (3500) – The Water and Power Department recommends transferring the unencumbered balance of \$1,360,872 in Power Fund from Power System Equipment (3254) to this project and increasing the budget by a like amount. The scope of the Power System Equipment (3254) project is now under the workplan for Vehicles and Equipment - Power Fund (3500), as such all unencumbered funds for that scope are requested to be moved accordingly. The Power System Equipment (3254) project will close.

13. Power Transmission Program (3251) – The Water and Power Department recommends transferring \$446,930 in Power Fund from Power Transmission Program (3190) to this project and increasing the budget by a like amount. The Power Transmission Program (3190) was closed in FY 2026 and was replaced with CIP 3251.

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 2027 CIP budget by \$7,521,019. The specific funding sources for the budget amendments are listed on Attachment A. There is no change to the General Fund.

Respectfully submitted,



GREG DE VINCK, P.E.
Director of Public Works

Prepared by:



Phyllis Hallowell
Public Works Administrator

Approved by:



MATTHEW E. HAWKESWORTH
Interim City Manager

Attachment A – Amendments to the FY 2027 – 2031 CIP Budget