



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of September 23, 2025

TO: Mayor and Members of the City Council

VIA: Dante Hall, City Manager

SUBMITTED BY: Glenn Dombeck, Public Works Director/City Engineer

SUBJECT: FY 2025-26 Capital Improvement Program Update

RECOMMENDED ACTION:

It is recommended that the City Council receive an update on the status of the FY 2025-26 Capital Improvement Program.

BACKGROUND:

The adopted FY 2025-26 Program includes 40 projects totaling approximately \$6.74 million in improvements, with an additional \$5.14 million of prior year balance, for a combined available funding of \$11.88 million categorized under the 5 functional areas of Buildings & Facilities, Streets, Parks, Sewer, and Transportation (aka the Hercules Hub). A copy of the adopted FY 2025-26 Capital Improvement Program is provided in Attachment 1.

Current and prior year funding for the Hub represents 35 percent of total current spending, 84 percent of which is grant funded. Excluding the Hub, there is \$7.7 million of available funding for 26 active projects.

Public works is making significant progress on the current fiscal year approved CIP projects. Some notable updates included in the FY 2025-26 Program include:

Buildings & Facilities

- The Police Lobbies project was bid in July 2025 with 5 bids received and the low bid awarded to GSP Construction, Inc. Construction will commence in October with completion anticipated in January 2026.

- Contracts have been awarded for HVAC upgrades and associated electrical improvements at the Community Swim Center, Ohlone Community Center and Foxboro Community Center and for Slot Drain Repair at the Community Swim Center. Work will commence this fall and continue until completion.

Streets

- The Falcon Way Pavement Rehabilitation project was bid in September 2025 with 8 bids received and the low bid awarded to MCK Services, Inc. Construction will commence in November with completion anticipated in Spring 2026. Optional bid items for cape seal of Wren and Finch Courts has been included as funding allows.
- A design contract for Foxboro Pavement Rehabilitation Project will be brought to Council for approval on October 14, 2025. Construction is anticipated to occur in Summer 2026. A portion of funding remaining in this fiscal year have been transferred for use at the Foxboro Park Playground Equipment and Surfacing Improvement project and the Bay Trail Sinkhole Repair project, both of which are proceeding this fiscal year.
- Implementation of the John Muir Parkway Traffic Calming project is underway, with a contract for design of slurry seal and restriping improvements awarded to Kimley Horn and work anticipated to occur in March and April 2026.
- A portion of Annual Street Repair funding has been utilized to fund stop control warrant analysis at 5 intersections to address legacy safety concerns received by the community. Similarly, Annual Street Repair funding is being used for restriping crosswalks and improving signage at the intersection of San Pablo Avenue and Sycamore Avenue. Public works staff will continue to identify opportunities to deliver effective street repair projects with the remaining available funding.

Parks

- The design for the Beechnut Park Improvement Project to install much-needed amenities to this neighborhood park is progressing. An Easement Agreement with PG&E to allow development of park facilities within an existing overhead power line easement has been developed and will be considered by the California Public Utilities Commission for approval by end of year. This project is anticipated to advance to construction in Summer 2026.
- A combined project for Refugio Valley Park Picnic Area and Foxboro Park Basketball Court and Playground Improvements is nearing completion of design with construction anticipated in Spring 2026. Council approved pre-purchase of Refugio Valley Park shade structures and Foxboro Park Playground equipment at the September 9, 2025 council meeting.
- The Refugio Valley Park lake dredging project is proceeding with development of a complete design and bid package for the dredging, material reuse, mitigation,

and limited civil infrastructure improvements for bid in Spring 2026 and construction in July to September 2026. This schedule will allow the pond to refill naturally in winter 2026-27. The design will identify measures to minimize impacts to the community and the environment. A limited risk evaluation was completed in July 2025, which confirmed the feasibility of the reuse of dredged material on the City Corporation Yard property.

- The Bay Trail Soil Nail Wall Sinkhole Repair project was bid in July 2025 and awarded at the September 9, 2025 council meeting. This project will start in October 2025 and is expected to be completed before the end of the year.

Sewer

- Staff continues to develop pre-design information to scope a Sewer Line Repair/Replacement Project under SR-4 and Along Willow Ave. This project was identified by CCTV work performed in 2018. While some segments were identified at that time to be in acceptable condition, several segments were rated as poor or very poor condition. A recommendation of this effort was to obtain higher quality CCTV imagery of these sections. The City has completed an RFP for this CCTV work, which includes additional sewer segments along Newbury Street and upstream towards the private lift station on Willow Ave, and is moving forward with implementation this fall. This information will be provided to a design consultant to prepare a design for construction, likely in summer 2027.

Hercules Hub

- Staff continue to work to secure grant funding for completing the design and construction of this place-making, multimodal transportation facility.
- Task Orders have been issued to HDR, the engineering consultant for the Hub, to initiate work on coordination with the Federal Railroad Administration regarding environmental approval documentation and coordination with the John Muir Land Trust to finalize the Refugio Creek Conservation Easement. A forthcoming task order will initiate work on the 10 percent and 25 percent rail station design.

Completed Projects

Since the last update in September 2024, the following projects of interest have been completed, but not yet been reported out on:

- Staff have completed acceptance of the multi-year Sycamore Avenue Lower Sewer Trunk Main project. A warranty inspection will be performed in Spring 2026. The collection system hydraulic model has also been updated to reflect these improvements, which confirms that a follow-up project is not needed to complete the installation of a 469 ft portion of the 991 ft 12-inch diameter relief sewer that was unable to be installed due to utility conflicts. The 12-inch HDPE pipe will be

retained for use on the Promenade Lift Station Demolition project when that project is ready to proceed to construction.

- The City has hired SNG & Associates to develop an update to the 10-Year Capital Improvement Program. This update is underway with completion anticipated in Spring 2026. An CIP Update will be scheduled in early 2026 to inform Council of the progress on this effort.

ANALYSIS:

A verbal status update, as shown in the presentation in Attachment 2, will be provided at the meeting and staff can respond to specific questions at that time.

FISCAL IMPACT:

There is no fiscal impact associated with this staff report.

ATTACHMENTS:

1. FY 2025-26 Adopted CIP Program
2. September 2025 CIP Update Presentation