



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of February 24, 2026

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 ACTIONS:

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

- A fence has been installed around the transformer at the Senior Center.
- Temporary roof repairs were implemented at City Hall and Lupine Kidz Center.

- Replacement of 50 LED lamps and ballasts has been completed at the Library, resulting in elimination of excessive noise.
- The Police Lobbies construction has been delayed by lack of availability of bulletproof materials. A materials substitution request has been resolved and construction will commence in late February with completion anticipated in April 2026.
- HVAC upgrades and associated electrical improvements have been completed at the Ohlone Community Center and Foxboro Community Center. Similar work at the Community Swim Center is ongoing. Slot Drain Repair at the Community Swim Center has been completed.

Streets

- Construction on the Falcon Way Pavement Rehabilitation project is underway, with completion anticipated in March 2026. Wren and Finch Courts will receive full mill and overlay restoration resulting in a change order credit to the City.
- 65% design for Foxboro Pavement Rehabilitation Project is underway. Final design for Phase 1 streets will proceed this fiscal year with construction anticipated to occur in Summer 2026. Design and construction for Phase 2 is anticipated for 2028 pending resolution of PG&E work in Foxboro neighborhood, Willow-Newbury sewer rehabilitation and construction activity at the Loop site on Willow Ave.
- Two bids were received for the John Muir Parkway Traffic Calming project. Costs do not warrant proceeding with construction. Alternative traffic calming measures will be evaluated at an upcoming Traffic Safety Committee meeting.
- A bioretention area on John Muir Parkway has been identified sufficient to address the RWQCB's Clean Water Program C.3.j requirement to develop a bioretention design for handling 1.58 acres of stormwater runoff on public right of way. The City is in process of soliciting proposals to complete the design and fully fund the project on or before June 30, 2027.
- Annual Street Repair funding has been utilized to restripe crosswalks and improve signage at the intersection of San Pablo Avenue and Sycamore Avenue. Stop control warrant analysis have been completed at 5 intersections to address legacy safety concerns received by the community. Design is underway on a repair of the damaged stormwater v-ditch near Falcon Way. A RFP is in development for restriping of streets in several neighborhoods throughout the City.

Parks

- Design for the Beechnut Park Improvement Project to install much-needed amenities to this neighborhood park is pending Council authorization. An

Easement Agreement with PG&E to allow development of park facilities within an existing overhead power line easement has been finalized.

- A combined project for Refugio Valley Park Picnic Area and Foxboro Park Basketball Court and Playground Improvements is nearing commencement of construction, with work anticipated to be completed by June 2026.
- The Refugio Lake Restoration 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.
- The Bay Trail Soil Nail Wall Sinkhole Repair project was delayed from starting construction due to wet weather and finalization of an access agreement with BioRad Laboratories. Notice to proceed is anticipated for Spring 2026.

Sewer

- Staff continue to develop pre-design information to scope a Sewer Line Repair/Replacement Project under SR-4 and along Willow Ave. CCTV imagery of these areas and an additional segment on Newbury Street has been obtained and will support this effort.

Hercules Hub

- Staff continue to work to secure grant funding for completing the design and construction of this place-making, multimodal transportation facility. An application for the Federal Railroad Administration's National Railroad Partnership Grant Application was submitted in early February. Staff intend to apply for the upcoming STMP Cycle 3 funding.
- HDR continues work to finalize the 10% design, coordinate with Union Pacific Railroad and with the John Muir Land Trust to finalize the Refugio Creek Conservation Easement.

Completed Projects

Since the last update in September 2025, the following projects of interest have been completed, but not yet been reported out on:

- Work continues on the update to the 10-Year Capital Improvement Program. A CIP Update will be scheduled in March 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. February 2026 CIP Update Presentation