

April 22, 2025

City Council Meeting

PowerPoint Presentations
distributed at Council meeting



**BUDGET STUDY SESSION -
CAPITAL IMPROVEMENT
PROGRAM**

Proposed CIP Budget for Fiscal Year 2025-2026

Proposed Five Year Plan for Fiscal Years 2026 through 2030

PRESENTATION OVERVIEW

1. Annual Budget Process and Timeline
2. FY 26 Proposed Capital Improvement Program
 - a. Overview
 - b. Department CIP Presentations
 - c. Fund Balances
 - d. Deferred Projects

ANNUAL BUDGET PROCESS



NOVEMBER
City-wide
Budget
Kickoff

NOV-JAN
Dept Budget
Preparation

JANUARY
CIP Budget
Meetings w/
Dept & CM

FEBRUARY
Operating
Budget
Meetings with
Dept & CM

MARCH
Budget
Study
Session - GF

APRIL
Budget
Study
Session -
CIP

MAY
Preliminary
Budget

JUNE
Budget
Adoption

CAPITAL IMPROVEMENT PLAN OVERVIEW

Five Year Planning Period

- FY 2026 through FY 2030
- Investment of \$128.6 million over 5 year period

69 Proposed Projects (FY 26 through FY 2030)

- 50 Proposed Projects Requesting New Funding for FY 26
- 19 Proposed Future Projects
- *25 Continuing Projects*

Total FY 26 Investment

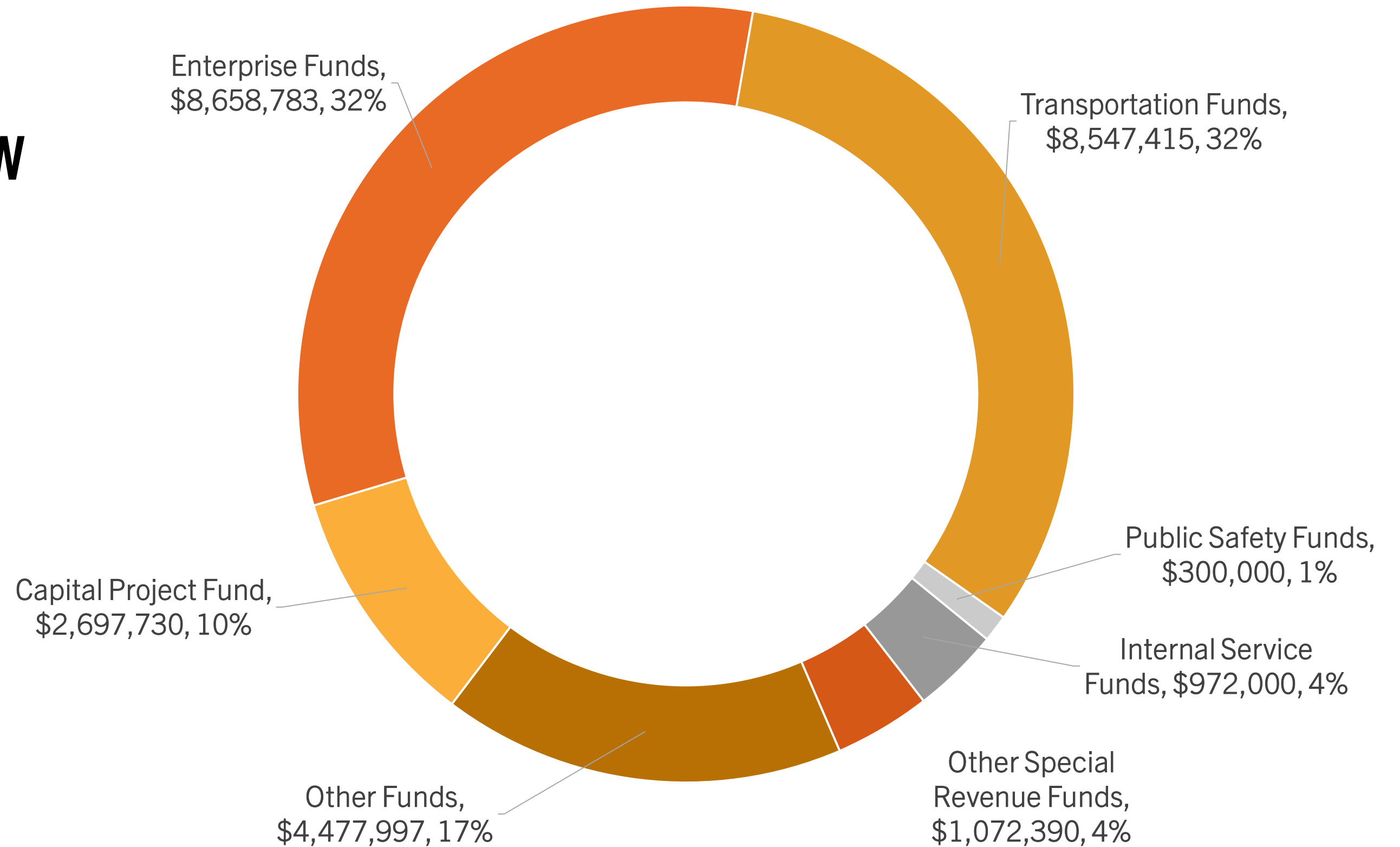
- \$ 26.7 M
- Leverages 18 different funding sources



CAPITAL IMPROVEMENT PLAN OVERVIEW

FY 26 Proposed CIP Budget

\$26.7 Million



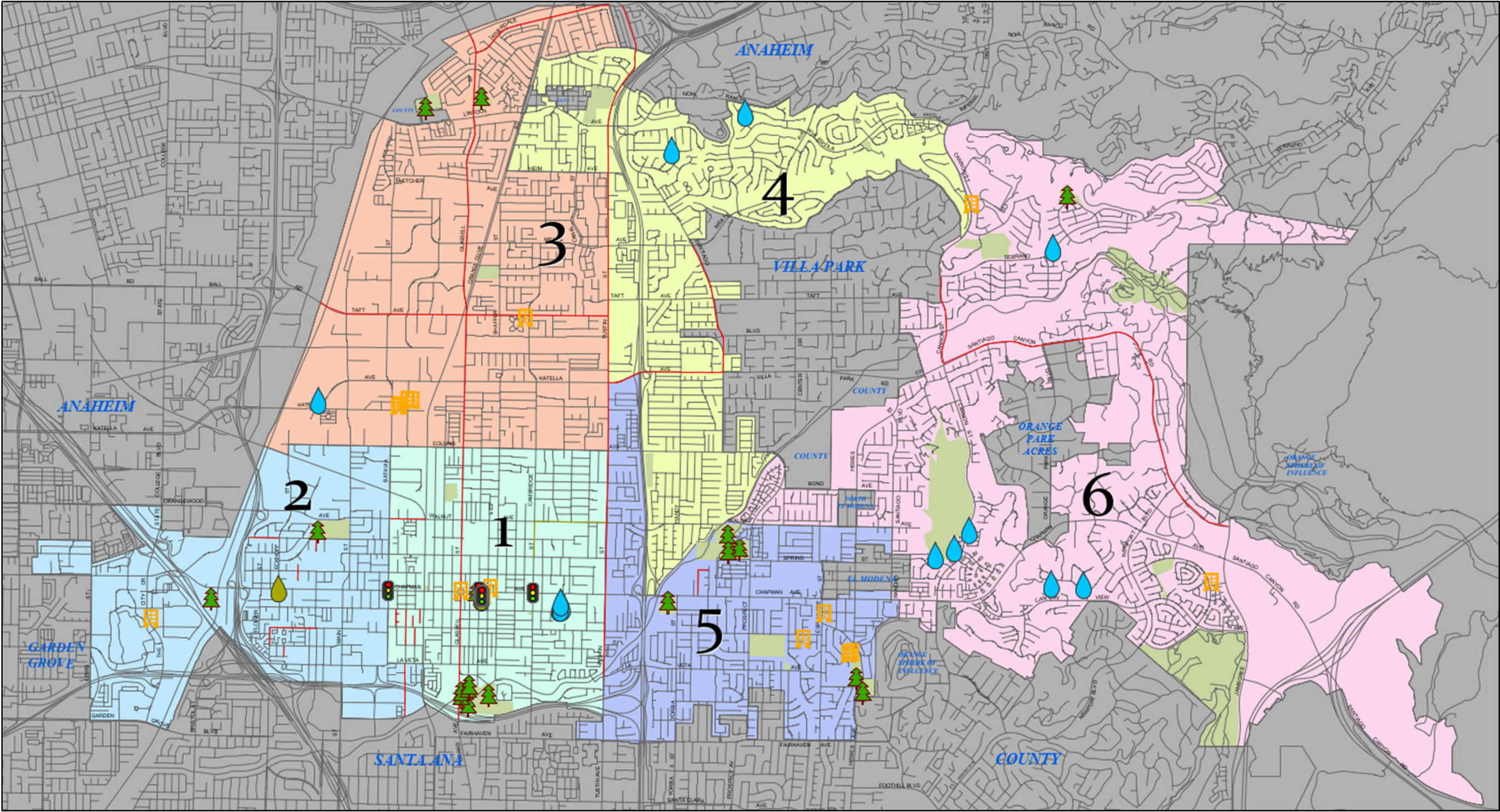
COMMUNITY

SERVICES

DEPARTMENT

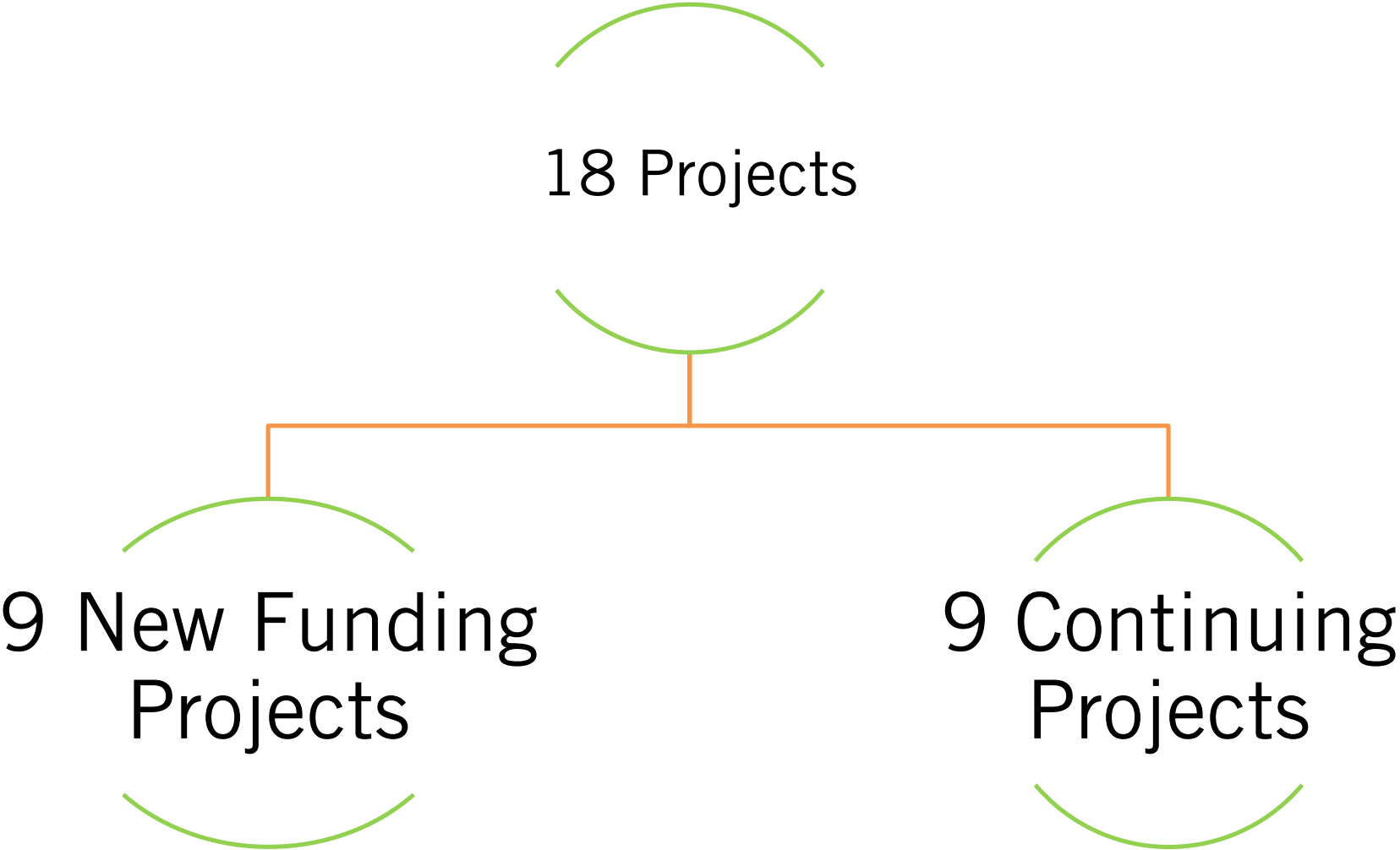
COMMUNITY
SERVICES
DEPARTMENT

PROJECT MAP



Fiscal Year 26 Highlights

PROPOSED FUNDING-\$1.64 MILLION



COMMUNITY
SERVICES
DEPARTMENT

CURRENT PROJECT HIGHLIGHTS

HART PARK PICKLEBALL AND FITNESS CIRCUIT (20315)

CONTINUING PROJECT

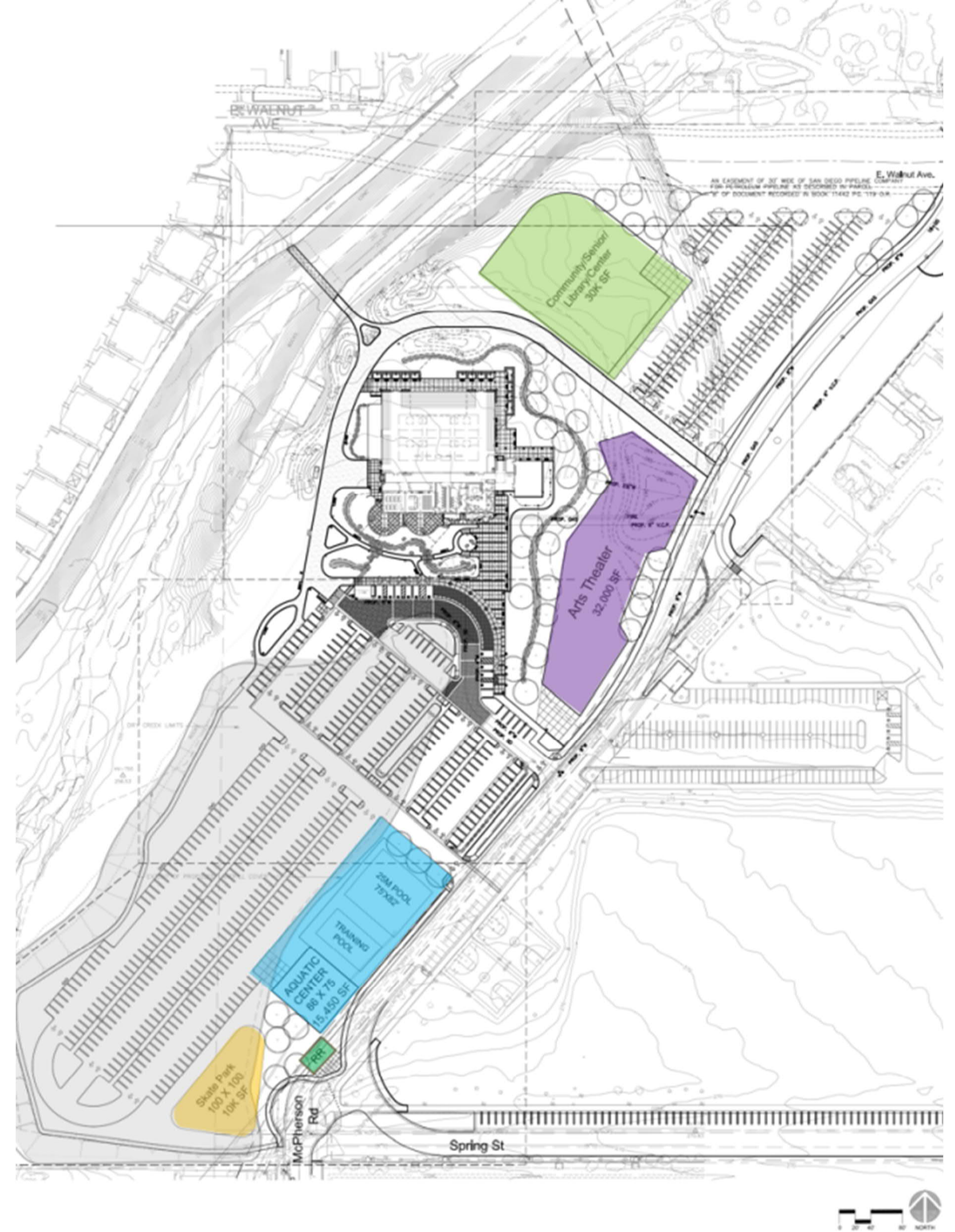
- \$2,000,000 in Community Project Funding (CPF) grant funds for the project - administered through the U.S. Department of Housing and Urban Development (HUD)
- Construction anticipated to begin in summer of 2025 and tentative completion by the end of FY25-26



COMMUNITY
SERVICES
DEPARTMENT

GRIJALVA PARK MASTER PLAN UPDATE (20321) CONTINUING PROJECT

- \$100,000 in carryover 510 funding
- Scope of work and grant application currently being developed

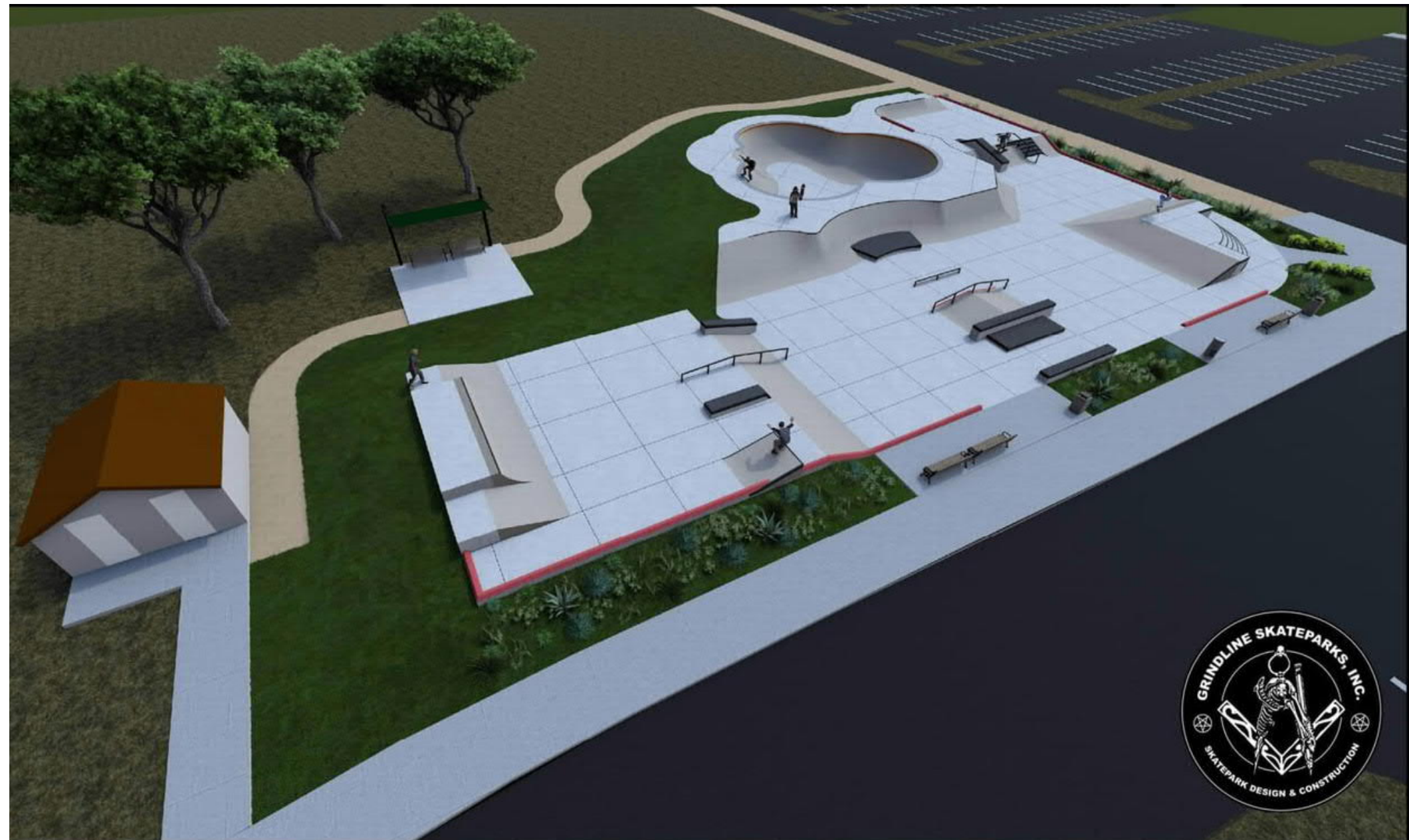


COMMUNITY
SERVICES
DEPARTMENT

SKATE PARK AT GRIJALVA (20519)

CONTINUING PROJECT

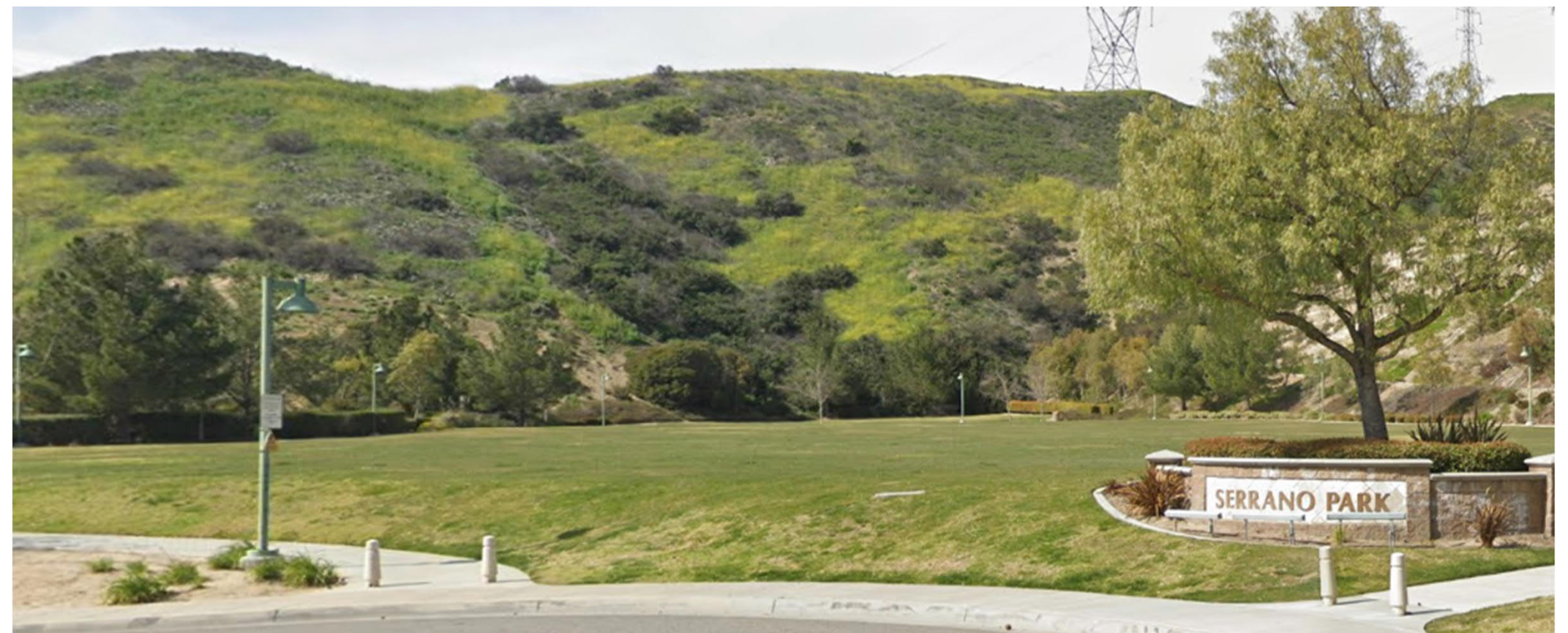
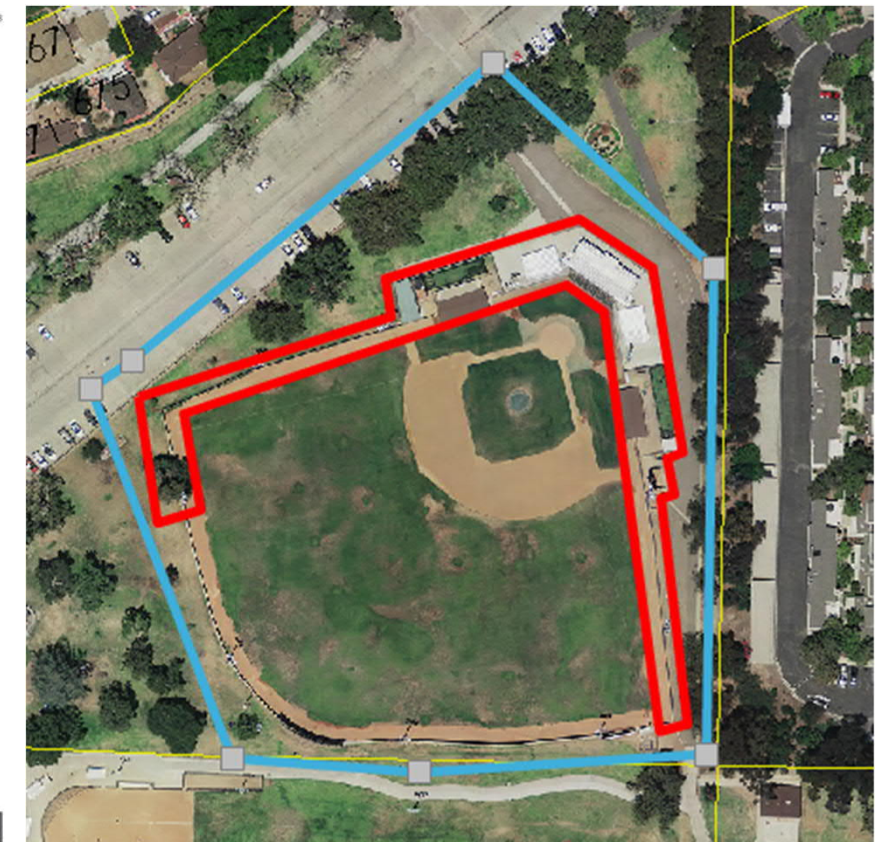
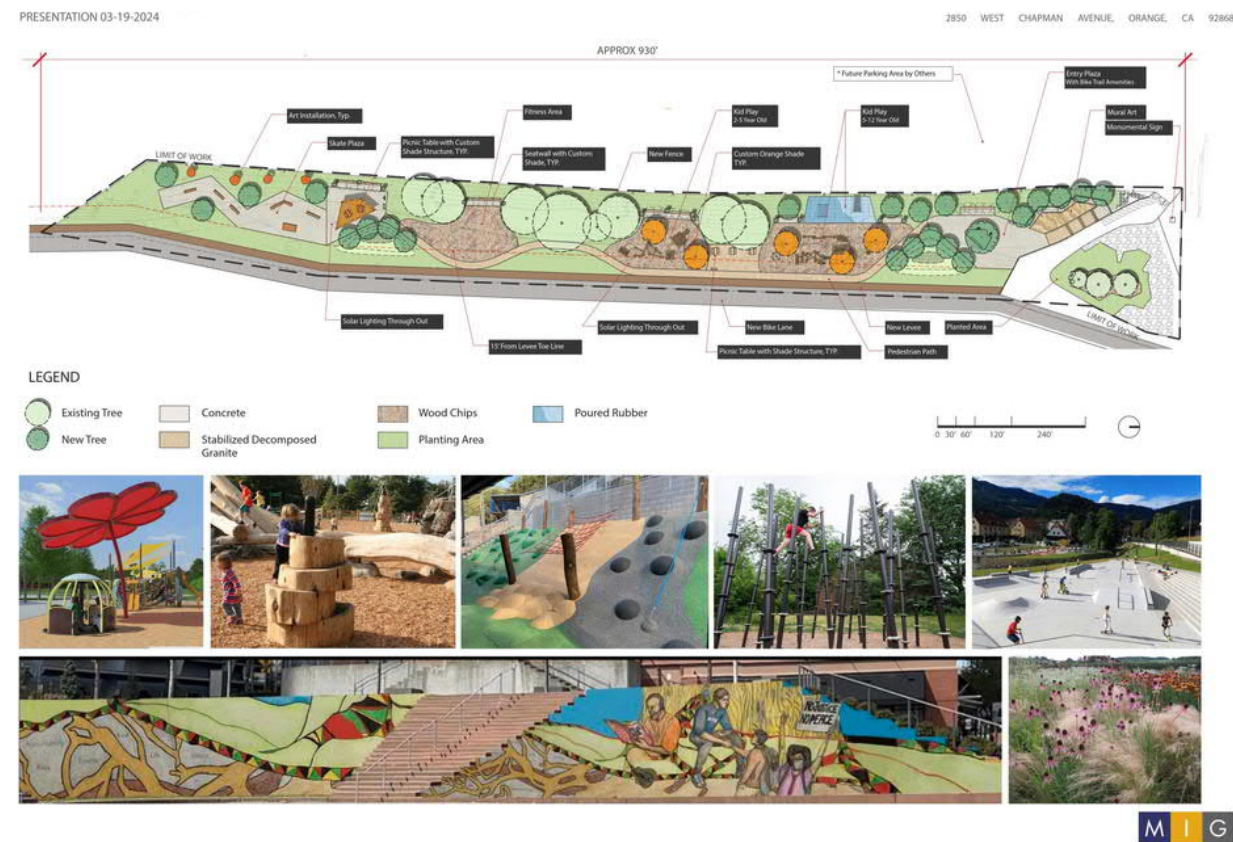
- \$1,750,000 Fund 500 funding approved and appropriated to project; no new funds requested at this time



CONTINUING PROJECTS

LIST OF PROJECTS

- Serrano Park Lodge Pole Fencing Installation
- Area Lighting Replacement at Grijalva Park
- Hart Park Diamond 1 Field Improvements
- Olive Park Netting Replacement
- Park Signage Installation
- New Park in West Orange
- Parking Lot Pavement Rehabilitation
- Yorba Dog Park Improvements
- El Camino Park Exercise Equipment



FY 26 APPROPRIATION REQUESTS

Additional funding required – appropriation requests included for two projects

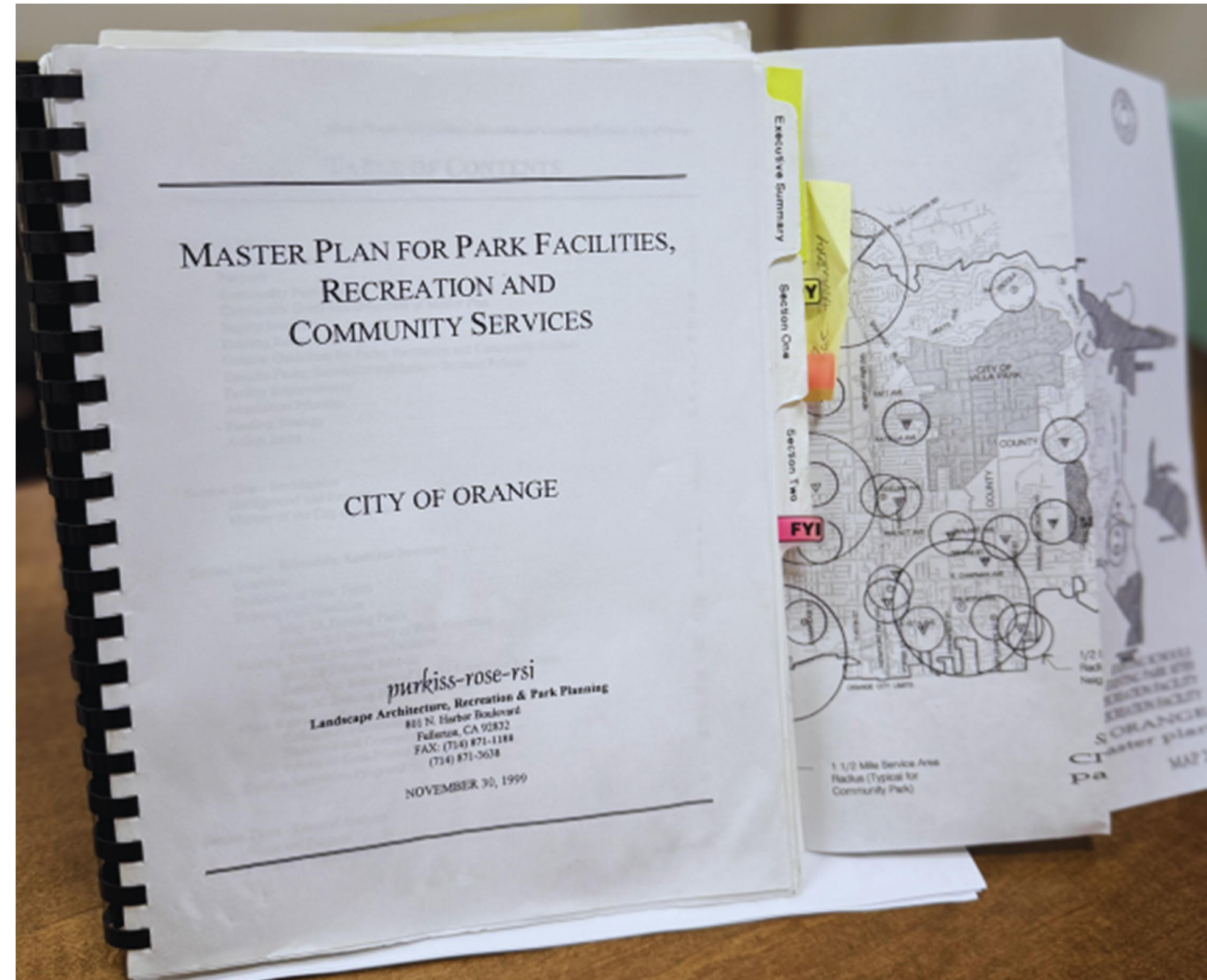
Project Name	Project Number	Appropriation Request	Funding Source	Description
El Modena Park Improvements	30048	\$ 724,125	Park Acquisition (510) Fund; El Modena Park Fund (512) Fund	Complete design and construction of project May be offset by grant funds
El Modena Basin Improvements (Design)	20476	\$ 230,000	Park Acquisition (510) Fund	Complete design phase of project
Total		\$954,125		

COMMUNITY
SERVICES
DEPARTMENT

FY 26 NEW PROJECTS

PARKS MASTER PLAN (20554)

- Appropriation of \$270,000 of 510 funding.
- Estimated completion in Summer of 2027



COMMUNITY
SERVICES
DEPARTMENT

FY 26 NEW PROJECTS

PARK RESTROOM INTERIOR RENOVATIONS (20552)

- Appropriation of \$210,000 of 510 funding

SPORT COURT RESURFACING (20553)

- Appropriation of \$60,000 of 510 funding

HART PARK BANDSHELL ROOF RENOVATION (20555)

- Appropriation of \$36,000 of 510 funding



Q & A

COMMUNITY SERVICES



PUBLIC WORKS DEPARTMENT

PUBLIC WORKS DEPARTMENT

FY26 CAPITAL IMPROVEMENT PROJECTS



PUBLIC WORKS DEPARTMENT

The Public Works Department manages projects in the following areas:

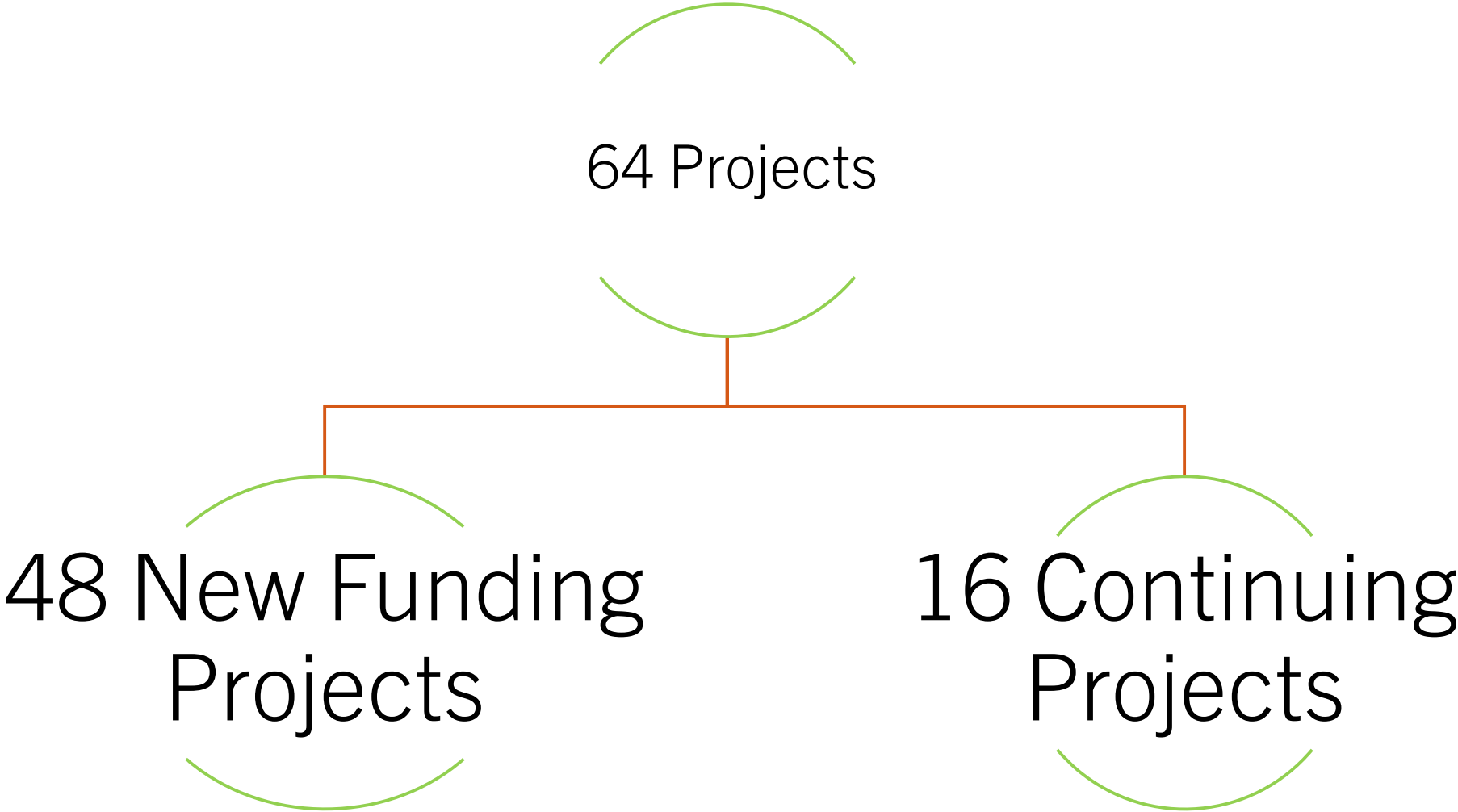
- Street Maintenance
- Water Supply Infrastructure
- Sewer and Storm Drain Improvements
- Facility Maintenance and Repair



PUBLIC WORKS
DEPARTMENT

Fiscal Year 26 Highlights

PROPOSED FUNDING-\$23.3 MILLION



PUBLIC WORKS DEPARTMENT

CIP Totals by Fund

Fund	FY26 Proposed (\$)	Pct.	FY25 Amount (\$)	Pct	Change from FY25 to FY26
220 Sewer Operations	3,438,783	15%	3,438,783	12%	\$0
263 Traffic Improve. - Measure M2	3,148,415	13%	3,416,000	12%	(\$267,585)
270 Gas Tax	275,000	1%	350,000	1%	(\$75,000)
273 - Library Fees	201,126	1%	0	0%	\$201,126
274 SB 1 (RMRA)	3,400,000	15%	3,400,000	12%	\$0
287 TSIP - Citywide	1,724,000	7%	1,548,000	6%	\$176,000
310 CDBG	672,390	3%	738,000	3%	(\$65,610)
500 Capital Projects	2,697,730	12%	2,870,000	10%	(\$172,270)
550 Reimbursable & Bond	2,412,746	10%	4,616,000	16%	(\$2,203,254)
553 - City Infrastructure Bond	0	0%	300,000	1%	(\$300,000)
600 Water Utility Operations	5,220,000	22%	7,145,000	26%	(\$1,925,000)
954 City Trf: Merged 2008 Exempt	150,000	1%	170,000	1%	(\$20,000)
Total	\$23,340,190	100%	\$27,991,783	100%	(\$4,651,593)



13120 – PAVEMENT MANAGEMENT PROGRAM

- Annual replacement or repair of the City’s streets, based on assessed condition
- Necessary to maintain Pavement Condition Index rating

Fund	Amount
263 - Traffic Improvement M2	\$ 2,700,000
270 - Gas Tax Maintenance	\$ 150,000
274 - Road Maintenance Rehab Account	\$ 3,400,000
500 - Capital Projects (CR&R Road Mitigation Payment)	\$ 2,000,000
TOTAL	\$ 8,250,000



15508 – SEWER LINE MAINTENANCE AND REPLACEMENT

- This project addresses hot spots due to root intrusion, offset joints, and damaged sewer mains. It also replaces both hydraulically and structurally deficient sewer mains.
- 3% annual expenditure escalation based on water rate structure and anticipated revenue into Sewer Fund

Fund	Amount
220 - Sewer Fund	\$ 2,438,783
TOTAL	\$ 2,438,783



18102 - METER REPLACEMENT PROGRAM

- Replacement of standard water meters with smart meters and automatic meter reading
- Approximately 1,800 smart meters installed annually
- Allows greater billing accuracy and reduces water loss through water leak indicators

Fund	Amount
600 - Water Fund	\$ 400,000
TOTAL	\$ 400,000



18400 – PIPELINE RENEWAL PROJECTS

- This project is for the design and construction of water mainline replacements for the City's water system to address age, substandard sizing, corrosion, or high maintenance costs.
- 1.5 miles of pipeline targeted annually

Fund	Amount
600 - Water Fund	\$ 2,000,000
TOTAL	\$ 2,000,000



20312 – WELL 29 CONSTRUCTION

- A 3,000 gallons-per-minute groundwater production facility to replace Well 8 located at Katella Avenue and Struck Avenue
- This project includes design, well drilling, pump installation, electrical, storm drain, piping connection, PFAS treatment, and an emergency power generator

Fund	Amount
600 - Water Fund	\$ 1,800,000
550 - Reimbursable Capital Projects	\$ 1,000,000
TOTAL	\$ 2,800,000

PUBLIC WORKS

CAPITAL FUND (500) EXPENDITURES

- Maintenance of Effort (MOE) Requirements for M2 funding
 - City is required to spend \$3,507,565 of discretionary funds to maintain M2 eligibility
 - M2 projected revenue for FY26: \$4,561,174
- CR&R Road Mitigation Payment
- Matching Requirements
 - No new matching funds are proposed for FY26, but as grants are awarded for projects, matching funds may be requested through Capital Fund (500) as a requirement for grant funding.

Q & A

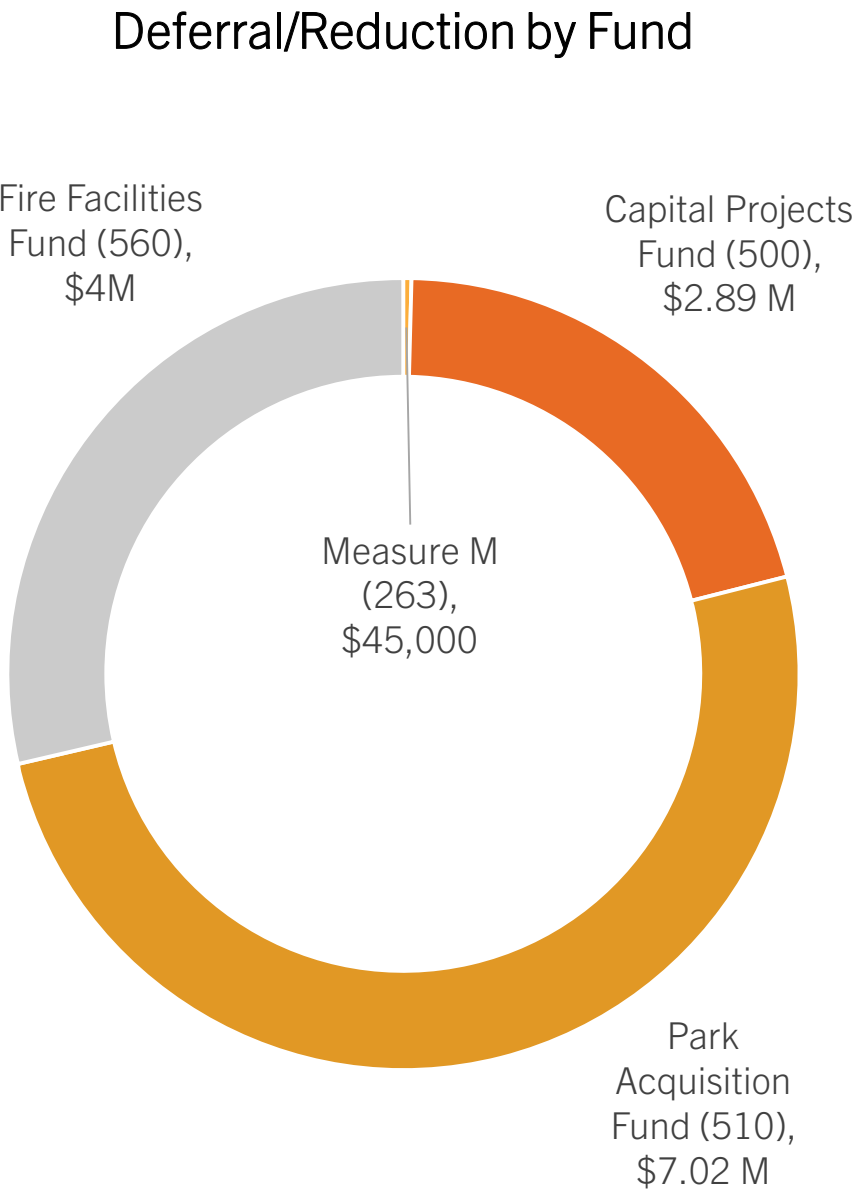
PUBLIC WORKS



PROJECT DEFERRALS & REDUCTIONS

PROJECT DEFERRALS/REDUCTIONS

Project/Effort	Fund	Amount Deferred/ Reduced	Notes
Facilities Condition Assessment	Capital Projects Fund (500)	\$100,000	Discontinued
Community Services Building Restoration	Capital Projects Fund (500)	200,000	Discontinued
Depot Building Improvements	Capital Projects Fund (500)	400,000	Discontinued
Municipal Parking Lot Maintenance	Capital Projects Fund (500)	20,000	Discontinued
16469 Traffic Signal Equipment Painting	Measure M (263)	45,000	Discontinued
Roof Replacement at City Facilities (rated poor condition)	Capital Projects Fund (500)	500,000	Deferred
El Modena Electric Vehicle Charging Station	Capital Projects Fund (500)	50,000	Discontinued
20504 Fire Station 3 Building Addition	Fire Facility Fees (560)	4,000,000	Deferred
20505 Fire Station 5 Exercise Room Addition	Capital Projects Fund (500)	720,000	Deferred
20523 Fire Station 2 Remodel	Capital Projects Fund (500)	900,000	Deferred
20059 Tot Lot Shade Sails	Park Acquisition (510)	430,000	Deferred
20052 Resurfacing of Sports Courts (i.e. tennis, basketball)	Park Acquisition (510)	200,000	Some locations deferred
20053 Repairs and Improvements to Park Restroom Buildings	Park Acquisition (510)	1,500,000	Some locations deferred
Parking Lot Renovation at El Modena Park	Park Acquisition (510)	650,000	Deferred
20401 - Lighting Renovation at El Camino Park	Park Acquisition (510)	200,000	Deferred
20478 – Evaluation of Synthetic Turf at Grijalva Park	Park Acquisition (510)	160,000	Discontinued
Plaza Fountain Software and Controls Upgrade	Park Acquisition (510)	75,000	Deferred
20266 – Security Camera Installation at El Camino Park	Park Acquisition (510)	800,000	Deferred
Playground Equipment Replacement at Various Parks	Park Acquisition (510)	3,000,000	Some locations deferred
Total Deferred Projects		\$13,955,000	



FUND BALANCES

FUND BALANCE

	Capital Projects (500)	Park Acquisition (510)	Fire Facilities (560)	Police Facilities (570)	Library Facilities (573)
Estimated Beginning Fund Balance 7/1/2025	\$10,095,889	\$9,211,930	\$586,496	\$946,116	\$555,268
Proposed Revenues	2,000,000	-	-	-	-
Proposed Transfers In	-	-	-	-	-
Total Proposed Revenues	2,000,000	9,211,930	586,496	946,116	555,268
Proposed Operating Expenditures	(419,519)	-	-	(20,000)	-
Proposed Capital Expenditures	(2,697,730)	(1,344,125)	(250,000)	(50,000)	(201,126)
Proposed Transfers Out	(3,000,000)	-	-	-	-
Total Proposed Expenditures	(6,117,249)	(1,344,125)	(250,000)	(70,000)	(201,126)
Proposed Surplus/(Deficit)	(4,117,249)	(1,344,125)	(250,00)	(70,000)	(201,126)
Proposed Ending Fund Balance — 6/30/2026	5,978,640	7,867,805	336,496	876,116	354,142
Assigned Fund Balance	-	-	-	-	-
City Council Reserve Policy	4,835,000	N/A	N/A	N/A	N/A
Undesignated/Unreserved Fund Balance	\$1,143,640	\$7,867,805	\$336,496	\$876,116	\$354,142

FUND BALANCE CONT.

	Proposition 172 (120)	Special Revenue Funds	Sewer (220)	Water (600)	IT Capital Projects (790)
Estimated Beginning Fund Balance 7/1/2025	\$1,168,783	\$10,403,713	\$1,723,303	\$8,954,430	\$7,479,253
Proposed Revenues	1,291,888	11,781,508	9,032,298	43,060,058	2,556,300
Proposed Transfers In	-	-	-	-	-
Total Proposed Revenues	1,291,888	11,781,508	9,032,298	43,060,058	2,556,300
Proposed Operating Expenditures	(1,164,533)	(5,058,948)	(5,318,744)	(41,916,198)	(87,364)
Proposed Capital Expenditures	(400,000)	(8,547,415)	(3,438,783)	(5,220,000)	(972,000)
Proposed Transfers Out	-	-	-	-	-
Total Proposed Expenditures	(1,564,533)	(13,606,363)	(8,757,527)	(47,136,198)	(1,059,364)
Proposed Surplus/(Deficit)	(272,645)	(1,824,855)	274,771	(4,076,140)	1,496,936
Proposed Ending Fund Balance – 6/30/2026	896,138	8,578,858	1,998,074	4,878,290	8,976,189
Assigned Fund Balance (Police Enterprise)	-	-	-	-	5,680,000
City Council Reserve Policy	N/A	N/A	1,329,686	10,479,050	2,965,381
Undesignated/Unreserved Fund Balance	\$896,138	\$8,578,858	\$668,388	(\$5,600,760)	\$330,808

Q & A

