

BUDGET AND FINANCE COMMITTEE REPORT relative to the Third Transportation-Related Construction Projects Report (TCPR) for Fiscal Year 2025-26.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to:
 - a. Transfer \$3,600,426 between departments and funds as specified in Attachment 1 of the City Administrative Officer report dated March 26, 2026 (CAO report), attached to the Council file (CF).
 - b. Transfer \$1,500,000 between accounts within departments and funds as specified in Attachment 2 of said CAO report.
 - c. Appropriate \$16,925,576 between accounts within departments and funds as specified in Attachment 3 of said CAO report.
2. RESCIND the recommended transfer and appropriation of funds in the amount of \$36,484.17 for the El Pueblo Lot 2 Automated Gate and Signage Repair (Item O in said CAO report) in the 2025-26 Second TCPR dated November 6, 2025 (Item Y; CF 25-1319).
3. INSTRUCT the Department of City Planning and REQUEST the Controller to deposit all continuous cycles of grant reimbursement funds up to \$2,533,922 for the Street and Storm Drain Design Manual Revitalization Project (Item S in said CAO report) within the City Planning Grants Trust Fund No. 46Y/68, Account No. 68A225, Account Name: REAP 2.0 Subregional Partnership Program/SCAG, into the Capital and Technology Improvement Expenditure Program (CTIEP) Fund No. 100/54, Revenue Source 3811, Reimbursement from Other Agencies.
4. AUTHORIZE the Controller to establish a new account within CTIEP Fund No. 100/54, Account Number TBD, titled "Street and Storm Drain Design Manual Revitalization Project".
5. REQUEST the Controller and INSTRUCT the Department of Public Works to further appropriate any grant reimbursements for the Street and Storm Drain Design Manual Revitalization Project (Item S in said CAO report) from CTIEP Fund No. 100/54, Revenue Source 3811, Reimbursement from Other Agencies, to CTIEP Fund No. 100/54, Account Number TBD, titled Street and Storm Drain Design Manual Revitalization Project, to provide cash flow and reimbursements to front-funding sources.
6. RESCIND the recommended transfer and appropriation of funds in the amount of \$1,868,691 for the Maclay Street Reconfiguration Project (Item X in said CAO report) from State AB1290 City Fund No. 53P/28, Account No. 281207, CD 7 Redevelopment Fund, to CTIEP Fund No. 100/54, Account No. 00V819, Maclay Street Reconfiguration project (CF 25-1421); as Recommendation No. 3 of said CAO report will provide the funding.
7. AUTHORIZE the CAO to make technical corrections, as necessary, to the transactions authorized through said CAO report, as required to implement the intent of those transactions.
8. AUTHORIZE the Controller to:
 - a. Add an additional instruction for Item M, Sidewalk and Transit Amenities Program, on page 4 of Attachment 3 of said CAO report, to appropriate \$2,268,430 from Fund No. 51Q/94, Measure R Local Return Fund, Account No. TBD, Account Name: "Sidewalk and Transit Amenities Program", to the Bureau of Street Services (BOSS) Fund No. 100/86, Account No. 003040, Account Name, "Contractual Services".

- b. Replace the instructions in Recommendation No. 3, Attachment 3, Item V – SR710 Valley and Huntington Multi-Modal Projects, of said CAO report by appropriating \$60,000 from the cash balance of the Road Maintenance and Rehabilitation Program (SB1) Special Fund, to a new account, Account No. TBD, Account Name, “SR710 Valley and Huntington Multi-Modal Projects”, within the same fund, and therefrom appropriate the \$60,000 as follows:
 - i. \$30,000 to the Bureau of Street Lighting Fund No. 100/84, Account No. 001090, Account Name, “Overtime General”.
 - ii. \$30,000 to the BOSS Transaction Fund No. 64C/50, Revenue Source 5188, “Miscellaneous Revenue Others”.
- c. Transfer a total of \$75,000 for the Melrose Pedestrian Improvement Project from the CTIEP Fund No. 100/54, Account No. 00W879, Account Name, “Contingency” (\$60,226.86) and Account No. 00Y879, Account Name, “Contingency” (\$14,773.14), to the BOSS Fund 100/86, Account No. 001090, Account Name, “Salaries - Overtime” (\$69,934), and Account No. 006020, Account Name, “Operating Supplies & Expense” (\$5,066).
- d. Transfer \$149,060 from Measure M Local Return Fund 59C/94, Account No. 94CVA0, Account Name, “Bridge Strategic Plan”, to the Bureau of Engineering, Fund No. 100/78, Account No. 006010, Account Name, “Office and Administrative”, for bridge and tunnel asset management software.

Fiscal Impact Statement: The CAO reports that the recommendations in said report include transfers, appropriations, and authority for expenditures totaling \$22.06 million. This consists of \$21.09 million from various special funds, \$0.53 million in grant funds, and \$0.44 million in General Fund within the CTIEP. All transfers and appropriations are based on existing funds, reimbursements, or revenues. There is a potential impact on the General Fund for operations and maintenance costs, with the amount yet to be determined. These costs will be addressed through the City budget process as projects are completed.

Financial Policies Statement: The CAO reports that the recommendations stated in said report comply with the City Financial Policies in that as the recommended transactions use current revenues and balances to pay for current operations.

Community Impact Statement: None submitted

(Transportation Committee waived consideration of the above matter.)

SUMMARY

At a Special meeting held on April 13, 2026, your Budget and Finance Committee considered the CAO report, dated March 26, 2026, relative to the Third TCPR for FY 2025-26. The CAO report includes updates on the current activities and financial status of the CTIEP, capital repair, and transportation-related infrastructure programs; and, transfers to provide sufficient cash flow in the total amount of \$22.06 million to offset identified funding shortfalls for construction activities in the public right-of-way. Capital funds used to complete authorized projects include the CTIEP, special funds, grant awards, and MICLA funding. Councilmember Yaroslavsky introduced a motion, seconded by Councilmember Blumenfield, to approve the amendments to the FY 2025-26 TCPR presented by the CAO's Office for implementation of the required transactions, correct account names, and necessary transfers for the Melrose Pedestrian Improvement Project and bridge and tunnel asset management software. After an opportunity for public comment was held, the Committee moved approval of the recommendations contained in the CAO report as amended, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-