

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: July 24, 2026

CAO File No. 0540-00009-0033

Council File No.

Council District: All

To: Honorable Members of the City Council

From:  for
Matthew W. Szabo, City Administrative Officer

Reference: Fiscal Year 2025-26 Capital and Technology Improvement Expenditure Program
Year-End Reappropriations

Subject: **FISCAL YEAR 2025-26 CAPITAL AND TECHNOLOGY IMPROVEMENT
EXPENDITURE PROGRAM YEAR-END REAPPROPRIATIONS**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve the reappropriation of capital improvement and contingency project account balances as of June 30, 2026, within the funds listed in Attachment B, except for those accounts and amounts delineated in Attachment A and those accounts with funds that have been reappropriated by interim actions in Fiscal Year 2025-26:
 - General Fund (Non-Dept. Capital Improvement Expense Program) No. 100, Dept. No. 54;
 - Special Gas Tax Street Improvement Fund No. 206, Dept. No. 50;
 - Local Transportation Fund No. 207, Dept. No. 94;
 - Park and Recreational Sites and Facilities Fund No. 209, Dept. No. 88;
 - Measure R Local Return Fund No. 51Q, Dept. No. 94;
 - Measure M Local Return Fund No. 59C, Dept. No. 94;
 - Road Maintenance and Rehabilitation Program Fund No. 59V, Dept. No. 50;
 - Measure W Local Return Fund No. 60W, Dept. No. 50;
 - Sewer Capital Fund No. 761, Dept. No. 50;
 - Wastewater Syst Comm Paper A Const Fund No. 70W, Dept. No. 50;
 - Wastewater Syst Comm Paper B Const Fund No. 70X, Dept. No. 50;
 - Debt Service Reserve Fund Releases Tracking Fund No. W1G, No. 50; and,
2. Authorize the City Administrative Officer to make technical corrections, as necessary, to implement the intent of these transactions, and authorize the Controller to implement these instructions.

SUMMARY

At the close of each fiscal year, unencumbered appropriations for capital projects within the Municipal Facilities, Physical Plant, and Wastewater Facilities Capital and Technology Improvement Expenditure Program (CTIEP) revert to the unallocated balance accounts within the fund from which they were appropriated. In accordance with Section 5.44 of the Los Angeles Administrative Code, the City Administrative Officer recommends the reappropriation of reverted funds necessary to continue work on active CTIEP projects to the Mayor and Council. This report recommends the reappropriation of funds to all existing capital project accounts within the funds listed in Attachment B, with the exception of those listed in Attachment A.

This Office does not recommend the reappropriation of funds if:

- a) A project is completed and all outstanding invoices have been paid;
- b) There has been no project activity in the last three years; or,
- c) Appropriations exceed project needs.

Capital and Technology Improvement Expenditure Program

Attachment B outlines the list of CTIEP funding sources and the estimated reappropriation amount by fund. The Appropriated Amount column reflects the funding available that was available in 2025-26. This amount consists of funds budgeted in 2025-26, plus funds reappropriated from the previous fiscal years. The Encumbered Balance column reflects funds that have been committed to projects by departments for contracts or activities. The 2025-26 Estimated Expenditures column reflects the amount this Office projected would be spent between July 1, 2025, and June 30, 2026. The Estimated Reversion Amounts column represents the amounts that are no longer needed due to projects being completed, canceled, or funded through other funding sources. These estimated reversions do not represent funding available for new projects as the funds have been anticipated by this Office and reprogrammed to other uses in the 2026-27 Adopted Budget or in interim reports and motions. Finally, the Estimated Reappropriations column shows the estimated amount by fund that was reverted on June 30, 2026 and needs to be reappropriated to continue projects in 2026-27, an estimated \$511 million.

Despite the best efforts to accurately forecast year-end project status, there are projects that do not encumber funds as expected. As a result, these funds must be reappropriated through this report to ensure project completion.

FISCAL IMPACT STATEMENT

There is no additional impact to the General Fund. The reappropriations are for previously approved General Fund and special funded projects. The reversions are required to support the 2026-27 Adopted Budget.

FINANCIAL POLICIES STATEMENT

The actions recommended in this report comply with the City's Financial Policies, which require that prior-year encumbrances related to the Capital and Technology Improvement Expenditure Program be evaluated as part of this annual report.

MWS:DFB:06270004

Attachments:

- A. Estimated Amounts to Remain Reverted
- B. Estimated Reappropriation Amount by Fund

GENERAL FUND**Fund No. 100, Department No. 54 (Non-Dept CIP- Municipal Facilities)**

Council District	Project Title	Account No.	Estimated Reversion Amount
15	A19 WAREHOUSE REPAIR (2021, GSD SUPPLY)	00T769	\$ 18,480.80
12	UNDERGROUND FUEL STORAGE TANK REPAIRS AND REPLACEMENT (2026, GSD FUEL)	00CAAU	\$ 48,339.42
		TOTAL	\$ 66,820.22

GENERAL FUND**Fund No. 100, Department No. 54 (Non-Dept CIP- Physical Plant)**

Council District	Project Title	Account No.	Estimated Reversion Amount
VAR	LED STREET LIGHT RETROFIT PROGRAM	00Y985	\$ 251.84
VAR	EROSION CONTROL FOR HILLSIDE DAMAGE (FY 2024-25)	00A880	\$ 74,727.22
11	17632 CASTELLAMMARE DRIVE BULKHEAD	00AAAP	\$ 324,140.87
11	17470 REVELLO DRIVE BULKHEAD	00AAAQ	\$ 145,966.12
11	STRETTO WAY AT CASTELLAMMARE DRIVE	00AAAN	\$ 141,564.99
		TOTAL	\$ 686,651.04

ROAD MAINTENANCE AND REHABILITATION PROGRAM SPECIAL (SB1) FUND**Fund No. 59V, Department No. 50**

Council District	Project Title	Account No.	Estimated Reversion Amount
7	SUNLAND BLVD (9474) SLOPE MITIGATION	50WVIX	\$ 68,594.00
3	MEDINA ROAD (4956, 5166 & 5259) BULKHEAD REPLACEMENTS	50WVIK	\$ 344,195.99
4	TREASURE TRAIL (7006-7020) SLOPE MITIGATION	50WVJA	\$ 74,328.42
4	WOODROW WILSON DRIVE (7040) BULKHEAD	50WVJF	\$ 765,138.56
4	8294 W. GOULD AVE	50AZCG	\$ 201,063.49
4	UTICA DRIVE (8337) BULKHEAD EXTENSION	50SVEK	\$ 524,699.92
		TOTAL	\$ 1,978,020.38

SEWER CAPITAL FUND
Fund No. 761, Department No. 50

Council District	Project Title	Account No.	Estimated Reversion Amount
10, 11	ODOR CTR NORS-ECIS SCRB FAC	50PACE	\$ 9,078.61
10	ODOR CNTR MLK & RODEO FAC	50PACT	\$ 6,314.57
8, 11	SSRP Z24 LA BREA AV & 63RD ST	50RALB	\$ 6,840.67
13	NOS REHAB U 17 COLORADO BLVD T	50CAML	\$ 4,990,400.00
11	HWRP FLEET ELECTRIFICATION & G	50ADAQ	\$ 75,825.51
11	HWRP BIOSOLIDS TLF POWER SOURC	50CDBD	\$ 295,000.00
11	HWRP EMERGENCY EPP REHABILITAT	50VDBL	\$ 4,359,415.20
11	HWRP EMERGENCY DIVISION MAINT	50WDBM	\$ 698,000.00
11	HWRP PRIMARY BATTERY B C D TAN	50CDCE	\$ 102,622.21
11	HWRP CRYOGENIC COLDBOX NUMBER	50ADCF	\$ 594,000.00
11	HWRP CRYO DCAC & ECT 1 STRUCTU	50YDCH	\$ 2,016,000.00
11	HWRP CRYO FACILITY LOX AND LIN	50YDCJ	\$ 2,256,000.00
11	HWRP CRYOGENIC FACILITY LOX AN	50ADFC	\$ 808,000.00
11	HWRP LAWA ADVANCED WATER TREAT	50PDG4	\$ 313.50
11	HWRP ESFR SERVICE WATER FACILI	50CDGC	\$ 798,000.00
11	HWRP FECL3 DOSING TO CIS AND N	50CDGD	\$ 535,000.00
11	HWRP ADVANCED WATER PURIFICATI	50ADJ3	\$ 359,232.48
11	HWRP ADVANCED WATER PURIFICATI	50YDJ3	\$ 92,707.10
11	HWRP DILUTE POLYMER SYSTEM IMP	50ADK2	\$ 507,161.00
11	HWRP FLARES SYSTEM ACCESS PLAT	50RDK3	\$ 2,467.55
11	HTP EPP HEADER REPL	50NDT2	\$ 443,882.14
11	HWRP IPS SCREW PUMPS INS & UPG	50PDT5	\$ 33,418.09
13	LAG BISULFITE FACILITY IMPR	50RE52	\$ 8,012.04
13	LAG HEADWORKS IMPROVEMENT	50AECJ	\$ 1,496,000.00
13	LAG COVER PLATES GRATING REPLA	50TELF	\$ 6,548.60
ALL	CONSTRUCTION SERVICES CONTRACT	50RG4A	\$ 1,640.71
15	TIWRP DIGESTER GAS SCRUBBER RE	50CHBV	\$ 650,000.00
15	TIWRP CHECK VALVES REPLACEMENT	50CHCB	\$ 42,000.00
15	TIWRP PLANT INFLUENT MONITORIN	50PHE8	\$ 362.82
6	DCT RETURN ACTIVATED SLUDGE PH	50PJG5	\$ 4,173.53
		TOTAL	\$ 21,198,416.33

WASTEWATER SYSTEM REVENUE BOND CONS/10A**Fund No. 70W, Department No. 50**

Council District	Project Title	Account No.	Estimated Reversion Amount
4	NOS REHAB U-35 NOBLE TO CEDROS	50YADH	\$ 4,208,000.00
10	COCHRAN ADAMS RELIEF SEWER	50RAF9	\$ 619,960.28
11	HWRP PRIMARY POLYMER STATION M	50AAFG	\$ 125.68
14	NOS REHAB U-10 101 FREEWAY TO	50VAG0	\$ 1,587.17
1, 14	HIGHLAND PK EAGLE SEWER REHAB	50RAG2	\$ 165,302.44
14	ODOR CTR DACOTAH CARBON SCRB F	50YAHA	\$ 613,846.57
1	ODOR CTR HUMBOLDT CARBON SCRB	50VAHC	\$ 1,079,997.23
4	ODOR CTR SIERRA BONITA CARBON	50TAHG	\$ 1,642.39
1, 2, 4, 9,	SSRP DAR 03 NE EAGLE ROCK	50SAHK	\$ 63.19
4, 5, 10	SSRP DAR 05 HOLLYWOOD	50SAHM	\$ 0.01
1, 14	SSRP P01B DALY ST & NORTH MAIN	50TAHP	\$ 903.92
11	ODOR CTR BALLONA CARBON SCRB F	50WAHR	\$ 526,200.00
11	ODOR CTR BALLONA CARBON SCRB F	50Yahr	\$ 83,335.61
11	ODOR CTR NOTF CARBON SCRB FAC	50TAHS	\$ 4,717.12
1, 4, 9,	SSRP DAR 06 N/E LOS ANGELES	50TAJD	\$ 9,463.11
2	NOS REHAB U-29 BECK AVE TO COL	50AAJF	\$ 3,755,000.00
14	AIR TREATMENT FACILITY - ECIS	50WAKM	\$ 13,712.59
14	AIR TREATMENT FACILITY - ECIS	50YAKM	\$ 139,843.09
8, 11	SSRP Z24 LA BREA AV & 63RD ST	50RALB	\$ 205,322.40
8	MAINTENANCE YARD-SOUTH DST	50RASD	\$ 2,806.52
14	ODOR CTR RICHMOND CARBON SCRB	50WASG	\$ 126,975.00
14	ODOR CTR RICHMOND CARBON SCRB	50YASG	\$ 61,175.03
11	HWRP EMERGENCY LOW PRESSURE GA	50SDAH	\$ 943.00
11	HWRP PRIMARY INFLUENT SLLUICE	50TDAK	\$ 16,139.60
11	HWRP IPS SCREW PUMP NO 9 REPLA	50TDAS	\$ 11.40
11	HWRP COLD BOX TURBO SYSTEM REP	50TDAZ	\$ 340.88
11	HWRP COLD BOX TURBOEXPANDER CO	50CDBB	\$ 12,570.00
11	HWRP HEADWORKS BAR SCREEN DCS	50WDBH	\$ 63,703.99
11	HWRP HEADWORKS BAR SCREEN DCT	50YDBH	\$ 80,000.00
11	HWRP TECHNICAL SUPPORT FACILIT	50CDBK	\$ 2,243,000.00
11	HWRP HIR C-7 AND DICE II FACIL	50YDBZ	\$ 132,974.92
11	HWRP HEADWORKS OVERFLOW BYPASS	50ADCC	\$ 3,072,266.01
11	HWRP CRYOGENIC COLDBOX NUMBER	50CDCF	\$ 1,438,000.00
11	HWRP CRYOGENIC FACILITY LOX AN	50CDFC	\$ 175,448.00
11	HWRP HEADWORKS GEN SWITCHGEAR	50ADFH	\$ 4,950,000.00
11	HWRP HEADWORKS GENERATOR SWITC	50CDFH	\$ 261,853.00
11	HWRP ADVANCED WATER PURIFICATI	50WDJ3	\$ 11,752.23
11	HWRP AWPf MEMBRANE BIOREACTORS	50SDJ4	\$ 160,439.40
11	HWRP DILUTE POLYMER SYSTEM IMP	50WDK2	\$ 131,000.00
11	HWRP HARRINGTON BUILDING AIR Q	50WDK4	\$ 206,526.20
11	HWRP HARRINGTON BUILDING AIR Q	50YDK4	\$ 25,035.09
11	HWRP WASTE ACTIVATED SLUDGE TH	50TDR5	\$ 3,897,913.61
11	HWRP SECONDARY CLARIFIER MODUL	50TDS6	\$ 1,272.19
11	HWRP SECONDARY CLARIFIER MODUL	50VDS6	\$ 786,000.00
11	HTP DGUP FACILITY	50PDS7	\$ 2,968.10
11	HWRP HEADWORKS ODOR CONTROL UP	50TDV7	\$ 82,728.39
11	HWRP CENTRAL STORM DRAIN REROU	50TDW8	\$ 992.00

WASTEWATER SYSTEM REVENUE BOND CONS/10A (Continued)**Fund No. 70W, Department No. 50**

Council District	Project Title	Account No.	Estimated Reversion Amount
4	LAG MAINTENANCE BUILDING LOCKE	50TEC5	\$ 3,381.00
14	PP 604 HIGHBURY REHABILITATION	50TFN4	\$ 50,261.75
11	PP654 BALLONA CREEK VFD REPL	50SFP6	\$ 66,932.43
ALL	CONSTRUCTION SERVICES CONTRACT	50TG4A	\$ 400.00
15	TIWRP AWPf ADVANCED OXYGEN PRO	50THBJ	\$ 358.33
15	TIWRP AWPf PHASE 2 MICROFILTRA	50THBM	\$ 3,217.41
15	TIWRP HPE AND POTABLE WATER LI	50YHCC	\$ 463.63
15	TIWRP EMERGENCY GENERATOR CONT	50RHE5	\$ 19,988.81
15	TIWRP WAS LINE AND DIGESTER SL	50YHSD	\$ 13,642.95
6	DCT CHLORINE CONTACT TANK HPE	50RJF6	\$ 21,645.86
6	DCT JAPANESE GARDEN AMERICAN D	50VJHW	\$ 210,677.72
		TOTAL	\$ 29,764,827.25

WASTEWATER SYSTEM COMM PAPER B CONST FND**Fund No. 70X, Department No. 50**

Council District	Project Title	Account No.	Estimated Reversion Amount
4	NOS REHAB U-35 NOBLE TO CEDROS	50YADH	\$ 11,671.15
14	ODOR CTR DACOTAH CARBON SCRB F	50YAHA	\$ 0.56
11	ODOR CTR BALLONA CARBON SCRB F	50YAGR	\$ 37,695.28
14	AIR TREATMENT FACILITY - ECIS	50YAKM	\$ 85,993.30
14	ODOR CTR RICHMOND CARBON SCRB	50YASG	\$ 68,062.35
11	HWRP FERRIC CHLORIDE FACILITY	50YDAJ	\$ 525,208.97
11	HWRP HEADWORKS FIRE SPRINKLER	50YDAR	\$ 123,805.21
11	HWRP HEADWORKS BAR SCREEN DCT	50YDBH	\$ 83,641.02
11	HWRP AWPf MEMBRANE BIOREACTORS	50YDBV	\$ 112,693.96
11	HWRP HEADWORKS OVERFLOW BYPASS	50YDCC	\$ 16,745.13
11	HWRP MOBILE ORDER CONTROL UNIT	50YDCN	\$ 884,000.00
11	HWRP CRYO FAC LQD OXYGEN & LIQ	50YDFC	\$ 110,370.54
11	HWRP CRYO FACILITY LOX & LIN S	50YDFD	\$ 1,894,000.00
11	HWRP HEADWORKS GEN SWITCHGEAR	50YDFH	\$ 533,000.00
11	HWRP ADVANCED WATER PURIFICATI	50YDJ3	\$ 1,679,000.00
11	HWRP DILUTE POLYMER SYSTEM IMP	50YDK2	\$ 1,026,545.26
ALL	CLEAN WATER PLANNING & DESIGN	50VGC3	\$ 0.01
6	DCT SCREW PUMP INLET GATE REHA	50CJHD	\$ 0.01
		TOTAL	\$ 7,192,432.75

DEBT SERVICE RESERVE FUND RELEASES TRACKING FUND**Fund No. W1G, Department No. 50**

Council District	Project Title	Account No.	Estimated Reversion Amount
11	HWRP CRYOGENIC FACILITY LOX AN	50CDCJ	\$ 2,117,000.00
		TOTAL	\$ 2,117,000.00

GRAND TOTAL \$ 63,004,167.97

ESTIMATED REAPPROPRIATION AMOUNT BY FUND*

FUND	Appropriated Amount	Encumbered Balance	2025-26 Estimated Expenditures	Estimated Reversion Amounts	Estimated Reappropriations
	(A)	(B)	(C)	(D)	(E=A-B-C-D)
General Fund (Non-Dept CIP-Municipal Facilities) (Fund No. 100)	\$ 140,158,541	\$ 19,046,556	\$ 17,296,346	\$ 18,481	\$ 103,797,158
General Fund (Non-Dept CIP-Physical Plant) (Fund No. 100)	46,719,513	3,100,602	6,345,000	686,651	36,587,260
Special Gas Tax Street Improvement Fund (Fund No. 206)	3,410,737	-	1,046,000	-	2,364,737
Local Transportation Fund (Fund No. 207)	1,208,819	277,638	666,000	-	265,181
Park and Recreational Sites and Facilities (Fund No. 209)	2,626,087	2,626,087	-	-	-
Measure R Local Return Fund (Fund No. 51Q)	2,896,262	50,762	31,000	-	2,814,500
Measure M Local Return Fund (Fund No. 59C)	18,695,341	17,995,341	254,000	-	446,000
Road Maintenance and Rehabilitation Program Special Fund (Fund No. 59V)	103,888,157	63,821,565	8,000,000	1,978,020	30,088,571
Sewer Capital Fund (Fund No. 761)	404,130,926	141,547,934	65,000,000	21,198,416	176,384,576
Wastewater Syst Comm Paper A Const Fund (Fund No. 70W)	55,549,901	73,196	-	29,764,827	25,711,879
Wastewater Syst Comm Paper B Const Fund (Fund No. 70X)	40,250,959	6,657,885	-	7,192,433	26,400,642
Measure W Local Return Fund (Fund No. 60W)	14,984,298	-	3,498,000	-	11,486,298
Debt Service Reserve Fund Releases Tracking Fund (Fund No. W1G)	119,987,745	23,423,676	-	2,117,000	94,447,068
TOTAL	\$ 954,507,287	\$ 278,621,243	\$ 102,136,346	\$ 62,955,829	\$ 510,793,869

*The estimate is based on the total available in the fund.