

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Ron Moreno, Director of Public Works/City Engineer

DATE: November 18, 2025

SUBJECT: Approve Amendments to Capital Improvement Program Budget for Fiscal Years 2026-30 for Various Projects

PREPARED BY: Avlin R. Odviar, Assistant Director of Public Works
Nino Abad, Principal Civil Engineer

RECOMMENDATION: That the City Council:

1. Adopt a resolution entitled:

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEMECULA AMENDING THE CAPITAL IMPROVEMENT
PROGRAM BUDGET FOR FISCAL YEARS 2026-30 FOR
VARIOUS PROJECTS

2. Approve the Fiscal Year 2025-26 Budget Adjustments and Appropriations to the Capital Improvement Program as outlined in Exhibit A; and
3. Approve the addition of an “Emergency Operations Centers” to be listed under “Future Years Projects” of the Capital Improvement Program Budget

BACKGROUND: On May 27, 2025, the City Council adopted the Capital Improvement Program (CIP) Budget for Fiscal Years 2026-30 which was effective as of July 1, 2025, the beginning of the current 2025-26 Fiscal Year. During the preparation of the CIP Budget, the City Council requested a subsequent CIP Prioritization Workshop (Workshop), to be held at a future date, which then took place on September 2nd, 2025, as a Special Meeting of the Temecula City Council.

The goals of the Workshop were as follows:

- Reaffirm the 2026-30 CIP Budget priorities aligned with Council objectives
- Review of fully versus partially funded projects
- Discuss “Future Years Projects” identified in the 2026-30 CIP Budget

- Establish expectations for high-profile community projects
- Provide an opportunity for the Council to provide Staff direction regarding projects not included in the CIP

At the workshop, all items noted above were discussed with the City Council, who ultimately provided direction to create five (5) new CIP projects, with full or partial funding, and one (1) project would be included in “Future Years Projects” with no funding. Staff subsequently met to determine funding avenues for these new projects which have an estimated total of \$4,210,000.

Staff’s recommendation to fund these new projects is an amendment to the existing CIP Budget which includes \$3,860,000 in various fund transfers from existing CIP projects to the new proposed projects, a single new appropriation of \$350,000 in Measure S funds in Fiscal 2026-27, and a revision to the list of “Future Years Projects”.

This amendment to the CIP Budget will cover the following changes:

1. **Mercedes Street Sidewalk (\$2.4M)** – Authorize the addition of the “Mercedes Street Sidewalk” project to the Fiscal Year 2025-26 Capital Improvement Program (CIP) Budget. Approve the reallocation of \$650,000 and \$750,000 in Measure S funds from the “Park Restrooms Renovations, Expansion and Americans with Disabilities Act (ADA) Improvements” project and the “City Security Camera System” project, respectively, to this project in FY2025-26. Approve the transfer of \$650,000 in existing Community Development Block Grant (CDBG) fund balance from the “ADA Transition Plan Implementation” project to this project in FY2025-26. Additionally, authorize the reallocation of \$325,000 in FY2025-26 CDBG funds from the “ADA Transition Plan Implementation” project to FY2026-27 of this project, and approve a new appropriation of \$350,000 in Measure S funds for FY2026-27. These budget transfers and appropriation would fully fund the project for estimated design and construction costs.
2. **Citywide Community Wildfire Protection Plan (\$950k)** - Authorize the addition of the “Citywide Community Wildfire Protection Plan” project to the Fiscal Year 2025-26 Capital Improvement Program (CIP) Budget. Approve the reallocation of \$453,000 and \$318,000 in FY2025-26 Measure S funds from the “Empire Creek Improvements” and “Temecula Creek Fencing” projects, respectively, to this project. Approve the transfer of \$179,000 in FY2025-26 Community Reinvestment Program (CRP) funds from the “Temecula Creek Fencing” project to this project. These budget transfers would fully fund the estimated cost to create the plan.
3. **Eagle Soar Splash Pad Rehabilitation (\$300k)** – Authorize the addition of the “Eagle Soar Splash Pad Rehabilitation” project to the Fiscal Year 2025-26 Capital Improvement Program (CIP) Budget. Approve the reallocation of \$300,000 in Community Reinvestment Program (CRP) funds from the

“Temecula Creek Fencing” project to this project in FY2025-26. These budget transfers would fully fund the estimated construction of this project.

4. **Michael Naggar Community Park Pickleball Court Conversion (\$200k)** – Authorize the addition of the “Michael Naggar Community Park Pickleball Court Conversion” project to the Fiscal Year 2025-26 Capital Improvement Program (CIP) Budget. Approve the reallocation of \$200,000 in Measure S funds from the “Interstate 15 Corridor Branding and Visioning Improvements” project to this project in FY2025-26. These budget transfers would fully fund the estimated construction of this project.
5. **Santiago Site – Community Garden (\$360k)** – Authorize the addition of the “Santiago Site – Community Garden” project to the Fiscal Year 2025-26 Capital Improvement Program (CIP) Budget. Approve the reallocation of \$360,000 in Community Reinvestment Program (CRP) funds from the “Vacant Parcel Clean-Up and Beautification” project to this project in FY2025-26. These budget transfers would fund the estimated preliminary administration and design costs to further evaluate the site for this usage.
6. **Emergency Operations Center (EOC)** – Amend the “Future Years Projects” list within the Capital Improvement Program (CIP) Budget to include this project. Projects included in this list do not have budgets or allocated funds.

On October 15, 2025, the Temecula Planning Commission found this proposed amendment to the Capital Improvement Program (CIP) Budget to be consistent with the City of Temecula General Plan and all its elements.

This CIP Budget Amendment is exempt from the California Environmental Quality Act (CEQA) under CEQA sections 15262 and 16061(b)(3). Planning or feasibility studies and actions with no potential for environmental effects are exempt. Each specific project will undergo a CEQA review prior to construction.

FISCAL IMPACT: The net result of this amendment to the Capital Improvement Program (CIP) Budget for Fiscal Years 2026-30 is an additional appropriation of Measure S in Fiscal Year 2026-27 in the amount of \$350,000.

- ATTACHMENTS:**
1. Exhibit A – FY2025-26 CIP Budget Amendment Summary
 2. Resolution
 3. Amended CIP Budget Sheets
 4. New CIP Budget Sheets
 5. Amended list of Future Years Projects