



## Staff Report

**TO:** City Council  
**FROM:** Robert Vestal, Director of Public Works  
**DATE:** March 4, 2025  
**SUBJECT:** Public Hearing and Consideration of a Resolution for the Fourth Amendment to the City's Fiscal Year 2025-2029 Capital Improvement Plan

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**Description** Approval of Resolution to amend the five-year FY 2025-2029 Capital Improvement Plan (CIP).

### **Background and Analysis:**

The City's Capital Improvement Plan (CIP) is a 5-year planning document which identifies the major capital improvement expenditures and gives a proposed sequence of implementing their design and construction. The CIP is reviewed, revised, and adopted annually to account for completed and newly identified projects. Occasionally, the CIP is amended within a given year to promote better use of the City's limited financial resources, focus priorities, update projects, and assist in the coordination of public and private development.

On June 4, 2024, City Council adopted Resolution No. 2024-15 "A Resolution of the City Council of the City of Beaumont Adopting a Five-Year Capital Improvement Plan for Fiscal Years 2025-2029." Government Code Section 66022 allows the City Council to periodically update the adopted CIP.

On August 20, 2024, City Council approved the first amendment to the five-year Capital Improvement Plan for fiscal years FY 2025-2029.

On October 15, 2024, City Council approved the second amendment to the five-year Capital Improvement Plan for fiscal years FY 2025-2029.

On February 4, 2025, City Council approved the third amendment to the five-year Capital Improvement Plan for fiscal years FY 2025-2029.

Staff is proposing to amend the CIP further by revising one CIP budget.

**BUDGET CHANGES**

**2016-003 Potrero Interchange Phase II:** Potrero Interchange is a Target 2, Priority 1, 2023 Strategic Goal. WRGOC has allocated an additional \$600,000 in TUMF PASS TIP to cover a portion of the Mark Thomas – Design Contract. Staff is also requesting to use an existing Tri Point Homes (TPH) TUMF Credit Agreement to fund the remaining portion of the Mark Thomas – Design Contract. This action would replace the existing TIP Pass TUMF funds used for Mark Thomas PO and free up the entire \$13.5 million TIP Pass TUMF funds to be used for construction.

Additionally, the 100% plans, specifications, and cost estimate are complete. The 100% cost estimate and a high estimate for a utility relocation increased the estimated cost ~\$7.4M. Staff is requesting an additional \$5M in general funds, in addition to the \$2.4M in TUMF Credit to cover the estimated funding gap.

Budget per funding source	Change	Funding Source	New Budget
0	\$2,402,257	TPH TUMF Credit	\$2,402,257
\$13,500,000	\$600,000	WRCOG (TUMF)	\$14,100,000
\$1,474,690	\$5,000,000	General Fund, Fund Balance	\$6,474,690

**Fiscal Impact:**

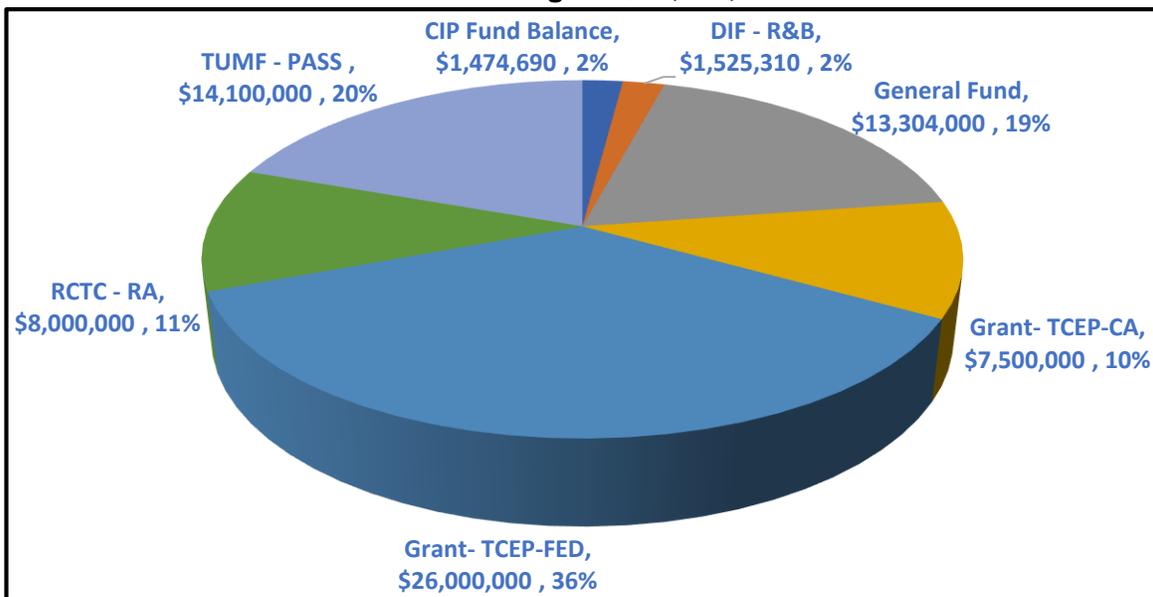
The estimated cost to prepare this staff report is \$1,000. The requested increase of \$5M will reduce the fund balance of the General Fund by that amount. The current available fund balance is 47% of the operating budget and will decrease to 39% with the proposed amendment. This is in line with the City’s Fund Balance Financial policies, maintaining 16% working capital reserve requirements, \$5 million budget stabilization and \$1 million Emergency Disaster Reserve.

The following table summarizes the budget changes:

2016-003 Potrero Interchange Phase II	\$2,402,257	TPH TUMF Agreement	2025	Budget Change
2016-003 Potrero Interchange Phase II	\$600,000	WRCOG (TUMF)	2025	Budget Change
2016-003 Potrero Interchange Phase II	\$5,000,000	General Fund, Fund Balance	2025	Budget Change

The following table summarizes the current project funding for CIP 2016-003 Potrero IC

**CIP 2016-003 Potrero Phase II Project Funding Summary**  
**Current Budget = \$71,904,000**



**CIP 2016-003 Potrero Phase II Project Budget Summary**

Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Project Management				
Preliminary Services				
Environmental	\$300,000			\$300,000
Design	\$3,133,046	\$(3,245,390)	\$(1,557,763)	\$(112,344)
Permits				
Right-of-Way	\$7,706,000	\$(5,710,980)	\$(4,348)	\$1,995,020
Construction	\$58,000,000			\$58,000,000
Construction Management	\$10,113,000			\$10,113,000
Equipment				
<b>Total</b>	<b>\$79,252,046</b>	<b>\$(8,956,370)</b>	<b>\$(1,562,110)</b>	<b>\$70,295,676</b>

**Recommended Action:**

Hold a Public Hearing; and

Waive the full reading and adopt by title only, "A Resolution of the City Council of the City of Beaumont Amending the Five-Year Capital Improvement Plan for FY 2025-2029".

**Attachments:**

- A. CIP Resolution Amendment 4
- B. CIP Project List
- C. CIP Changelog
- D. Public Notice
- E. Budget Adjustment CIP No. 4