



Agenda Item: 16.C
Date of Meeting: July 27, 2026
Department: Finance

STAFF REPORT

To: City Council
From: Ethan Aukee
Subject: **Approve FY 2026-27 Reappropriation for Construction Contract No. 26-PW-01 and Wood Rodgers Task Order No. 23-TO-03**
Prepared On: July 20, 2026

Background/History:

On March 23, 2026, the City Council approved the total project authorization of \$2,429,395 for the construction of the West Line Street Water Main Project and separately approved a \$62,000 amendment to Wood Rodgers Task Order No. 23-TO-03 for related engineering services. These amounts were budgeted in Fiscal Year 2025-26.

The project was generally delayed into Fiscal Year 2026-27. Because limited project costs may be recognized in Fiscal Year 2025-26 during the year-end accrual process, staff recommends budgeting the full previously approved amount of \$2,491,395 in Fiscal Year 2026-27. This will preserve sufficient budget authority for the project while allowing any Fiscal Year 2025-26 expenditures to be identified and accounted for through the year-end closing process.

Analysis/Discussion:

The proposed budget adjustment reestablishes the previously approved project authority in Fiscal Year 2026-27 because the majority of the West Line Street Water Main Project work will occur during that fiscal year. Although limited project costs may ultimately be recorded in Fiscal Year 2025-26 through the end of the year-end accrual process, budgeting the full authorized amount in Fiscal Year 2026-27 ensures sufficient appropriation authority while the final allocation of expenditures between fiscal years is determined.

This adjustment does not increase the amounts previously authorized by the City Council. Total expenditures under Construction Contract No. 26-PW-01 will not exceed \$2,429,395, and total expenditures under Wood Rodgers Task Order No. 23-TO-03, as amended, will not exceed \$62,000. Any expenditures recorded in Fiscal Year 2025-26 will reduce the corresponding amounts available in Fiscal Year 2026-27 relating to the referenced construction contract and task order. Any increase above either authorized amount would require further City Council approval.

Impacts to Council Goals and Strategic Planning Priorities:

Approval of this budget adjustment supports the City Council's goals and strategic planning priorities related to reliable infrastructure, effective project delivery, and responsible financial management. Reappropriating the previously authorized amounts will allow the West Line Street Water Main Project to proceed in Fiscal Year 2026-27 while maintaining clear expenditure limits for Construction Contract No. 26-PW-01 and Wood Rodgers Task Order No. 23-TO-03, as amended.

Budget Impacts:

Approval of the proposed budget adjustment will increase the Fiscal Year 2026-27 appropriation in GL account 004-050-56027 by \$2,491,395, consisting of \$2,429,395 for Construction Contract No. 26-PW-01 and \$62,000 for Wood Rodgers Task Order No. 23-TO-03, as amended.

The adjustment does not increase the total project authorization or create additional project costs. Any expenditures recorded in Fiscal Year 2025-26 through the year-end accrual process will reduce the corresponding amount available for expenditure in Fiscal Year 2026-27 relating to the construction contract and task order explicitly referenced in this staff report. Total expenditures will remain subject to the previously approved not-to-exceed amounts.

Legal Review:

The City Attorney has reviewed this item and finds that the recommended action complies with the law.

Recommended Action:

Approve a Fiscal Year 2026-27 budget adjustment totaling \$2,491,395.00 in GL account 004-050-56027 for the West Line Street Water Main Project, consisting of the previously approved project authorization of \$2,429,395.00 and \$62,000.00 for the Wood Rodgers Task Order No. 23-TO-03 Amendment, both approved on March 23, 2026.

Approved By: Ethan Aukee 7/20/2026

Approved By: Alison Bishop 7/21/2026

Approved By: Dean Pucci 7/22/2026

Approved By: Pam Foster 7/22/2026