STAFF REPORT – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council Members

FROM: Tabatha Miller, Assistant City Manager

PREPARER: Tabatha Miller, Assistant City Manager

DATE: November 4, 2026

TITLE: **Adopt Resolution No. 267-32 Amending the Fiscal Year 2026-27 Budget to Appropriate $302,961 for Construction of the 11th and B St. Bank Stabilization Project.**

RECOMMENDATION:

It is recommended that the Council adopt Resolution No. 267-32, amending the Fiscal Year (FY) 2026-27 Budget to appropriate $302,961 for construction of the 11th and B St. Bank Stabilization project.

INTRODUCTION:

The northbound lane of B Street, just north of 11th Street, has been closed since 2025 because of a landslide and slope failure beneath and immediately east of the roadway. The City completed the final design and specifications in September 2026 and released a construction bid for the Project with bids due October 15, 2026. Seven responsive bids were received with the lowest responsive bid, plus 10% contingency, permitting and other fees totaling $302,961.

BACKGROUND:

Emergency funds were appropriated at Mid-year for FY 2025-26 but not carried forward to FY 2026-27 because the final costs and timing of the project were unknown. City staff have been working on a design to stabilize the slope and repair the roadway.

An evaluation conducted in summer 2026 determined that access to the steep slope east of B Street is necessary to repair and reconstruct the failed slope. During the design, staff determined that substantial repair work would need to occur on private property and since the City does not currently hold an easement and the repairs would constrain future development of the site, staff negotiated the purchase of the property. At the October 21, 2026, City Council meeting, Council approved the Purchase and Sale agreement for this property.

DISCUSSION:

A separate agenda item at this same meeting will request City Council approve the project plans and award a contract to GR Sundberg Inc. in the amount $257,237.00 and authorizing the City Manager to increase the contract amount up to $282,960.70 to account for a 10% contingency. Additionally, the project will require $20,000 for geotechnical monitoring and permitting fees for a total budget request of $302,961.

ENVIRONMENTAL REVIEW (CEQA):

Budget amendments are not subject to the California Environmental Quality Act (CEQA) when they constitute government fiscal activities that do not commit the City to a specific project that may have a potentially significant physical impact on the environment, pursuant to CEQA Guidelines Section 15378(b)(4). Any individual project funded through an amendment remains subject to applicable CEQA review.

BUDGET/FISCAL IMPACT:

The proposed amendment will appropriate $302,961 in the General Fund (101), The project costs will be funded from unreserved General Fund - Fund Balance, sometimes referred to as "reserves".

Account	**Description**	**Amount**
101-70-45-57601	Capital – Other Improvements	$302,961.00
	Total Cost	**$302,961.00**

RECOMMENDED COUNCIL ACTION:

1. Receive a staff report.
2. Open public comment.
3. Close public comment.
4. Motion to adopt Resolution No. 267-32, amending the FY 2026-27 Budget to appropriate $302,961, for construction of the 11th and B St. Bank Stabilization Project.

ATTACHMENTS:

A. Resolution No. 267-32, amending the FY 2026-27 Budget.