



DATE: March 17, 2026
TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: FY26 Q1 and Q2 Semiannual Capital Improvement Program Progress Report

RECOMMENDATION

That the City Council 1) review the proposed new online format for the Capital Improvement Program (CIP) Semiannual Progress Report and 2) review CIP project progress for FY26 Quarter 1 and Quarter 2.

SUMMARY AND BACKGROUND

The CIP is a planning document intended to guide the City's capital project expenditures for the upcoming ten-year period. The purpose of the CIP Semiannual Progress Report (Report) is to update Council and the public on the status of CIP projects, as well as to highlight the accomplishments occurred in each semiannual period. In recent years, staff have presented the report in a PDF format as an attachment to the corresponding staff report for that reporting period.

To increase accessibility and ease of navigation, staff have transitioned the report to a new online dashboard, utilizing Clearpoint Strategy. The online dashboard provides users with access to budget information for each CIP project being reported on and details any General Fund or Measure C impact where applicable. Further, the Report details activities completed within the reporting period; status, such as completed, on track, delayed, etc.; percent complete, and target completion date. The Report¹ can be found on the CIP homepage posted on the City's website², under the CIP Progress Report section. A PDF version of the report is also included in Attachment II for active projects and Attachment III for completed projects.

¹ <https://ciphayward.clearpointstrategy.com/>

² <https://www.hayward-ca.gov/your-government/documents/capital-improvement-program>

FISCAL IMPACT

Accepting this report itself has no impact on General Fund or Measure C. The effort to provide a Progress Report semiannually is absorbed in the Department's existing budget. The adopted capital budget for FY26 totals about \$161 million, with a total of approximately \$1.3 billion tentatively programmed for the entire ten-year period from FY26 through FY35. An additional \$709 million in unfunded needs were identified for the same period.

DISCUSSION

The FY26 Quarter 1 and Quarter 2 CIP Progress Report covers the period between July 1, 2025, to December 31, 2025. While the Adopted FY26 CIP contains almost two hundred capital projects, the progress report only includes major projects of interest with activities that occurred in FY26 Quarter 1 and Quarter 2, or projects of high interest to the public. To not inundate City Council and the public with progress updates on CIP projects related to routine maintenance, replacements, repairs, or projects performed on an as needed basis, the number of projects reported on will be reduced. An example of a routine project not included in the report for this period is Project No. 07679, Cogeneration System Maintenance which is an annual project to maintain the energy-generating cogeneration facility located at the Water Resource Recovery Facility.

Significant ongoing vacancies in several key positions within the Public Works and Utilities Department, including Assistant Director – Utilities, Deputy Director – Engineering, and Deputy Director – Transportation, have impacted staff's ability to make significant progress on some CIP projects. However, active recruitments are in place to address some staffing shortages and fill vacancies. Nevertheless, significant progress continues to be made on design and construction of major CIP projects such as annual Pavement Rehabilitation projects and multi-year water line and sewer line improvement projects.

ECONOMIC IMPACT

Maintaining and improving the City's infrastructure, fleet, and equipment will have an unquestionable impact on maintaining and improving the economic health and vitality of the City. However, providing a Semiannual Progress Report will not have a direct economic impact.

STRATEGIC ROADMAP

The FY25 Vision and Strategic Roadmap adopted on June 4, 2024, are at the forefront of the City's capital project planning efforts. As Council adopts updates the Strategic Roadmap annually, staff will continue to ensure that CIP Projects align with the Vision and priorities set forth. CIP Projects touch the Confront Climate Crisis & Champion Environmental Justice, Enhance Community Safety & Quality of Life, Grow the Economy, and Strengthen Organizational Health Priorities. However, they predominantly support the Invest in Infrastructure Priority. Consideration of social equity has also been an important element of selecting projects, such

as roadway improvements, sidewalk improvements, traffic calming, complete streets, and landscaping.

SUSTAINABILITY FEATURES

While the adopted projects are aligned with and advance the Council's sustainability goals and policies, the action taken for this agenda report will not result in a physical development, purchase or service, or a new policy or legislation. Any physical work will depend upon a future Council action. Sustainability features for individual CIP projects are listed in each staff report.

PUBLIC CONTACT

The purpose of the Progress Report is to provide regular updates to Council and the public on the status of CIP projects. The Progress Report³ is posted for public view and can be found on the CIP homepage posted on the City's website⁴, under the CIP Progress Report section.

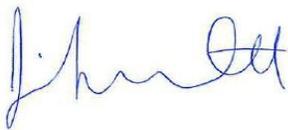
NEXT STEPS

Staff will continue to provide semiannual reports on the status of selected projects within the City's adopted Capital Improvement Program.

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Recommended by: Alex Ameri, Director of Public Works

Approved by:



Jennifer Ott, City Manager

³ <https://ciphayward.clearpointstrategy.com/>

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