



AGENDA

Regular City Council Meeting,

Successor Agency to the
Former Redevelopment Agency and the
Wasco Public Finance Authority

Tuesday, June 2, 2026 – 6:00 pm.

Council Chambers

746 8th Street, Wasco, CA 93280

www.cityofwasco.org

Public advisory: Face masks are recommended. The City Council chamber is open and accessible to the public.

View the meeting Live on the city's website

<https://www.cityofwasco.org/306/city-council-meeting-videos> subject to technical limitations.

ACCESSIBILITY: In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in the City Council meeting, please contact the City Clerk Department at 661-758-7215 or via email at cityclerk@cityofwasco.org within 48 hours of the meeting or sooner.

The following is provided to assist with public participation:

AGENDA AVAILABILITY: The City Council Agenda is posted on the bulletin board at the entrance of City Hall, 746 8th Street, Wasco, at the entrance of 764 E Street, Wasco, and at the entrance of the Wasco Police Department's Office, 748 F Street, Wasco. The agenda packet, meeting minutes, and archived City Council meetings are available on the City's website, www.cityofwasco.org.

AGENDA MATERIALS: City Council agenda materials are released no later than 72 hours prior to a meeting and are available to the public at the City Clerk's Office, 746 8th Street, Wasco, CA, in a public binder at each City Council meeting, and on the City's website at <https://www.cityofwasco.org/AgendaCenter>

PUBLIC COMMENTS: All public comments are subject to a 2-minute limit, and a maximum of thirty (30) minutes will be allowed for any subject. To provide your comments to the City Councilmembers regarding matters not on the agenda or a specific item on the agenda, you may address your comments IN PERSON. Before making your presentation, you will be asked to state your name for the record. If you would like to submit a written public comment, please email the City Clerk at cityclerk@cityofwasco.org no later than **4:00 p.m. on June 2, 2026**. Please clearly indicate which agenda item number your comments pertain to. Every effort will be made to read your comment into the record. If a comment is received after the specific time mentioned above but before the meeting is adjourned, the comment will still be included as part of the record of the meeting. Still, it will not be read into the record.

Please be advised that communications directed to the City Council are public records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless

exempt from disclosure under the applicable law. Communications will NOT be edited for redactions and will be printed/posted as submitted.

SPANISH INTERPRETATION: If you need an interpretation of your communications to the City Council from Spanish into English, please get in touch with the City Clerk Department at 661-758-7215 or via email at cityclerk@cityofwasco.org. **Subject to availability**, notifying the City at least 48 hours before will usually enable it to make arrangements.

INTERPRETACIÓN EN ESPAÑOL: Si necesita una interpretación de sus comunicaciones al Concejo Municipal del español al inglés, comuníquese con el Departamento del Secretario de la Ciudad al 661-758-7215 o por correo electrónico a cityclerk@cityofwasco.org. La notificación con al menos 48 horas de antelación generalmente permitirá a la Ciudad realizar los arreglos. **Sujeto a disponibilidad.**

REGULAR MEETING – 6:00 pm

- 1) **CALL TO ORDER:** Mayor
- 2) **ROLL CALL:** Mayor Saldaña, Mayor Pro Tem Reyna, Council Members: Martinez, Medina, Raya
- 3) **FLAG SALUTE:** by Mayor
- 4) **INVOCATION:** by
- 5) **APPROVAL OF AGENDA:**
- 6) **PRESENTATIONS: None**
- 7) **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:**

This portion of the meeting is reserved for persons desiring to address the Council, including the Council acting as the Governing Board for the Successor Agency, on any matter not on this agenda over which the Council and Successor Agency have jurisdiction. Speakers are limited to two (2) minutes. A maximum of thirty (30) minutes will be allowed for any one subject. Please state your name for the record before making your presentation.
- BROWN ACT REQUIREMENTS:** The Brown Act does not allow action or Discussion on items not on the agenda (subject to narrow exceptions). This will limit a Councilmember's response to questions and requests during this comment period.
- 8) **SUCCESSOR AGENCY BUSINESS: None**
- 9) **WASCO PUBLIC FINANCE AUTHORITY BUSINESS: None**
- 10) **PUBLIC SAFETY REPORTS**
 - a. Kern County Fire Department (Appleton)
 - b. Wasco Police Department (Mora)

CITY COUNCIL BUSINESS:

11) CONSENT CALENDAR:

The Consent Calendar consists of items that are routine and noncontroversial, in the staff's opinion. These items are approved in one motion unless a Council Member or member of the public requests the removal of a particular item.

- a. Receive and File department payments totaling \$ 511,401.74

12) PUBLIC HEARINGS: None

13) DEFERRED BUSINESS: None

14) NEW BUSINESS:

- a. Council finds this action is not a "project" under Section 15378 of the CEQA Guidelines; Adopt a Resolution Authorizing the City Manager or Designee to Sign and Execute a Non-Hazardous Garbage Collection and Removal Services Agreement No. C5613396 with the State of California Department of Corrections and Rehabilitation (CDCR) to provide refuse collection and disposal services. (Villa)
- b. Update on SNIP Program: Overall Count- Informational Only (Villa)
- c. Council finds this action is not a "project" under Section 15378 of the CEQA Guidelines; Review and Possible Minute Action on the Fiscal Year 2026-2027 General Fund Budget Proposal. (Hurlbert)

15) REPORTS FROM COMMISSIONS AND COMMITTEES:

- a. Kern Economic Development Corporation (Medina)
- b. Kern Council of Governments (Reyna)
- c. Wasco Task Force (Saldaña and Raya)

16) REPORTS FROM THE CITY MANAGER:

17) REPORTS FROM THE CITY COUNCIL:

18) CLOSED SESSION:

- a. Closed Session Minutes for May 5, 2026.
- b. **CONFERENCE WITH LABOR NEGOTIATORS 54957.6**
Agency Designated Representative: M. Scott Hurlbert & Nancy Vera
Employee Organization: SEIU Local 521
- c. **CONFERENCE WITH LABOR NEGOTIATORS 54957.6**
Agency Designated Representative: M. Scott Hurlbert & Nancy Vera
Employee Organization: WPOA
- d. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION -54957**
Title: City Manager

e. CONFERENCE WITH LEGAL COUNSEL-ANITICPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) and paragraph (3) of subdivision (e) of Section **54956.9**: (2 potential cases)

f. CONFERNECE WITH REAL PROPERTY NEGOTIATION 54956.8

Property: APN 487-200-06
City Negotiator: City Manager, Mayor
Negotiating Party Marlow Ag Logistics

g. CONFERNECE WITH REAL PROPERTY NEGOTIATION 54956.8

Property: APN 487-140-52, 487-180-01 and 487-200-04
City Negotiator: City Manager, Mayor
Negotiating Party I&M Sheep Company

19) ADJOURNMENT:

This is to certify that this agenda was posted at Wasco City Hall on May 30, 2026, on/or before 6:00 p.m. The agenda is also available on the City website at www.cityofwasco.org.



Maria O. Martinez, CMC
City Clerk

*All agenda item supporting documentation is available for public review on the city website, www.cityofwasco.org, and the office of the City Clerk of the City of Wasco, 746 8th Street, Wasco, CA 93280, during regular business hours, 8:00 am – 4:30 pm Monday through Thursday and 8:30 am – 4:30 pm Friday (closed alternate Friday's), following the posting of the agenda. Any supporting documentation related to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location and available at the meeting. **Please remember to turn off all cell phones, pagers, or electronic devices during Council meetings.***

The City of Wasco does not discriminate on the basis of disability in access to, provision of, or employment in its programs and activities pursuant to 29 United States Code Section 12132 and California Civil Code Section 54. The City Clerk's Office can provide information regarding the rights provided under the Americans with Disabilities Act (ADA).

If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (661) 758-7215 to make reasonable arrangements to ensure accessibility to this meeting. Telephone (661) 758-7215. Requests for assistance should be made at least two (2) days in advance whenever possible.



Bill Pay

As of: May 27th, 2026

APPROVED

By Tracy Blakemore at 12:56 pm, May 27, 2026

WARRANTS	AMOUNTS
G052126	374,231.53
A051926	103,519.46
A052226	11,206.22
A051826	22,444.53
Grand Total	511,401.74

Verified By: Finance Director:

	WARRANT	VENDOR NAME	VENDOR No.	INVOICE No.	CHECK No.	DESCRIPTION	AMOUNTS
1	A051826	NAVIA BENEFIT SOLUTIONS	5664	050726	5697	MEDICAL CHECK RUN 050726	17369.95
2	A051826	NAVIA BENEFIT SOLUTIONS	5664	FSA 050126	5697	HEALTH CARE FSA 050126	307.16
3	A051826	NAVIA BENEFIT SOLUTIONS	5664	FSA 050826	5697	HEALTH CARE FSA 050826	22.82
4	A051826	NAVIA BENEFIT SOLUTIONS	5664	HRA 050126	5697	HEALTH CARE HRA 050126	373.38
5	A051826	NAVIA BENEFIT SOLUTIONS	5664	HRA 050826	5697	HEALTH CARE HRA 050826	471
6	A051826	NAVIA BENEFIT SOLUTIONS	5664	041626	5697	MEDICAL CHECK RUN 041626	3428.64
7	A051826	NAVIA BENEFIT SOLUTIONS	5664	11083891	5697	APR 26 PARTICIPANT FEE	209.1
8	A051826	NAVIA BENEFIT SOLUTIONS	5664	HRA 051526	5697	HEALTH CARE HRA 051526	181
9	A051826	NAVIA BENEFIT SOLUTIONS	5664	FSA 051526	5697	HEALTH CARE FSA 051526	81.48
10	A051826 Total						22444.53
11	A051926	ANTHEM BLUE CROSS	6062	002061455H	5699	JUNE INSURANCE PREMIUM	103519.46
12	A051926 Total						103519.46
13	A052226	BEYOND6, LLC	6209	666752998	5700	APRIL 2026: CNG FUEL	11206.22
14	A052226 Total						11206.22
15	G052126	ACC BUSINESS	4766	0499106112	32735	FIBER NETWORK SVCS	825.59
16	G052126	AFFINITY TRUCK CENTER	405	F01333962901	32736	RFS VEH #16: KIT SPARK PLUG, EXTENSION IGNITION CO	1373.05
17	G052126	AFFINITY TRUCK CENTER	405	F01333971001	32736	RFS VEH #16: COIL IGNITION	1803.79
18	G052126	AFFINITY TRUCK CENTER	405	F01334000501	32736	RFS VEH #16: HOSE SLC ELB SGL, HOSE CLAMP, FREIGHT	125.81
19	G052126	AFFINITY TRUCK CENTER	405	F01334003801	32736	RFS VEH #24 KIT SPARK PLUG, COIL IGNITION, SENSOR	2602.91
20	G052126	AFFINITY TRUCK CENTER	405	F01334012801	32736	RFS VEH #23: TEMPERATURE SENSOR	101.23
21	G052126	AMAZON CAPITAL SERVICES, INC	4968	1G1X-GNFF-43VH	32737	CONNECTICUT ELECTRIC CIRCUIT BREAKER	75.81
22	G052126	AMAZON CAPITAL SERVICES, INC	4968	16XV-W4HM-4XPH	32737	DESK CALENDARS	26.66
23	G052126	AMAZON CAPITAL SERVICES, INC	4968	1KT9-76RC-PVHG	32737	OFFICE SUPPLIES	667.03
24	G052126	AXON ENTERPRISE, INC	6075	INUS442705	32738	INV ID INUS442705 BODY CAMERAS FOR CODE	2654.65
25	G052126	BSK & ASSOCIATES, INC.	1052	BJ02188	32739	2ND QRT: QUARTERLY GW MONITORING	5000.44
26	G052126	CAPITAL INDUSTRIAL MEDICAL SUPPLY CO	238	204616	32740	FIRST AID KIT SUPPLIES	198.15
27	G052126	CEN-CAL CONSTRUCTION	3848	2596-02	32741	24003-1: 8TH ST CROSSING CONSTRUCTION & RETENTION	43719.2
28	G052126	CEN-CAL CONSTRUCTION	3848	2597-03	32741	24004-1: HSIP POPLAR FEB CONSTRUCTION & RETENTION	85317.31
29	G052126	CEN-CAL CONSTRUCTION	3848	2597-02	32741	24004-1: HSIP POPLAR FEB CONSTRUCTION & RETENTION	96363.69
30	G052126	CHARTER COMMUNICATIONS	68	167751301050726	32742	INTERNET SERVICES ANNEX	149.69
31	G052126	CHARTER COMMUNICATIONS	68	168679001050726	32742	INTERNET SERVICES PD	211.02
32	G052126	CITY OF WASCO-UB PAYMENTS	1875	937099	32743	UB 810 8TH ST (LF)	147.82
33	G052126	CITY OF WASCO-UB PAYMENTS	1875	937101	32743	UB 801 8TH ST	84.32

	WARRANT	VENDOR NAME	VENDOR No.	INVOICE No.	CHECK No.	DESCRIPTION	AMOUNTS
34	G052126	CITY OF WASCO-UB PAYMENTS	1875	937155	32743	UB 1445 12TH ST (PAL)	109.81
35	G052126	CITY OF WASCO-UB PAYMENTS	1875	937589	32743	UB 800 BLK CENTRAL	84.32
36	G052126	CITY OF WASCO-UB PAYMENTS	1875	937592	32743	UB 1100 CENTRAL AVE LLMD	88.69
37	G052126	CITY OF WASCO-UB PAYMENTS	1875	937594	32743	UB 1500 BLK OF CENTRAL	178.12
38	G052126	CITY OF WASCO-UB PAYMENTS	1875	937759	32743	UB 1600 BLK OF DAISY	121.04
39	G052126	CITY OF WASCO-UB PAYMENTS	1875	937786	32744	UB 603 E ST VFW BLDG	55.2
40	G052126	CITY OF WASCO-UB PAYMENTS	1875	937789	32743	UB 764 E ST (ANNEX)	208.31
41	G052126	CITY OF WASCO-UB PAYMENTS	1875	937864	32743	UB 847 F ST (PW SHOP)	306.87
42	G052126	CITY OF WASCO-UB PAYMENTS	1875	937907	32743	UB 1300 BLK FILBURN	243
43	G052126	CITY OF WASCO-UB PAYMENTS	1875	937914	32743	UB 28704 FILBURN CENTRAL PARK	378.42
44	G052126	CITY OF WASCO-UB PAYMENTS	1875	938378	32743	UB NW MAPLE/MARGALO LLMD 2006	84.32
45	G052126	CITY OF WASCO-UB PAYMENTS	1875	938379	32743	UB MAPLE/GROMER LLMD 2006-1	84.32
46	G052126	CITY OF WASCO-UB PAYMENTS	1875	938436	32743	UB 2700 BLK MONDAVI CT	84.32
47	G052126	CITY OF WASCO-UB PAYMENTS	1875	938521	32743	UB 1500 BLOCK OF PALM	213.11
48	G052126	CITY OF WASCO-UB PAYMENTS	1875	938545	32743	UB 2100 BLK PALM	84.32
49	G052126	CITY OF WASCO-UB PAYMENTS	1875	938547	32743	UB 400 N BLOCK OF PALM LLMD 2006-1	84.32
50	G052126	CITY OF WASCO-UB PAYMENTS	1875	938549	32743	UB 1700 BLK OF PALM #A	106.19
51	G052126	CITY OF WASCO-UB PAYMENTS	1875	938579	32744	UB 1200 BLK PECAN ST	84.32
52	G052126	CITY OF WASCO-UB PAYMENTS	1875	938583	32744	UB PENELOPE LLMD 2006-1	84.32
53	G052126	CITY OF WASCO-UB PAYMENTS	1875	938670	32744	UB 1700 BLK POPLAR	84.32
54	G052126	CITY OF WASCO-UB PAYMENTS	1875	938671	32744	UB 1700 BLK POPLAR #A	84.32
55	G052126	CITY OF WASCO-UB PAYMENTS	1875	938741	32744	UB 2500 BLK OF POSO DR LLMD	84.32
56	G052126	CITY OF WASCO-UB PAYMENTS	1875	938745	32744	UB 2700 BLK OF POSO AVE LLMD	84.32
57	G052126	CITY OF WASCO-UB PAYMENTS	1875	938779	32743	UB PALM N PROSPERITY 2006-1	99.39
58	G052126	CITY OF WASCO-UB PAYMENTS	1875	938944	32744	UB 1700 BLK OF MARGALO	84.32
59	G052126	CITY OF WASCO-UB PAYMENTS	1875	939195	32743	UB 1300 BLK OF WILLOW	148.47
60	G052126	CITY OF WASCO-UB PAYMENTS	1875	933733	32744	UB 810 8TH ST (LF)	23.57
61	G052126	CITY OF WASCO-UB PAYMENTS	1875	933766	32744	UB 764 E ST (ANNEX)(LF)	31.64
62	G052126	CLARK PEST CONTROL	117	39679488	32745	5/11/26 PEST CONTROL SERVICES-5409 7TH ST	68
63	G052126	CLARK PEST CONTROL	117	39679532	32745	5/11/2026 PEST CONTROL SERVICES- 746 8TH ST & 1445	268
64	G052126	CLARK PEST CONTROL	117	39679554	32745	5/11/26: WW 5410 7TH ST, PEST CONTROL SERVICES	68
65	G052126	CLARK PEST CONTROL	117	39681429	32745	5/11/26: 1400 J ST, PEST CONTROL SERVICES	251
66	G052126	COPSPLUS	6097	10050446	32746	PEPPER SPRAY (20)	322.59
67	G052126	COUNTRY AUTO & TRUCK, INC.	3008	756004	32747	RFS #GENERAL: 12 GAL OF COOLANT	162.25
68	G052126	DEE JASPAR AND ASSOCIATES, INC	378	26-00462	32748	23015-0: WELL #13 STORAGE TANK PROFESSIONAL SERVIC	9647.91
69	G052126	DEE JASPAR AND ASSOCIATES, INC	378	26-00463	32748	21023,21024,21027,21029-0: SRF WATER SYSTEM IMPROV	1183.53
70	G052126	DEE JASPAR AND ASSOCIATES, INC	378	26-00464	32748	20218-0: WELL #12 TCP PROFESSIONAL SERVICES	1423
71	G052126	FED EX	123	9-298-31031	32749	EXPRESS SERVICE	30.41
72	G052126	GARDAWORLD	4266	20667297	32751	APR 26: EXCESSIVE SERVICES	212.96
73	G052126	GKR TOOL SOURCE	6445	05072678006	32752	SMALL TOOLS: SCAN TOOL	3571.17
74	G052126	JEFFRIES BROS., INC	140	192900	32753	MATERIAL #GEN: 30 GAL BARREL OF GREASE	539.09
75	G052126	JONES SNYDER & ASSOCIATES	6446	7274	32754	20215-0: CITY WIDE GPS CONTROL NETWORK	45000
76	G052126	JORGENSEN & CO.	137	6235299	32755	MICROPEL SENSOR, INSTRUMENT CALIBRATION/REPAIR	232.12
77	G052126	KAISER FOUNDATION HEALTH PLAN INC	4757	199639491310	32756	JUN 2026: INSURANCE PREMIUM	3645.48
78	G052126	KERN COUNTY FORENSIC SERVICES, LLC	6207	3523	32757	LAB PROCESSING FOR PD	1500
79	G052126	KERN COUNTY SUP. OF SCHOOLS	25	APRIL 2026	32758	APRIL 2026	7424.65
80	G052126	KERN COUNTY WASTE MANAGEMENT DEPT.	19	57359-IN	32759	APRIL 2026: STSW FEES & DEMO	2555
81	G052126	LeBeau THELEN LLP	3218	1985.012-22	32760	APR 26: LEGAL FEES	112.5
82	G052126	LeBeau THELEN LLP	3218	1985.016-10	32760	APR 26: LEGAL FEES	47.5
83	G052126	MIGUEL LEON	6124	REIM 050726	32761	REIMB 050726 TRUCK DRIVING SCHOOL	2500
84	G052126	MUNGUIA HEATING AND AIR CONDITIONING	5826	I-9536-1	32762	SERVICE AT COURTHOUSE- DIAGNOSTIC UNIT WAS NOT ENG	285
85	G052126	MUNGUIA HEATING AND AIR CONDITIONING	5826	I-9689-1	32762	SERVICE AT COURTHOUSE- SERVICE CALL CAPACITOR	215
86	G052126	O'REILLY AUTO ENTERPRISES, LLC	4230	4936-316712	32763	BUILDING VEH #07: OIL & AIR FILTERS	45.98

	WARRANT	VENDOR NAME	VENDOR No.	INVOICE No.	CHECK No.	DESCRIPTION	AMOUNTS
87	G052126	O'REILLY AUTO ENTERPRISES, LLC	4230	4936-316779	32763	RFS #GENERAL: WHEEL ACID	88.19
88	G052126	OSCAR GONZALEZ	6439	514	32764	SOLAR FIELD FIRE- INSPECT WIRING SAFE AT SOLAR FIE	984.35
89	G052126	P & J ELECTRIC, INC.	66	9905	32765	4/21/26 ELECTRICIAN FOREMAN HRS TRUCK & TOOLING	1078.92
90	G052126	P & J ELECTRIC, INC.	66	9921	32765	ENCLOSURE REPAIR PARTS	227.97
91	G052126	PETERSON AUTO SUPPLY	152	299865	32766	WW VEH #46: COUPL/ADAPTER	44.69
92	G052126	PETERSON AUTO SUPPLY	152	299918	32766	STREET VEH #80: HYD HOSE, FERRULE FITTING, COUPL/A	326.4
93	G052126	PG & E COMPANY	85	0705182385-9 051426	32767	UB 501 F STREET	143.27
94	G052126	PG & E COMPANY	85	2053318492-3 051526	32767	UB SW SE 11 27 24 N/S POSO W/O PALM	1540.8
95	G052126	PG & E COMPANY	85	2114713176-3 051426	32767	UB ST LIGHT TRACT 7311-4 ON FILBURN	30.39
96	G052126	PG & E COMPANY	85	2767702756-0 051526	32767	UB 603 PALM AVE	6.45
97	G052126	PG & E COMPANY	85	2991524925-3 051326	32767	UB 810 8TH ST COURTHOUSE	110.02
98	G052126	PG & E COMPANY	85	3593196785-1 051426	32767	UB NW NE SE 9 27 24 GEN-ANNEX BLDG	221.72
99	G052126	PG & E COMPANY	85	7383005943-9 051426	32767	UB 1ST ST & 13TH TO 16TH ST LIGHTS	250.79
100	G052126	PG & E COMPANY	85	8365871756-2 051426	32767	UB ANNEX PARKING LIGHT	13.98
101	G052126	PG & E COMPANY	85	8367707953-1 051426	32767	DYNAMIC WASCO 15200 SCOFIELD RD	30.39
102	G052126	PG & E COMPANY	85	5816195239-3 051526	32767	UB MCCOMBS & GRIFFITH	23625.44
103	G052126	RAFAEL SILVA	6378	REIMB 051326	32768	090225 UNFM STIP B354.09	362.03
104	G052126	SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT	1198	S188105	32769	26/27 ANNUAL PERMITS TO OPERATE 7/1/26-6/30/27	106
105	G052126	SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT	1198	S188116	32769	26/27 ANNUAL PERMITS TO OPERATE 7/1/26-6/30/27	314
106	G052126	SCHROETER, THOMAS F.	2732	051826	32770	2026 LEAGUE OF CA CITIES CONF	576
107	G052126	SHAW, CHRIS	5712	051426	32771	REIMB DOT PHYSICAL	100
108	G052126	SOLAR THINGZ, INC	6435	INV45469	32772	CROSS SIGN,SINGLE FLASH SIGN,SOLAR JUNCTION BOX, P	5459.04
109	G052126	TAG/AMS, INC	298	7950	32773	PRE EMPLOYMENT DOT	115
110	G052126	TETER, INC	6379	64818	32774	MASTER PLANNING NEW PD & CH	7105
111	G052126	TETER, INC	6379	64819	32774	MASTER PLANNING PW	3327.5
112	G052126	THE GAS COMPANY	246	08541820000 051526	32775	CITY YARD 801 F ST	16.76
113	G052126	THE GAS COMPANY	246	12741818004 051526	32775	CITY HALL 746 8TH	14.79
114	G052126	THE GAS COMPANY	246	14491569001 051526	32775	WWT 5410 7TH	190.67
115	G052126	THE GAS COMPANY	246	17991819008 051526	32775	ANNEX 764 E ST	16.76
116	G052126	TRADICIONES MARKETS, INC	5259	APRIL 2026	32750	242 UB PAYMENTS APR 2026	43.56
117	G052126	VERIZON WIRELESS SERVICE LLC	4237	6142027699	32776	CELL PHONES & IPADS	1426.45
118	G052126	WELLS FARGO FINANCIAL LEASING	4372	5038743705	32777	MAY PD PRINTER LEASE	166.9
119	G052126 Total						374231.53
120	Grand Total						511401.74



STAFF REPORT City of Wasco

TO: Honorable Mayor and Council Members

FROM: M. Scott Hurlbert, City Manager
Luis Villa, Public Works Director

DATE: June 2, 2026

SUBJECT: Adopt a Resolution Authorizing the City Manager or Designee to Sign and Execute a Non-Hazardous Garbage Collection and Removal Services Agreement No. C5613396 with the State of California Department of Corrections and Rehabilitation (CDCR) to provide refuse collection and disposal services.

Recommendation:

Staff recommends the City Council:

- 1) Adopt a Resolution Authorizing the City Manager or Designee to Sign and Execute a Non-Hazardous Garbage Collection and Removal Services Agreement No. C5613396 with the State of California Department of Corrections and Rehabilitation (CDCR) to provide refuse collection and disposal services.
- 2) Find that this action is not a project as defined under the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15378, no environmental review is required.

Environmental Review:

The staff has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA). It has been determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA guidelines because the proposed activity consists of a governmental fiscal/administrative activity which does not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

Discussion:

One of the essential services the city provides is refuse collection and disposal for the community. For over 20 years, the city has independently contracted with the Wasco State Prison to provide this service, managing all labor, materials, supplies, tools,

equipment, permits/licenses, and transportation as necessary for the collection, removal, and disposal of non-hazardous wet and dry garbage.

The City and the Department of Corrections (CDCR) have negotiated the renewal of the previous agreement, which includes an inflationary adjustment to keep pace with rising service costs. The City will continue to provide the services outlined in the attached scope.

The new 3-year contract expires on April 30, 2030, to align with CDCR's fiscal year timeline.

Fiscal Impact:

The City will provide services for the contracted amount of \$1,736,398.00, plus a 50% augmentation amount of \$868,199.00 to cover scope/service changes.

Attachments:

1. Resolution
2. Scope Agreement
3. Rate Sheet

RESOLUTION NO. 2026 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WASCO AUTHORIZING THE CITY MANAGER OR DESIGNEE TO FINALIZE, ENDORSE, AND EXECUTE A NON-HAZARDOUS GARBAGE COLLECTION AND REMOVAL SERVICES AGREEMENT NO. C5613396 WITH THE STATE OF CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION (CDCR) TO PROVIDE REFUSE COLLECTION AND DISPOSAL SERVICES.

WHEREAS, the City has an expired Agreement with the State of California, Department of Corrections, for refuse collection at the Wasco State Prison Facility; and

WHEREAS, the City wishes to enter into a new Agreement with the Wasco State Prison Facility, attachment "A"; and

WHEREAS, said Agreement has been made in the form and manner prescribed by the City of Wasco Municipal Code and the California Public Contract Code; and

WHEREAS, the California Department of Corrections and the City each acknowledge that each party has reviewed the Agreement; and,

WHEREAS, the Agreement shall be governed by and construed in accordance with the laws of the State of California; and

WHEREAS, the City of Wasco agrees to provide labor, materials, and equipment necessary for the removal of non-hazardous materials from the Wasco State Prison Facility.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Wasco, as follows:

SECTION 1: Approval of the Contract with the State of California Department of Corrections and Rehabilitation for the Wasco State Prison and Reception-Center.

SECTION 2: Authorizes the City Manager or designee to finalize, endorse, and execute a Non-Hazardous Garbage Collection and Removal Services Agreement No. C5613396 with the State of California Department of Corrections and Rehabilitation (CDCR) for refuse collection and disposal services.

-o0o-

I HEREBY CERTIFY the foregoing Resolution No. 2026. - was passed and adopted by the Council of the City of Wasco at a regular meeting thereof held on June 2, 2026, by the following vote:

COUNCIL MEMBERS: SALDAÑA, REYNA, MEDINA, MARTINEZ, RAYA
AYES:
NOES:
ABSTAIN:
ABSENT:

EDUARDO SALDAÑA,
MAYOR of the City of Wasco

Attest: _____

MARIA O. MARTINEZ, CMC
CITY CLERK and Ex Officio Clerk of
The Council of the City of Wasco

NON-HAZARDOUS WET/DRY GARBAGE COLLECTION, REMOVAL AND DISPOSAL SERVICES

1. INTRODUCTION

Contractor shall provide all labor, materials, supplies, tools, equipment, permits/licenses and transportation as necessary to provide non-hazardous wet/dry garbage collection, removal and disposal services for the California Department of Corrections and Rehabilitation (CDCR), Wasco State Prison-Reception Center (WSP-RC) located at 701 Scofield Avenue, Wasco, CA 93280.

Public Resources Code 41780 mandates all State Agencies to divert waste from landfills and to minimize waste and increase recycling efforts. Contractor shall provide the Institution Contract Liaison or designee, in writing by the 7th of each month, with a receipt verifying the actual weighted amount of waste, from the institution only, disposed at the landfill.

2. SERVICES TO BE PROVIDED

The Contractor shall provide non-hazardous Wet/Dry Garbage Collection, Removal and Disposal services daily, Monday through Saturday. The Contractor shall pick up garbage inside the secure perimeter and return to the sally port prior to 5 A.M. when the count commences. The Contractor shall remain in the sally port until verbal notification is provided by the Institution Escorting Officer that the count has cleared. If any discrepancies to the count arise, this may extend the wait time inside the sally port. The hours of service may change if mutually agreed upon by the Institution Contract Liaison or designee and the Contractor. Services provided will also include holidays, **except New Year's Day, Presidents Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day when the land fill/dump is closed**. The Contractor shall pick up trash from containers the following work day after a holiday.

Three Cubic-Yard Bins

Contractor shall furnish and maintain thirty-five (35), three-cubic yard containers with steel rollable wheels. All containers are to have lid covers made of steel or double-walled plastic (i.e. duraflex or equivalent thereof) that are easily opened and closed. Containers and lids may not have excess metal on or inside which could be removed. In the event any lid or container becomes damaged, Contractor shall, within forty-eight (48) hours of notification, repair or replace lids or containers.

Containers shall be sealed and liquid tight to prevent spillage and drippings. The State reserves the right to inspect containers to determine suitability prior to placement.

Contractor shall deliver containers to the locations indicated by the Institution Contract Liaison or designee prior to commencement of services. A location may be changed at any time at the discretion of the institution. The institution will provide twenty-four (24) hour notice to Contractor of any location changes.

Container pickup shall be in accordance with, Garbage Pickup Schedule/Tracking Worksheet hereinafter known as the Worksheet and is a part of this contract, The number of bins emptied shall be noted on the Worksheet and after each day's pick-up, the WSP-RC Escort Officer and the City of Wasco Sanitation Employee will print and sign their name on the Worksheet to indicate they are in agreement with the number of bins emptied.

The State shall pay only for those bins emptied and signed for in accordance with the Worksheet and per the prices indicated on the Rate Sheet, Exhibit B-1, attached herein and a part of this contract.

In the event trash is discovered to be on top of any trash bin (commonly referred to as "snow coning"), the escort officer will open the bin, and if there is room, will place the trash inside the bin. The City of Wasco Sanitation Employee will then empty the bin. If the bin is already full, the City is not obligated to pick up the trash left outside of the bin.

Forty Cubic-Yard Bins

Upon request by the WSP-RC Contract Liaison or designee, Contractor shall deliver and set in place Forty Cubic Yard roll-off bins (quantity as requested) within 24 hours, to the location(s) indicated by the Contract Liaison or designee. Roll-off bins shall be used only for disposal of mattresses or other large items such as furniture, but excludes any type of concrete or stone/rock. No mattresses or other large items shall be disposed of in the Contractor's 3-yard bins used for regular garbage.

Forty Cubic-Yard bins shall be paid for in accordance with the rates set forth in the Rate Sheet, **Exhibit B-1** attached herein.

The State reserves the right to add or subtract containers (both sizes), modify size of containers and adjust pick up schedule as needed, to accommodate any unforeseen increase or decrease in volume of wet/dry garbage or large items generated. The additional services will be provided within forty-eight (48) hours of request by the State, and will be arranged at a mutually agreed upon time. Additional services shall be provided at the same rate set forth in the Contractor's Rate Sheet, **Exhibit B-1** herein.

Contractor shall complete services within the time frames specified herein. At the State's discretion, the time specified for garbage pickup may be extended for a reasonable period of time when there is a delay in Contractor's performance of the work caused by

unavoidable delay such as Acts of God, fire, flood, epidemics, quarantine, restrictions, strikes, freight embargoes, or unusual action of the elements, provided that Contractor shall notify the State within two (2) hours from the beginning of any delay.

In the event Contractor fails to provide services within the time specified without prior approval of the State, the State reserves the right to have services provided by another vendor at Contractor's expense. Any amounts owed to the State as a result of this action will be deducted from Contractor's monthly invoice.

3. STANDBY TIME/RATES

The Contractor shall incur additional standby time (wait time) in the following situations:

- A.** In the event WSP-RC requests the Contractor to provide and haul a 40 yard bin in the same day, the Contractor shall remain on standby with the bin until the bin is full and ready for removal from the institution grounds. The Contractor will be reimbursed at the hourly standby rate, as specified in Exhibit B-1, Rate Sheet.
- B.** If the 5:00 AM inmate count does not clear, the Contractor shall remain inside the sally port until the count clears. If the Contractor's wait time extends past the first fifteen (15) minutes, then standby rates will be incurred in fifteen (15) minute increments, as specified in Exhibit B-1, Rate Sheet.

4. OVERLOAD CHARGE

In the event a roll-off container exceeds ten (10) tons, there will be a charge that identified in Exhibit B-1, for additional ton over ten tons. The Contractor shall notify CDCR or designee of overload charges, once an overage is identified.

5. RECEIPTS

Contractor shall deliver the wet/dry garbage to a county/city-approved landfill in accordance with the State of California, Environmental Health Laws. Contractor shall provide receipts verifying disposal date and weight of wet/dry garbage from an approved landfill when submitting invoices.

6. CONTAINER UNLOADING

The Contractor shall ensure that all containers, which are to be emptied on-site, shall be emptied into a sealed truck which is liquid tight to prevent spillage and drippings. Roll-off containers shall be sealed to prevent spillage and drippings, and removed by the Contractor upon request by the Contract Liaison or designee.

7. CONTAINER MAINTENANCE

The Contractor shall maintain containers in good mechanical condition.

Containers must be steam cleaned and painted annually or more often as necessary as determined by the Institution Contract Liaison or designee. Steam cleaning and painting shall not be performed on State property unless specifically requested by the State and shall be completed at Contractor's expense.

The Contractor shall furnish additional containers on an exchange basis while the maintenance of containers is performed.

8. CONTAINER LOCKING DEVICES

The Contractor shall secure locking devices on all containers. The locking devices shall consist of a single lock bar extending the full width of the lid and lockable by padlock, to be supplied by institution.

9. LICENSES/PERMITS

The Contractor shall possess a valid Motor Carrier permit issued by the California Department of Motor Vehicles, valid city/county-issued Commercial Refuse Hauler's Permit, if applicable.

The Contractor shall also possess and maintain throughout the term of this Agreement a current DMV issued Motor Carrier Permit if any vehicle used to haul sludge or other Contractor-owned items in performance of this contract has a Gross Vehicle Weight Rating (GVWR) of 10,001 lbs. or more.

10. DEPARTMENT OF CORRECTIONS AND REHABILITATION CONTACT INFORMATION

Should questions or problems arise during the term of this Agreement, Contractor should contact the following offices:

Billing/Payment Issues:

Accounting Services Branch - Sacramento
Attention Accounts Payable B
Phone Number: (916) 255-2042
FAX Number: (916) 255-2103

General Contract Issues:

Office of Business Services
Phone Number: (916) 255-5624
FAX Number: (916) 255-6187

Scope of Work/Performance Issues:

Wasco State Prison-Reception Center Contract Liaison
Julia Chavolla
Business Services Officer I
Phone Number: (661) 758-8400 ext. 5201
FAX Number: (661) 758-7073
E-mail: Julia.Chavolla@cdcr.ca.gov

The Institution Contract Liaison or designee shall be solely responsible for determining acceptability of satisfactory completion of any services provided by Contractor.

NON-HAZARDOUS WET/DRY GARBAGE COLLECTION, REMOVAL AND DISPOSAL SERVICES

The quantities on this rate sheet are estimates as shown below. The State shall pay the Contractor only for services rendered in accordance with the rates set forth in this rate sheet, Exhibit B-1, and the Worksheet, Exhibit A-1 which indicates actual bins emptied, for each year as indicated.

A. THREE-YARD BINS

Price Per Emptied Bin FY 2026/2027	Price Per Emptied Bin FY 2027/2028	Price Per Emptied Bin FY 2028/2029	Price Per Emptied Bin FY 2029/2030
\$46.52*	\$47.92*	\$49.35*	\$50.83*

* 3% annual inflation factor added for contract fiscal years two, three and four.

B.1 ESTIMATED COST FOR 3-YARD BINS PER YEAR:

Year	Estimated # Of Bins Per Week	X	Price Per Bin	X	# Of Weeks	=	Estimated Total Annual Amt.
2026/2027	180	x	\$46.52	x	13	=	\$108,856.80
2027/2028	180	x	\$47.92	x	52	=	\$448,531.20
2028/2029	180	x	\$49.35	x	52	=	\$461,916.60
2029/2030	180	x	\$50.83	x	39	=	\$356,826.60
TOTAL FOR B.1							\$1,376,131.20

B.2 ESTIMATED COST FOR LANDFILL FEES PER YEAR:

Year	Per 3 Cubic Yards	X	Est. Cubic Yards Per Month	X	# Of Months	=	Estimated Total Annual Amount
2026/2027	\$10.44**	x	2250	x	3	=	\$23,490.00
2027/2028	\$10.44**	x	2250	x	12	=	\$93,960.00
2028/2029	\$10.44**	x	2250	x	12	=	\$93,960.00
2029/2030	\$10.44**	x	2250	x	9	=	\$70,470.00
TOTAL FOR B.2							\$281,880.00

** Current Kern County fee is \$3.48 per cubic yard, therefore \$10.44 per 3 cubic yard bin collected and emptied. The Kern County fee is a pass-through with no administrative fee added. Any change in the Kern County fee will be charged by the City to the CDCR based upon the effective date of the updated fee.

C. FORTY-YARD ROLL-OFF BINS

	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030
<u>County Dump Charge Per Ton (Based on Est. 3% Increase Per Year)</u>	\$67.25***	\$69.27***	\$71.35***	\$73.49***
(Annual Est. Based On 10 Tons 4X Per Year)	\$672.50	\$2,770.80	\$2,854.00	\$2,939.60
<u>Delivery Rate Per Request</u>	\$112.50	\$112.50	\$112.50	\$112.50
(Annual Est. Based On 4X Per Year)	\$112.50	\$450.00	\$450.00	\$337.50
<u>Daily Rental</u>	\$7.00	\$7.00	\$7.00	\$7.00
(Annual Est. Based On 2 Days 4X Per Year)	\$14.00	\$56.00	\$56.00	\$42.00
<u>Monthly Rental</u>	\$206.61	\$206.61	\$206.61	\$206.61
<u>City Dump Charge Per Dump Of 40-Yard Bin</u>	\$244.01	\$244.01	\$244.01	\$244.01
(Annual Est. Based On 4X Per Year)	\$244.01	\$976.04	\$976.04	\$723.03
TOTAL FOR C	\$1,043.01	\$4,252.84	\$4,336.04	\$4,042.13

*** Current Kern County fees are a pass-through with no administrative fee added. Any change in the Kern County fee will be charged by the City to the CDCR based upon the effective date of the updated fee.

D. STANDBY RATES PER YEAR

Estimated Hours	Rate per Hour	Total
200	\$75.00	\$15,000.00

E. OVERLOAD CHARGE PER YEAR

Estimated Overages	Rate per Ton	Total
100	\$67.25	\$6,725.00

ESTIMATED ANNUAL AMOUNT PER YEAR (A + B.1 + B.2 + C + D + E)

FISCAL YEAR	TOTAL
Year 1 (3 months) - 2026/2027	\$138,359.00*
Year 2 - 2027/2028	\$568,469.00*
Year 3 - 2028/2029	\$581,938.00*
Year 4 (9 months) - 2029/2030	\$447,632.00*

* Annual rates have been rounded up to the next dollar

TOTAL AMOUNT	\$1,736,398.00
50% AUGMENTATION AMOUNT	\$868,199.00

TOTAL AGREEMENT AMOUNT	\$2,604,597.00
-------------------------------	-----------------------



STAFF REPORT City of Wasco

TO: Honorable Mayor and Council Members

FROM: M. Scott Hurlbert, City Manager
Tracy Blakemore, Finance Director

DATE: June 2, 2026

SUBJECT: Fiscal Year 2026-2027 General Fund Budget Proposal

Recommendation:

Staff recommends the City Council:

- 1) Review the General Fund budget for Fiscal Year 2026–2027 and provide feedback prior to finalizing the Fiscal Year 2026–2027 Operating Budget and CIP.
- 2) Find that this action is not a project as defined under the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15378; no environmental review is required.

Environmental Review:

The staff has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA). It has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA guidelines because the proposed activity consists of a governmental fiscal/administrative activity which does not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

Discussion:

This meeting is intended to provide a review and discussion of changes made since the Departmental Budget meetings, along with a high-level overview of the overall General Fund budget. The discussion will focus on broader budgetary items rather than a detailed line-item review and is necessary prior to finalizing the Adopted Operating Budget and Capital Improvement Project documents.

Budget Overview
Revenue

Sales Tax

Revenue	FY26 Budget	FY27 Budget	Inc / (Decr)
GENERAL SALES TAX	2,281,000	2,226,811	(54,189)
MEASURE X SALES TAX	3,397,000	3,427,729	30,729
			(23,460)

General Sales Tax and Measure X Sales Tax revenues, as estimated by HDL, remain relatively consistent with prior fiscal years, resulting in an overall net decrease of approximately \$23K. General Sales Tax is projected to decrease by approximately \$54K, while Measure X Sales Tax is projected to increase by approximately \$31K.

Local trends in the energy, logistics, and agriculture industries may out-perform these projections. Middle East tensions, in particular, may actually encourage faster energy sector growth in Kern County. If growth returns to pre-war projections of around 3%, the combined sales tax revenue projection would be a net increase of nearly \$170,000.

VLF Swap Property Tax

	FY25 Budget	FY25 Actuals	Inc / (Decr)	FY26 Budget
VLF SWAP PROPERTY TAX	3,475,000	4,304,615	829,615	3,475,000

The FY 2026–2027 budget for VLF Swap Property Tax remains consistent with the prior fiscal year at \$3.5 million. Actual revenues received in FY 2024–2025 exceeded the budget by approximately \$830K. FY 2025–2026 revenues have not yet been fully received to determine whether this trend will continue. The FY 2026–2027 revenue projection remains very conservative and does not budget for excess revenues experienced in FY 2024–2025. By the end of Q2 FY 2026-2027, trends should be apparent. If the VLF Swap performance persists, revenues could exceed budget projections by as much as \$800,000.

General & Administration Allocations

	FY26 Budget	FY27 Budget	
GENERAL & ADMINISTRATION ALLOCATIONS	3,547,498	4,305,082	757,585

General & Administration (G&A) allocations are projected to increase by approximately \$758K in FY 2026–2027. The increase is primarily attributable to higher salary and operational costs allocated across divisions.

Interest Income

	FY25 Budget	FY25 Actuals	Inc / (Decr)
INTEREST INCOME	495,000	2,421,551	1,926,551

FY 2024–2025 (remains open pending completion of the fiscal year-end close and audit process), interest income was budgeted at approximately \$495K while actual revenues received totaled approximately \$2.4M. This resulted in an estimated positive variance of approximately \$1.9M, which is not currently reflected in the projected fund balance.

Grant / Intergovernmental Revenue

	FY26 Budget	FY27 Budget	
GRANT(S) / INTROGOVERNMENTAL	1,187,621	702,070	(485,551)

Grant and intergovernmental revenues are projected to decrease by approximately \$486K in FY 2026–2027. This decrease is primarily due to FY 2026–2027 only recognizing grant revenues that correspond to expenditures recorded within the General Fund, while grant revenues associated with Capital Improvement Projects (CIP) are presented separately under “Other Sources.”

Costs

	FY26 Budget	FY27 Budget	Inc / (Decr)
OPERATING COSTS	17,361,184	19,570,960	2,209,776

Operating costs are projected to increase by approximately \$2.2 million, primarily due to salary and benefit increases totaling approximately \$1.8 million. Salary projections have been budgeted conservatively to reflect a one-step increase for all eligible employees during FY 2026–2027. In addition, vacant positions anticipated to be filled during the fiscal year have been budgeted at a full 12 months of salary. Benefit costs have also been budgeted conservatively using the highest-cost employer health plan option.

Software and hardware costs totaling approximately \$433K are now properly included within operating costs for FY 2026–2027. In FY 2025–2026, these expenditures were budgeted under Capital Improvement Projects (CIP).

Overall General Fund

Budget Overview				
General Fund Revenues, Expenditures and Changes in Fund Balance				
			2025-26	2026-27
			Revised Budget	Budget
FUND BALANCE, BEGINNING OF YEAR			28,593,307	25,656,296
		Per Ending Balance of FY24 Audited Financials		
		Difference		
REVENUES				
TAXES AND FRANCHISE FEES				
GENERAL PROPERTY TAX			875,000	875,000
VLF SWAP PROPERTY TAX			3,475,000	3,500,000
GENERAL SALES TAX			2,281,000	2,226,811
MEASURE X SALES TAX			3,397,000	3,427,729
FRANCHISE FEES			660,000	660,000
TRANSIENT OCCUPANCY TAX			150,000	150,000
BUSINESS LICENSE TAX			90,000	90,000
PROPERTY TRANSFER TAX			45,000	30,000
TOTAL TAXES			10,973,000	10,959,540
PERMIT AND SERVICE CHARGES			-	
DEVELOPMENT REVIEW			123,000	96,000
GENERAL & ADMINISTRATION ALLOCATIONS			3,547,498	4,305,082
OTHER CHARGES			437,600	492,596
TOTAL PERMIT AND SERVICE CHARGES			4,108,098	4,893,678
GRANT(S) / INTROGOVERNMENTAL			1,187,621	702,070
OTHER REVENUES			1,672,220	1,651,100
TOTAL REVENUES			17,940,938	18,206,388
EXPENDITURES				
OPERATING COSTS			17,361,184	19,570,960
CIP PROJECTS			821,250	60,179,161
TOTAL EXPENDITURES			18,182,433	79,750,121
OTHER SOURCES (USES)				
TRANSFERS IN			5,641,670	67,480,432
TRANSFERS OUT			(8,337,186)	(16,712,735)
TOTAL OTHER SOURCES (USES)			(2,695,516)	50,767,697
SOURCES OVER (UNDER) USES			(2,937,011)	(10,776,036)
FUND BALANCE, END OF YEAR			25,656,296	14,880,260
TOTAL REVENUES			17,940,938	18,206,388
EXPENDITURES				
OPERATING COSTS			17,361,184	19,570,960
SOURCES OVER (UNDER) USES			579,755	(1,364,572)

Fund 71 \$60,101,911
Fund 01 \$77,250

A

A

B

C

- A) The approximately \$60 million reflected in the Capital Improvement Projects (CIP) PDF represents the total potential project costs and is not anticipated to be fully expended within FY 2026–2027. Also important to note is that grants provide over \$35 million of the \$60 million in the CIP, which through reimbursement typically resolve to zero net impact to the General Fund. The FY 2026–2027 budget may initially appear to reflect significantly higher CIP expenditures, transfers in, and transfers out when compared to FY 2025–2026. This is primarily due to all CIP now active being accounted for within the City’s CIP Fund in FY 2026–2027. Additionally, the FY 2025–2026 detailed budget did not fully reflect all CIP activity within the CIP Fund, despite the CIP’s fund balance being included as part of the overall General Fund balance in the audited FY 2023–2024 financial statements. The (\$10 million) in projected (Under) Uses represents the potential deficit that would occur if every CIP project identified within the CIP schedule were completed during FY 2026–2027. Historically, not all identified projects are undertaken within a single fiscal year. Project timing depends upon available funding sources, staffing capacity, and evolving City priorities and needs. As a best practice, the City includes all desired and potential projects within the CIP schedule to assist with long-term planning and to position the City to pursue and obtain outside funding opportunities when available.
- B) The projected ending fund balance for FY 2026–2027 may initially appear concerning or relatively low. However, this projection was calculated using the audited FY 2023–2024 General Fund balance of \$31.9 million and adjusted using budgeted (under) uses for FY 2024–2025 and FY 2025–2026 rather than actual year-end results. Both fiscal years were budgeted conservatively. Additionally, CIP projects are budgeted annually, and projects not completed within a fiscal year are typically carried forward into subsequent fiscal years, which may result in projects appearing to be budgeted more than once. As FY 2024–2025 and FY 2025–2026 are finalized and closed, the fund balance is expected to be positively adjusted to reflect projects and expenditures that were not completed or fully incurred. Throughout FY 2026–2027, additional financial reports and updates will be presented to the City Council as prior fiscal years are closed and finalized.
- C) For FY 2026–2027, attention is drawn to the (\$1.36M) in (under) uses. The proposed FY 2026–2027 Operating Budget was developed using a conservative approach with careful scrutiny applied to expenditures while continuing to maintain service levels and operational needs. Revenue projections were also budgeted very conservatively based on current trends and available information, while expenditures reflect anticipated salary adjustments, operational costs, and broader organizational needs. Staff will continue to monitor revenues and expenditures throughout the fiscal year and provide updates to the City Council as necessary.

A few key factors help contextualize the (\$1.36M) (under) uses. First, there is a one-time increase of approximately \$1.9M in interest income from FY 2024–2025 that is not currently reflected in the overall fund balance. In addition, VLF Swap Property Tax revenues in FY 2024–2025 exceeded budget by approximately \$829K;

however, it is uncertain whether this higher level of revenue will continue in future years, and this amount is likewise not reflected in the projected fund balance. Lastly, salary projections have been budgeted conservatively to reflect a one-step increase for eligible employees during FY 2026–2027. Benefit costs have also been budgeted conservatively using the highest-cost employer health plan option.

CIP Additions

A new CIP project titled “Server Upgrade” totaling \$250K has been added to the FY 2026–2027 Capital Improvement Program. This reclassifies the expenditure from operating costs to a one-time capital expense within the CIP. As a result of this reallocation, the Information Technology budget’s professional services line item has been reduced by \$119K.

Subsidy Overview

During the May 13, 2026 City Council Department Budget Meeting, Council adopted the \$60K Water Subsidy. During that discussion, Council requested information regarding the subsidy results from prior fiscal years. At present, participation appears to be oversubscribed, and it has been noted that program participation has not been formally audited in prior years. The Finance Department will conduct an internal audit of the Water Subsidy program and will report back to Council upon completion of the review.

Next Steps:

If the General Fund has no further items to address, then Finance will continue with the process to Adopt the Annual Operating Budget and Adopt the Capital Improvement Program at the June 16, 2026 regular meeting.

Fiscal Impact:

No fiscal impact.

Attachments:

None