

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

The Capital Improvements Program (CIP) Budget allocates existing funds and anticipated revenues to both new and continuing projects in the City's multi-year CIP and is based upon an analysis of available funding sources as well as a review of project needs and priorities. The City's CIP needs outweigh available resources; therefore, the Draft Budget is constrained by funding availability. In preparing the Fiscal Year 2026 Draft Budget, the City considered project readiness for construction, continuation of the Street Resurfacing Program, investments in the Stormwater infrastructure, and infrastructure investments focusing on equity. Council Policy 800-14 was used when updating prioritization for the Fiscal Year 2026 funding requests. More information on the updated policy can be found in the Project Prioritization section. The CIP requests are reviewed by the Capital Improvements Program Review and Advisory Committee (CIPRAC) and the Capital Budget Executive Review Committee (CBERC). The \$845.9 million Fiscal Year 2026 Draft CIP Budget, summarized in **Table 1** below, is funded by a variety of sources including, but not limited to, Water and Sewer Enterprise Funds, TransNet, Debt Financing sources, and Park Improvement funds. Further details on all funding sources and the specific projects included in the Fiscal Year 2026 Draft CIP Budget can be found later in this section, beginning on page 7.

Table 1: Fiscal Year 2026 Draft CIP Budget

Funding Source	FY 2026	Percent of Total CIP Budget
Airport Funds	\$ 1,500,000	0.18%
Bond Financing	95,800,000	11.32%
Capital Outlay - Other	250,000	0.03%
Development Impact Fees	3,510,488	0.41%
Enhanced Infrastructure Financing District Fund	6,509,000	0.77%
Facilities Benefit Assessments	2,518	0.00%
Mission Bay Park Improvement Fund	13,177,782	1.56%
OneSD/ERP Funding	3,100,000	0.37%
Other Funding	1,178,174	0.14%
Refuse Disposal Fund	2,600,000	0.31%
Regional Transportation Congestion Improvement Program	5,438,779	0.64%
San Diego Regional Parks Improvement Fund	7,095,729	0.84%
Sewer Funds	286,387,476	33.85%
TransNet Funds	25,163,724	2.97%
Trench Cut/Excavation Fee Fund	2,470,000	0.29%
Utilities Undergrounding Program Fund	7,133,298	0.84%
Water Fund	384,632,138	45.47%
Grand Total	\$ 845,949,106	

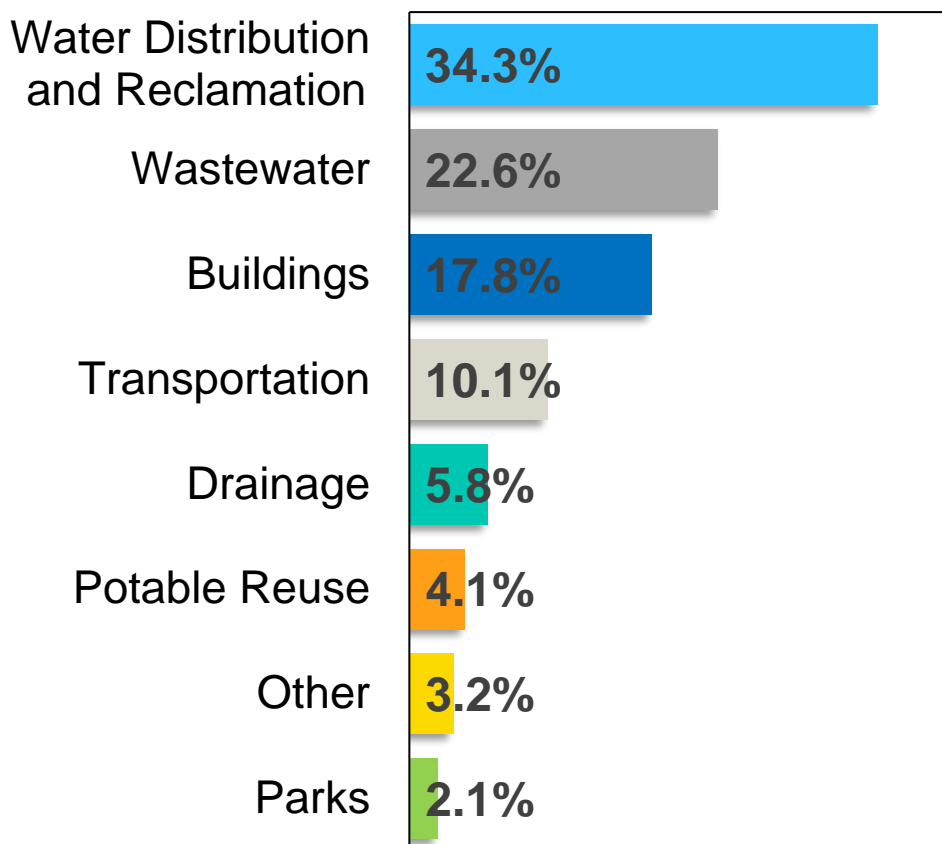
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An additional \$251.4 million of funding, which is not included in the Draft Budget, is anticipated to be budgeted during Fiscal Year 2026 and requires additional City Council approval. Anticipated funding includes a variety of sources, such as donations, grants, debt financing, developer funding, Development Impact Fees (DIF), and Facilities Benefit Assessments (FBA).

The Fiscal Year 2026 Draft CIP Budget supports various types of projects, such as water and sewer facilities, buildings, and transportation projects, displayed in **Figure 1**. Fund allocations are primarily driven by availability. As such, Water and Sewer Funds, which support water and wastewater project types, account for the majority of the Draft CIP Budget, including 78.6 percent of allocations for City buildings that are maintained and operated by the Public Utilities Department. Transportation projects are primarily funded by TransNet, gasoline taxes, and debt financing, which may also fund transportation components of other project types in the right-of-way. Landfill, airport, and golf project types are funded by their respective enterprise funds. Parks, stormwater, and other building projects, such as police, fire, and library buildings, compete for scarce resources, including development impact fees and the City's General Fund.

Figure 1: Fiscal Year 2026 Draft Budget by Project Type



The City's multi-year CIP includes assets that are maintained and operated by a variety of City departments and asset-managing sections, shown below in **Table 2**. The largest funding allocation in the Fiscal Year 2026 Draft CIP Budget is for the Public Utilities Department's projects, receiving \$664.8 million, or 78.6 percent, of the Draft CIP Budget. The next largest portion is for the Transportation Department's projects, with \$85.8

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million, or 10.1 percent, of the Draft CIP Budget. Project pages for each asset managing department can be found later in this volume, beginning on page 83.

Table 2: Multi-Year CIP

Department	Prior Year	FY 2026 Draft	Future Years	Total
Citywide	\$ 35,999,768	\$ 5,500,000	\$ 685,761,432	\$ 727,261,200
Department of Information Technology	28,382,518	9,340,000	138,140,000	175,862,518
Economic Development	11,395,187	1,500,000	62,219,409	75,114,596
Environmental Services	121,474,820	2,600,000	20,811,642	144,886,462
Fire-Rescue	90,681,747	2,000,000	148,744,883	241,426,630
General Services	68,287,646	1,400,000	112,314,543	182,002,189
Homelessness Strategies and Solutions	5,480,543	-	480,000	5,960,543
Library	90,275,999	5,947,892	54,028,808	150,252,699
Parks & Recreation	729,227,027	18,273,511	477,399,593	1,224,900,131
Police	12,000,000	-	5,800,000	17,800,000
Public Utilities	4,593,877,350	664,779,614	6,693,633,530	11,952,290,494
Stormwater	774,913,268	48,834,929	3,427,683,019	4,251,431,216
Transportation	1,291,358,053	85,773,160	2,404,089,151	3,781,220,364
Grand Total	\$ 7,853,353,927	\$ 845,949,106	\$ 14,231,106,010	\$ 22,930,409,043

The Fiscal Year 2026 Draft CIP Budget adds \$845.9 million to the City's \$22.9 billion multi-year CIP, reflected in **Table 2**. City Council previously approved \$7.85 billion towards projects that are continuing from previous fiscal years. An estimated \$14.23 billion of additional funding will be needed in future years to complete the projects currently in the City's CIP and to fund annual ongoing capital expenditures, such as road resurfacing and pipe replacements. The City's CIP does not include all unfunded CIP needs or new projects that may be added in future years. For more information about the City's multi-year CIP, please refer to the Profile of the City of San Diego's CIP section, beginning on page 25.

Funding Sources for the Fiscal Year 2026 Draft CIP Budget

The Fiscal Year 2026 Draft CIP Budget includes funding for 70 CIP projects, of which 8 are new this year. Many of the projects are standalones, limited to a single asset or set of assets with a clear scope for project completion, while others are annual allocation projects which receive funding each year to provide for ongoing repair and replacement of a certain asset type.

The following summarizes Fiscal Year 2026 funding source allocations and describes each funding source, including purpose, restrictions, and constraints. The Fiscal Year 2026 Draft CIP Budget was developed by

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evaluating available funding sources for new and continuing CIP projects. For more information on common funding sources used in the CIP, refer to the Funding Sources section beginning on page 63.

Included with the description of each funding source is a list of the projects that will receive funding in Fiscal Year 2026. Projects are listed in alphabetical order along with the project's page number, an indication of whether the project is new for Fiscal Year 2026 or continuing from a prior year, the project's priority score and category, and the Fiscal Year 2026 Draft Budget amount. Annual Allocations are not scored.

Based on the current calculation, there is no required Infrastructure Fund contribution for Fiscal Year 2026. This is due to sales tax revenue decreasing and the General Fund Pension Cost Reduction calculation remaining above the base year of Fiscal Year 2016. At the end of each fiscal year, the Department of Finance conducts a reconciliation of Sales Tax Increment (actual revenue versus the calculated base). If a contribution is determined to be needed based on improved sales tax revenue performance, the true-up contribution will be proposed during the next budget cycle in Fiscal Year 2027.

The Fiscal Year 2026 Draft Budget includes the suspension of the minimum annual allocation to the Climate Equity Fund (CEF) but includes \$1.5 million from the SDGE Electric Franchise Agreement for CEF-eligible projects in the CIP. Project expenditure allocations will be made as part of the May Revision.

While projects are prioritized within project types, funding sources may be constrained by other factors, such as geographic region or specific contractual agreements. Therefore, projects with low priority scores may receive funding because they are the highest scoring projects that meet the requirements of a particular funding source. For more information on prioritization, refer to the Project Prioritization section beginning on page 45.

Airport Funds

The Airport Enterprise Funds support the City's two municipal airports: Montgomery-Gibbs and Brown Field. These funds receive revenue from the operations of the airports, which are in turn used to fund capital projects that improve and/or maintain the condition of the airport facilities. The Airport Funds CIP budget for Fiscal Year 2026 is \$1.5 million, as shown in **Table 3**.

Table 3: Airport Funds

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Brown Field / AAA00002	115	Continuing	Annual	Annual	\$ 1,500,000
Total					\$ 1,500,000

Bond Financing

Bond Financing is used to support General Fund asset type projects, such as fire stations, libraries, parks, road improvements, and storm drain improvements, through the issuance of Lease Revenue Bonds. Impacts on the City's Debt Ratios, as defined in the City's Debt Policy, are evaluated when considering the use of debt financing supported by the General Fund. Generally, annual debt service as a percentage of general fund revenues should remain under 10.0 percent. When combined with pension and other post-employment benefits costs the percentage should remain under 25.0 percent. The magnitude of the proposed debt appropriations aligns with the assumptions in the Five-Year Financial Outlook , with debt

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ratios projected to remain under the debt policy limits during the Five-Year Outlook period. The Debt Funded GF CIP budget for Fiscal Year 2026 is \$95.8 million, as shown in **Table 4**.

Table 4: Bond Financing

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
City Facilities Improvements / ABT00001	155	Continuing	Annual	Annual	\$ 600,000
Flood Resilience Infrastructure / ACA00001	380	Continuing	Annual	Annual	40,434,929
Installation of City Owned Street Lights / AIH00001	430	Continuing	Annual	Annual	285,588
New Walkways / AIK00001	441	Continuing	Annual	Annual	206,473
Oak Park Library / S22011	181	Continuing	86	High	4,947,892
Sidewalk Repair and Reconstruction / AIK00003	449	Continuing	Annual	Annual	7,020,000
South Chollas Yard Emergency Repairs / S25001	96	New	100	High	5,500,000
Street Light Circuit Upgrades / AIH00002	454	Continuing	Annual	Annual	734,000
Street Resurfacing and Reconstruction / AID00005	455	Continuing	Annual	Annual	26,873,918
Traffic Calming / AIL00001	457	Continuing	Annual	Annual	797,200
Villa La Jolla SD System Lining / S26001	389	New	84	Medium	8,400,000
Total					\$ 95,800,000

Capital Outlay - Other

The funds below reflect Capital Outlay – Mission Valley fund. These are net proceeds from the sale of the real property in Mission Valley commonly known as the San Diego County Credit Union Stadium site to be designated and used for future transportation-related capital improvements in the Mission Valley Community in accordance with section 5.8 of the Real Property Purchase and Sale Agreement and Joint Escrow Instructions. The Capital Outlay - Other CIP budget for Fiscal Year 2026 is \$250,000, as shown in **Table 5**.

Table 5: Capital Outlay - Other

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Fenton Pkwy Ext to Camino Del Rio N / RD23000	426	Continuing	53	Medium	\$ 250,000
Total					\$ 250,000

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Development Impact Fees

Contributions may be received from developers to support City CIP projects. These funds are provided in order to satisfy conditions placed on development and are usually restricted to certain projects, or types of assets, or in specific areas. For Fiscal Year 2026, \$3.5 million of developer funding has been allocated to the CIP budget in 3 projects and 7 annual allocations, as shown in **Table 6**.

Table 6: Development Impact Fees

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Bicycle Facilities / AIA00001	413	Continuing	Annual	Annual	\$ 55,288
City Facilities Improvements / ABT00001	155	Continuing	Annual	Annual	800,000
El Camino Real to ViaDeLaValle (1/2 mile) / S00856	424	Continuing	55	Medium	26,173
Interstate 5 Underpass-Bikeway/Ped Conn / S00982	431	Continuing	66	Medium	10,000
Median Installation / AIG00001	438	Continuing	Annual	Annual	657,255
New Walkways / AIK00001	441	Continuing	Annual	Annual	80,114
Oak Park Library / S22011	181	Continuing	86	High	1,000,000
Traffic Calming / AIL00001	457	Continuing	Annual	Annual	34,483
Traffic Signals - Citywide / AIL00004	458	Continuing	Annual	Annual	40,476
Traffic Signals Modification / AIL00005	459	Continuing	Annual	Annual	806,699
Total					\$ 3,510,488

Enhanced Infrastructure Financing District Fund

Enhanced Infrastructure Financing District (EIFD) is authorized under California Government Code section 53398 to establish enhanced infrastructure financing districts and use specified property tax increment revenue generated within such districts to finance certain infrastructure and community benefit projects. In 2017, City Council set up an EIFD in the Otay Mesa Community Planning Area. For Fiscal Year 2026, \$6.5 million of Enhanced Infrastructure Financing District Fund has been added to the CIP budget, as shown in **Table 7**.

Table 7: Enhanced Infrastructure Financing District Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Beyer Blvd (OM T8) / RD26000	412	New	66	Medium	\$ 6,247,000
Caliente Avenue (OM T11.5) / RD26001	416	New	66	Medium	262,000
Total					\$ 6,509,000

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Facilities Benefit Assessments

Facilities Benefit Assessments (FBAs) provide 100 percent of funding for public facilities projects that service a designated area of benefit and are identified in the public facilities financing plan. The dollar amount of the assessment is based upon the cost of each public facility equitably distributed over a designated area of benefit in the community planning area. Assessments are recorded as liens with the County Assessor's Office. Property being developed is assessed at the time the building permit is issued. The amount of the assessment is determined by the type and size of the development. \$2,518 of funding has been allocated in Fiscal Year 2026, as shown in **Table 8**.

Table 8: Facilities Benefit Assessments

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
El Camino Real to ViaDeLaValle (1/2 mile) / S00856	424	Continuing	55	Medium	\$ 2,518
Total					\$ 2,518

Mission Bay Park Improvement Fund

The Mission Bay Park Improvement Fund receives revenue from Mission Bay rents and concessions in accordance with San Diego City Charter Article V, Section 55.2. These funds may only be spent in Mission Bay Park for capital improvements. For Fiscal Year 2026, \$13.2 million has been allocated in the Mission Bay Park Improvements Fund, as shown in **Table 9**.

Table 9: Mission Bay Park Improvement Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Mission Bay Improvements / AGF00004	244	Continuing	Annual	Annual	\$ 11,177,782
Mission Beach Lifeguard Station / L25001	143	New	74	Medium	2,000,000
Total					\$ 13,177,782

OneSD/ERP Funding

The IT CIP Contributions Fund is a special revenue fund which receives revenue from other City departments in order to manage and maintain the City's Enterprise Resource Planning (ERP) system. While most of the funding is used to maintain the existing system, efforts are also underway to implement and/or integrate additional modules into the ERP system. The Fiscal Year 2026 Budget includes \$3.1 million of IT CIP Contributions Funds, as shown in **Table 10**.

Table 10: OneSD/ERP Funding

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
SAP Modernization / T25000	107	Continuing	N/A	N/A	\$ 3,100,000
Total					\$ 3,100,000

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Other Funding

The funds below are from Neighborhood Enhancement Fund - CoC, which are to be used solely to fund recreation amenities, active transportation and transit infrastructure projects that are not vehicular-accommodating in Transit Priority Areas in Communities of Concern in accordance with San Diego Municipal Code Chapter 14, Article 3, Division 10. The Fiscal Year 2026 Draft Budget includes \$1.2 million in Neighborhood Enhancement - Communities of Concern funding source, as shown in **Table 11**.

Table 11: Other Funding

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Traffic Calming / AIL00001	457	Continuing	Annual	Annual	\$ 411,600
Traffic Signals Modification / AIL00005	459	Continuing	Annual	Annual	766,574
Total					\$ 1,178,174

Refuse Disposal Fund

The Refuse Disposal Fund is an enterprise fund that is used to operate the City's Miramar Landfill and maintain the City's inactive landfills. Most of the capital projects supported by this fund are focused on ensuring regulatory compliance at these landfills. Projects are funded and prioritized based on deferred capital and regulatory requirements. For Fiscal Year 2026, \$2.6 million has been allocated, as shown in **Table 12**.

Table 12: Refuse Disposal Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Landfill Improvements / AFA00001	123	Continuing	Annual	Annual	\$ 2,600,000
Total					\$ 2,600,000

Regional Transportation Congestion Improvement Program

The Regional Transportation Congestion Improvement Program (RTCIP) is an element of the TransNet Extension Ordinance requiring the City to collect an exaction for new residential developments. RTCIP Fees are to be spent only on improvement to the Retinal Arterial System (RAS) to mitigate development impact. For Fiscal Year 2026, \$5.4 million has been added to the CIP budget, as shown in **Table 13**.

Table 13: Regional Transportation Congestion Improvement Program

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Bicycle Facilities / AIA00001	413	Continuing	Annual	Annual	\$ 11,634
Median Installation / AIG00001	438	Continuing	Annual	Annual	842,195
Traffic Signals - Citywide / AIL00004	458	Continuing	Annual	Annual	1,155,300
Traffic Signals Modification / AIL00005	459	Continuing	Annual	Annual	3,429,650
Total					\$ 5,438,779

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San Diego Regional Parks Improvement Fund

The San Diego Regional Parks Improvement Fund receives revenue from Mission Bay rents and concessions in accordance with San Diego City Charter Article V, Section 55.2. These funds may only be spent on capital improvements in the City's regional parks, including Balboa Park, Chicano Park, Chollas Creek Park, Chollas Lake Park, Mission Trails Regional Park, Otay River Valley Park, Presidio Park, San Diego River Park, open space parks, and coastal beaches and contiguous coastal parks. Once the revenue is received, the Parks & Recreation Department works with the San Diego Regional Parks Improvement Fund Oversight Committee to identify specific sub-projects based on the actual amount of available revenue. For Fiscal Year 2026, \$7.1 million has been allocated to five projects, as shown in **Table 14**.

Table 14: San Diego Regional Parks Improvement Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Casa Del Prado Reconstruction / S22007	219	Continuing	60	Medium	\$ 500,000
Emerald Hills Neighborhood Park Phase 1 / S25002	230	New	74	High	264,160
Mohnike Adobe and Barn Restoration / S13008	245	Continuing	41	Low	1,936,943
Park Improvements / AGF00007	258	Continuing	Annual	Annual	2,294,626
Sunset Cliffs Park Drainage Improvements / L14005	271	Continuing	43	Low	2,100,000
Total					\$ 7,095,729

Sewer Funds

The Sewer Funds are enterprise funds that support the Municipal and Metropolitan Sewer Systems. Funding for sewer capital projects is provided by sewer rates, debt financing, and grants. Projects utilize a variety of financing strategies, including pay-as-you-go cash financing, bond financing, and state revolving fund loans. A total of \$286.4 million in Sewer Funds has been allocated to the CIP budget for Fiscal Year 2026, as shown in **Table 15**. This funding will support projects to meet the requirements of the Clean Water Act as well as projects to replace and/or rehabilitate the aging sewer system infrastructure.

Table 15: Sewer Funds

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Enterprise Funded IT Projects / ATT00002	105	Continuing	Annual	Annual	\$ 6,240,000
Harbor Drive Trunk Sewer / S18006	319	Continuing	89	High	8,000,000
MBC Equipment Upgrades / S17013	327	Continuing	85	High	2,000,000
Metropolitan System Pump Stations / ABP00002	329	Continuing	Annual	Annual	360,000
Metropolitan Waste Water Department Trunk Sewers / AJB00001	330	Continuing	Annual	Annual	150,000
Metro Treatment Plants / ABO00001	328	Continuing	Annual	Annual	22,475,739

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NCWRP Improvements to 30 mgd / S17012	337	Continuing	85	High	1,500,000
North/South Metro Interceptors Rehabilitation / S22001	338	Continuing	88	Medium	15,023,414
Pipeline Rehabilitation / AJA00002	345	Continuing	Annual	Annual	22,196,502
PS 1 & 2 Improvements & Modernization / L24000	347	Continuing	82	High	39,000,000
Pure Water Program / ALA00001	351	Continuing	Annual	Annual	19,682,807
Sewer Main Replacements / AJA00001	356	Continuing	Annual	Annual	127,533,776
Smart Metering Infrastructure / S17008	302	Continuing	59	Medium	3,725,238
SPS 77A Dual Force Main Replacement / S26000	357	New	86	Low	500,000
Tecolote Canyon Trunk Sewer Improvement / S15020	359	Continuing	88	Medium	18,000,000
Total					\$ 286,387,476

TransNet Funds

TransNet is a one-half cent local sales tax that can only be used for projects in the City's right-of-way. The primary goal of TransNet funding is to reduce traffic congestion. In addition to roadway improvements, the funds can be used for bicycle facilities, bridges, pedestrian facilities, and traffic signals. Efforts are made to distribute funding among all transportation asset types, such as roadways, traffic signals, traffic calming measures, and bicycle facilities. The Fiscal Year 2026 Draft Budget of \$25.2 million, as shown in **Table 16**, allocates funding to 7 projects.

Table 16: TransNet Funds

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Bicycle Facilities / AIA00001	413	Continuing	Annual	Annual	\$ 39,491
Install T/S Interconnect Systems / AIL00002	429	Continuing	Annual	Annual	700,000
Median Installation / AIG00001	438	Continuing	Annual	Annual	28,622
New Walkways / AIK00001	441	Continuing	Annual	Annual	312,355
Streamview Drive Improvements Phase 2 / S18000	453	Continuing	67	Medium	5,914,615
Street Resurfacing and Reconstruction / AID00005	455	Continuing	Annual	Annual	17,499,642
Traffic Signals - Citywide / AIL00004	458	Continuing	Annual	Annual	668,999
Total					\$ 25,163,724

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Trench Cut/Excavation Fee Fund

Pavement deterioration studies show that pavement excavations significantly degrade and shorten pavement life. Street Damage Fees are collected from excavators to recover the increased repaving and reconstruction costs incurred by the City as a result of trenching. The Streets Preservation Ordinance, adopted in January 2013, established fees that depend on the size of the trench, the age of the pavement, and the type of utility. For Fiscal Year 2026, \$2.5 million has been allocated to support street resurfacing, as shown in **Table 17**.

Table 17: Trench Cut/Excavation Fee Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Street Resurfacing and Reconstruction / AID00005	455	Continuing	Annual	Annual	\$ 2,470,000
Total					\$ 2,470,000

Utilities Undergrounding Program Fund

This fund provides for the undergrounding of City utilities. San Diego Gas & Electric (SDG&E) includes a surcharge for the undergrounding of utilities on electric bills. This amount is deposited with the City to be used solely for the undergrounding of electrical lines and associated activities, including the installation of streetlights and curb ramps. For Fiscal Year 2026, \$7.1 million has been allocated in the Utilities Undergrounding Program annual allocation, as shown in **Table 18**.

Table 18: Utilities Undergrounding Program Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Utilities Undergrounding Program / AID00001	463	Continuing	Annual	Annual	\$ 7,133,298
Total					\$ 7,133,298

Water Fund

The Water Fund is an enterprise fund that supports the City's Water System. Funding for water capital projects is provided by a variety of sources including water rates and grants. Projects utilize a variety of financing strategies, including pay-as-you-go cash financing, bond financing, commercial paper, and state revolving fund loans. The Fiscal Year 2026 Draft Budget of \$384.6 million from the Water Fund, as shown in **Table 19**, includes projects contained in the Compliance Order from the California Department of Public Health as well as projects to meet the requirements of the federal Safe Drinking Act and projects to replace and/or rehabilitate the aging water system infrastructure.

Table 19: Water Fund

Project	Page No	Project Status	Priority Score	Priority Category	FY 2026
Alvarado 2nd Extension Pipeline / S12013	303	Continuing	78	Medium	\$ 51,000,000

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Alvarado WTP Filter Gallery Piping Repl / S24000	306	Continuing	80	High	1,000,000
Backflow Preventer Replacement / AKB00008	307	New	Annual	Annual	1,000,000
Barret Dam Outlet Bulkhead & Drawdown Improvements / S24002	308	Continuing	78	High	1,000,000
Dams & Reservoirs Security Improvements / S22013	311	Continuing	75	Medium	6,000,000
El Camino Real Pipeline / L23001	313	Continuing	72	Low	1,130,162
El Monte Pipeline No 2 / S10008	314	Continuing	78	Medium	10,000,000
Lake Hodges Dam Replacement / S23002	323	Continuing	97	High	12,525,000
Large Diameter Water Transmission PPL / AKA00003	325	Continuing	Annual	Annual	35,025,227
Lower Otay Dam Outlet Improvements / S24003	326	Continuing	89	High	1,000,000
Metro Treatment Plants / ABO00001	328	Continuing	Annual	Annual	1,488,000
Morena Dam Upstream Face Replacement / S24001	334	Continuing	80	High	500,000
Morena Pipeline / S16027	335	Continuing	92	High	27,186,374
Otay 2nd Pipeline Phase 4 / S20001	340	Continuing	85	Medium	1,000,000
Otay 2nd PL Relocation-PA / L24001	342	Continuing	75	Low	2,000,000
Pressure Reduction Facility Upgrades / AKA00002	346	Continuing	Annual	Annual	8,855,000
Pure Water Program / ALA00001	351	Continuing	Annual	Annual	14,756,051
Rancho Bernardo Industrial Pump Stn Replacement / S21004	353	Continuing	81	High	4,500,000
Smart Metering Infrastructure / S17008	302	Continuing	59	Medium	8,692,223
Standpipe and Reservoir Rehabilitations / ABL00001	358	Continuing	Annual	Annual	18,854,629
University Ave Pipeline Replacement / S11021	361	Warranty	86	High	350,000
Water Main Replacements / AKB00003	364	Continuing	Annual	Annual	152,579,231
Water Pump Station Restoration / ABJ00001	365	Continuing	Annual	Annual	7,318,321
Water SCADA IT Upgrades / T22001	366	Continuing	N/A	N/A	8,400,000
Water Treatment Plants / ABI00001	367	Continuing	Annual	Annual	8,471,920
Total					\$ 384,632,138

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Developer Credits

Pursuant to the Municipal Code and City of San Diego Regional Transportation Congestion Improvement Program (RTCIP) Funding Program, the City may accept public facilities improvements as consideration in lieu of the FBA, DIF, or RTCIP. In these cases, a developer provides capital improvements as credit against current and future fees. The credit amount is based on the final cost of the capital improvements as verified by the City. A credit is only available based upon an executed reimbursement agreement which has been approved by City Council and pursuant to the RTCIP Credit Policy. Because the City does not always provide cash as reimbursement for capital improvements provided by the developer, DIF, FBA, and RTCIP credits are not included as a funding source in the department's CIP project pages. Therefore, to show the contribution of DIF & FBA credits to the Capital Improvement Program, a list of projects receiving developer credits are listed below in **Table 20**.

Table 20: Developer Credit Allocations to Capital Improvements

Project	PFFP1 Project No. Reference	Prior Fiscal Year	FY 2026	Future Fiscal Year	Funding Source Total
Black Mountain Ranch FBA					
Camino Del Sur - Bernardo Lakes Dr to Lone Quail Rd - 4 lanes	T-34.2	\$ 4,388,128	\$ -	\$ -	\$ 4,388,128
Camino Del Sur South Wildlife Crossing-San Dieguito Road to Carmel Valley Road	T-12	2,779,376	-	-	2,779,376
Camino Del Sur Widening-San Dieguito Rd to Paseo Del Sur	T-6	2,675,351	-	-	2,675,351
Camino Del Sur Widening-Carmel Valley Road south to SR-56	T-14	1,694,000	-	-	1,694,000
Camino Del Sur Widening-San Dieguito Road south to Carmel Valley Road	T-10	4,546,056	-	-	4,546,056
Camino San Bernardo-Paseo Del Sur East to City Limit	T-47.2	1,702,295	-	-	1,702,295
Carmel Valley Rd East Wildlife Crossing Widening	T-27	1,775,184	-	-	1,775,184
Carmel Valley Rd/Black Mountain Rd to Camino Crisalida - Widen to 4 Lanes	T-25.3	2,904,925	-	-	2,904,925
Black Mountain Ranch Community Park Phase 1	P-1	3,200,000	-	-	3,200,000
North Neighborhood Park (NP #2)	P-5	1,813,113	-	-	1,813,113
Paseo Del Sur-Camino Del Sur East to Babcock St - 4 Lanes	T-47.1	10,287,153	-	-	10,287,153
Paseo Del Sur-Potomac Ridge Rd to Camino Del Sur - 2 Lanes	T-47.3	621,553	-	-	621,553
Ranch Bernardo Rd Widening-I-15 TO Bernardo Center Dr - 2 Lanes	T-40	527,500	-	-	527,500

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 20: Developer Credit Allocations to Capital Improvements

Project	PFFP1 Project No. Reference	Prior Fiscal Year	FY 2026	Future Fiscal Year	Funding Source Total
Via de la Valle Widening-West El Camino Real to San Andres Dr	T-32.1	1,351,395	-	-	1,351,395
West Bernardo Dr at Bernardo Center Dr intersection Improvements	T-45	282,500	-	-	282,500
West Bernardo Dr Spot Improvements-I-15 South to Aquamiel Rd	T-43	185,000	-	-	185,000
Total Black Mountain Ranch FBA		\$ 40,733,529	\$ -	\$ -	\$ 40,733,529
Mission Valley DIF					
Central Park (14.28 Acres) - Land Acquisition, Design & Construction	P-6	\$ 40,209,252	\$ -	\$ 690,748	\$ 40,900,000
Creekside Park (1.30 Acres)	P-6	398,872	-	5,148,128	5,547,000
Franklin Ridge Pocket Park (0.20 Acre)	P-6	-	-	963,000	963,000
Phyllis Place Park (1.33 Acre)	P-6	-	-	2,200,000	2,200,000
Riverwalk	Various Parkland	9,617,095	-	-	9,617,095
Total Mission Valley DIF		\$ 50,225,219	\$ -	\$ 9,001,876	\$ 59,227,095
City of San Diego RTCIP Funding Program					
Friars Rd EB Ramp/Qualcomm Way	17 & 18	\$ 5,114,152	\$ -	\$ -	\$ 5,114,152
Friars Rd/I-15 SB Off-ramp	19	-	-	11,182,522	11,182,522
Friars Rd/SR-163 Interchange	15a	-	-	2,660,000	2,660,000
Friars Road - Pedestrian Bridge across Friars Road	16	-	-	3,500,000	3,500,000
Friars Road - Qualcomm Way to Mission Center Road	4 (Phase 1)	2,493,666	-	-	2,493,666
Friars Road - Qualcomm Way to Mission Center Road	4 (Phase 2)	863,415	-	-	863,415
Mission Center Road/I-8 Interchange	15b (Phase 2)	-	-	1,000,000	1,000,000
Mission Ctr Rd/ I-8 Interchange	15b (Phase 3)	-	-	13,034,250	13,034,250
Qualcomm Way / I-8 WB off ramp	21	-	-	626,175	626,175
Texas St/ El Cajon Blvd	20	-	-	416,350	416,350
Total City of San Diego RTCIP Funding Program		\$ 8,471,233	\$ -	\$ 32,419,297	\$ 40,890,530
Torrey Highlands FBA					
Camino Del Sur Widening - South (Merge 56)	T-3.1A	\$ 6,641,608	\$ -	\$ -	\$ 6,641,608
Camino Del Sur Widening - North (Merge 56)	T-3.1B	6,442,093	-	-	6,442,093

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 20: Developer Credit Allocations to Capital Improvements

Project	PFFP1 Project No. Reference	Prior Fiscal Year	FY 2026	Future Fiscal Year	Funding Source Total
Carmel Mountain Rd Widening (Merge 56)	T-5.2	3,127,760	-	-	3,127,760
TH 16" Water Mains (Merge 56)	U-3	942,947	-	-	942,947
Torrey Highlands Trail System (Merge 56)	P-6	89,935	-	-	89,935
Total Torrey Highlands FBA		\$ 17,244,343	\$ -	\$ -	\$ 17,244,343
Total		\$ 116,674,324	\$ -	\$ 41,421,173	\$ 158,095,497

Notes:

¹ The credit amounts above are exclusive to those projects which are being funded through FBA, DIF, and RTCIP credits and is not inclusive of the entire funding program.

² Except for the Prior Years totals, all other amounts shown are estimates based on the applicable reimbursement agreements and project status.

³ In the case of the Black Mountain Ranch FBA projects, the amounts shown only reflect the BMR FBA funding. Some projects may contain other funding sources.

⁴ A full description of each project is contained in the respective Black Mountain Ranch, Mission Valley, and Torrey Highlands Public Facilities Financing Plans and the Quarry Falls Transportation Phasing Plan.

⁵ Prior Fiscal Years amounts are subject to change as a result of actual project costs differing from estimated costs and delays in project completions.

⁶ The Funding Source Total amounts are subject to change as a result of revised cost estimates resulting from Public Facilities Financing Plan (PFFP) updates, and amendments to applicable reimbursement agreements.

⁷ No future credit allocations are anticipated for Black Mountain Ranch FBA projects. Remaining reimbursements will be in cash.

Planned Construction Contracts

In Fiscal Year 2012, City Council approved increases in the Mayor's CIP contract execution thresholds for City Council-approved projects provided the contract is under \$30.0 million, which has reduced project execution timelines. To improve and maintain transparency, and because they are no longer brought before City Council prior to award, individual contracts are provided here. The list of projects anticipated to move forward to bid and award construction contracts during Fiscal Year 2026 is shown in **Table 21**. The list of planned contracts is updated throughout the year as project schedules and cost estimates are amended. Additional up-to-date information on CIP contracts can be found online on the City's CIP Bid & Contracting Opportunities webpage at the following link:

<https://www.sandiego.gov/cip/bidopps>.

The list is organized by Asset Managing Department then alphabetically by project and includes the construction contract delivery method and estimated amount of the contract. Sublet projects are shown under their respective Annual Allocation.

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 21: Construction Contracts

Project	Pg No	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost
Economic Development				
Montgomery-Gibbs Executive Airport / AAA00001	116		\$ -	\$ -
Terminal Parking Lot East Rehabilitation / B22157		Job Order Contract	885,967	1,558,347
West Ramp Spider Hanger Rehabilitation / B23012		Job Order Contract	1,143,339	2,073,342
Unleaded Aviation Fuel Tank / B23013		Design Build	572,400	980,000
Brown Field / AAA00002	115		\$ -	\$ -
Brown Field Terminal Roof Replacement / B25063		Design Bid Build	700,000	1,000,000
Economic Development Total			\$ 3,301,706	\$ 5,611,689
Environmental Services				
Landfill Improvements / AFA00001	123		\$ -	\$ -
South Chollas Landfill Gas Collection System Improvements / B22031		Design-Bid-Build	2,000,000	3,000,000
West Miramar Central Basin Expansion / B23000		Design-Bid-Build	2,900,000	3,750,000
Environmental Services Total			\$ 4,900,000	\$ 6,750,000
General Services				
City Facilities Improvements / ABT00001	155		\$ -	\$ -
Northern Garage Dorm Repl / B24015		Job Order Contract or Minor Construction	50,000	362,000
Police HQ Security Fencing / B22080		Design Bid Build	1,588,000	2,514,350
Scripps Miramar Ranch Library Roof Repl / B22139		Design Bid Build	2,292,271	3,267,971
General Services Total			\$ 3,930,271	\$ 6,144,321
Parks & Recreation				
Hidden Trails Neighborhood Park / S00995	234	Design Bid Build	\$ 8,260,632	\$ 12,577,230
El Cuervo Adobe Improvements / S14006	229	Design Bid Build	\$ 292,315	\$ 956,000
Grove Neighborhood Park / S22002	232	Design Bid Build	\$ 6,439,452	\$ 10,050,000
MTRP Trail System Management / S23010	247	Minor Construction - P&C	\$ 90,000	\$ 200,000
Paradise Hills Community Park Trail / S24013	257	Minor Construction - P&C	\$ 700,000	\$ 750,000
Coastal Erosion and Access / AGF00006	223		\$ -	\$ -
Narragansett Avenue Access / B18026		Design Bid Build	806,135	1,984,181
Old Salt Pool Access Stairs / B22012		Design Bid Build	853,808	1,623,019
Mission Bay Improvements / AGF00004	244		\$ -	\$ -
Dusty Rhodes Comfort Station Improvement / B19180		Design Bid Build	1,200,000	2,765,334
Dusty Rhodes Playground / B19181		Design Bid Build	4,000,000	5,205,715
Robb Field Gateway Path / B19212		Design Bid Build	2,242,915	3,233,046

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 21: Construction Contracts

Project	Pg No	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost
Park Improvements / AGF00007	258		\$ -	\$ -
Chicano Park Improvements Phase III / B20060		Job Order Contract	1,202,065	2,024,321
Mt View Sports Courts ADA Improvements / B21114		Design Bid Build	458,026	1,233,329
Willie Henderson Lighting Upgrades / B23011		Design Bid Build	1,301,682	2,132,550
Resource-Based Open Space Parks / AGE00001	261		\$ -	\$ -
Ruffin Canyon Trail / B20104		Minor Construction - P&C	90,000	311,981
Rancho Bernardo CP Improvements / L20000	259		\$ -	\$ -
Rancho Bernardo CP Dog Park / L20000.2		Design Bid Build	3,165,000	5,710,340
Parks & Recreation Total			\$ 31,102,030	\$ 50,757,046
Public Utilities				
Alvarado Trunk Sewer Phase IV / S15019	305	Design Bid Build	\$ 54,300,000	\$ 72,349,085
Sewer Main Replacements / AJA00001	356		\$ -	\$ -
Buchanan Canyon Sewer B (UP) / B00429		Design Bid Build	17,474,375	23,272,025
Sewer & AC Water Group 1055 (S) / B18112		Design Bid Build	4,475,700	6,646,500
Accelerated Sewer Referral Group 847 / B18183		Design Bid Build	3,687,264	5,855,331
Mission Valley West Improv 1 (S) / B19206		Design Bid Build	1,463,637	1,814,057
Valencia Park Improv 3 (s) / B21075		Design Bid Build	3,540,000	4,606,700
Golden Hill Improv 2 (S) / B22091		Design Bid Build	2,728,505	4,228,305
Pressure Reduction Facility Upgrades / AKA00002	346		\$ -	\$ -
Pressure Reducing Stations Upgrades Phs1 / B16017		Design Bid Build	8,600,000	12,305,000
Large Diameter Water Transmission PPL / AKA00003	325		\$ -	\$ -
Otay 2nd Pipeline Phase 3 / B16158		Design Bid Build	28,600,000	42,266,000
Miramar Valve No2 Replacement / B23075		Job Order Contract	1,100,000	1,778,105
Water Main Replacements / AKB00003	364		\$ -	\$ -
Alvarado TS Water Main Relocations / B18104		Design Bid Build	9,403,562	11,341,867
Sewer & AC Water Group 1055 (W) / B18115		Design Bid Build	2,509,000	3,924,495
Pacific Beach Improv 1 (W) / B19142		Design Bid Build	6,060,100	8,710,558
Mission Valley West Improv 1 (W) / B19196		Design Bid Build	10,435,291	13,469,079
La Jolla Improv 3 (W) / B20023		Design Bid Build	5,000,000	7,210,067
Golden Hill Improv 2 (W) / B22093		Design Bid Build	7,356,600	11,847,000
AC Water & Sewer Group 1033 North (W) / B25014		Design Bid Build	15,500,000	19,685,000
Metro Treatment Plants / ABO00001	328		\$ -	\$ -
SBWRP Reverse Osmosis System / B20122		Design Bid Build	19,000,000	28,238,384
Dams & Reservoirs Security Improvements / S22013	311		\$ -	\$ -
Dams & Reservoirs Security Improvements / B21067		Design Bid Build	15,300,000	27,300,000
Standpipe and Reservoir Rehabilitations / ABL00001	358		\$ -	\$ -
San Carlos Reservoir Replacement / B21108		Design Bid Build	13,000,000	16,577,000

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 21: Construction Contracts

Project	Pg No	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost
SV Dam Low Level Outlet Improvements / B22002		Design Bid Build	3,000,000	5,366,555
El Capitan Dam Spillway Slope Stability / B24005		Design Bid Build	1,740,000	3,390,000
Pure Water Program / ALA00001	351		\$ -	\$ -
PW Genesee Avenue Median Improv / B22085		Design Bid Build	1,100,000	2,007,591
Water Treatment Plants / ABI00001	367		\$ -	\$ -
Miramar WTP Interim Solids Management / B23049		Design Bid Build	4,409,785	5,612,453
Pump Station Restorations / ABP00001	349		\$ -	\$ -
Pump Station 64 Valve Replacement / B26000		Design Bid Build	1,400,000	2,500,000
Alvarado Laboratory Improvements / L22000	304		\$ -	\$ -
Alvarado Laboratory Improvements Trailers / L22000.3		Job Order Contract	2,173,927	4,039,878
Public Utilities Total			\$ 243,357,746	\$ 346,341,035
Stormwater				
Stormwater Green Infrastructure / ACC00001	386		\$ -	\$ -
Green Infrastructure Group 1024 / B15102		Design Bid Build	1,653,146	4,043,254
Green Infrastructure Group 1027 / B15103		Design Bid Build	1,600,000	3,120,000
Green Infrastructure Group 1012 / B16111		Design Bid Build	1,958,596	4,768,035
Auburn Creek Trash Capture Devices / B23098		Design Bid Build	15,619,361	23,624,095
Flood Resilience Infrastructure / ACA00001	380		\$ -	\$ -
Jamacha Lomita Storm Drain / B16094		Design Bid Build	3,462,882	6,023,703
Storm Drain Group 763 / B17143		Design Bid Build	1,071,000	2,679,869
University Avenue Culvert Reconstruction / B18015		Design Bid Build	1,003,151	2,000,769
Stormwater Total			\$ 26,368,136	\$ 46,259,725
Transportation				
Palm Avenue Interstate 805 Interchange / S00869	445	Agency/ Developer Managed Built - City Paid	\$ 31,500,000	\$ 51,730,634
Install T/S Interconnect Systems / AIL00002	429		\$ -	\$ -
Pacific Beach TS Interconnect Upgrade / B15065		Job Order Contract	1,607,076	3,221,865
Street Light Circuit Upgrades / AIH00002	454		\$ -	\$ -
Pacific Beach 1 SL Series Circuit Conv / B16119		Job Order Contract	5,100,000	6,600,000
Traffic Signals - Citywide / AIL00004	458		\$ -	\$ -
31st St @ National Ave Traffic Signal / B17019		Design Bid Build	1,100,000	1,858,400
Mississippi St @ El Cajon Blvd T/Signal / B20140		Design Bid Build	1,050,000	1,860,000
Center City Traffic Signals-15th Street / B22111		Design Bid Build	1,875,000	2,710,000
47th St & Hartley St HAWK / B23145		Design Bid Build	528,480	992,500
Utilities Undergrounding Program / AID00001	463		\$ -	\$ -
Mission Bl(Loring-Turquoise) Rd Imp UU30 / B18140		Job Order Contract	809,552	1,149,552

Capital Improvements Program

Fiscal Year 2026 Draft Budget Summary

Table 21: Construction Contracts

Project	Pg No	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost
Cass (Grand-Pacific Bch Dr) Rd Imp UU143 / B18148		Job Order Contract	912,067	1,528,991
Median Installation / AIG00001	438		\$ -	\$ -
Camino Del Rio West & Moore St Median / B19049		Design Bid Build	1,872,242	2,615,627
Guard Rails / AIE00002	428		\$ -	\$ -
Torrey Pines Rd, Prospect-Coast Walk GR / B19056		Design Bid Build	769,700	1,555,660
Traffic Signals Modification / AIL00005	459		\$ -	\$ -
Traffic Signal Mods Grp 19-02 / B19071		Design Build	380,350	850,000
Traffic Signal Mods Grp 20-01 / B20075		Design Bid Build	1,125,000	2,027,820
Front & Washington TS Modification / B22101		Design Bid Build	931,889	1,530,689
Linda Vista & Comstock Intersection Upg / B23030		Design Bid Build	729,720	1,281,200
Rosecrans St & Byron St Shel Isl Signal / B24096		Design Bid Build	931,600	1,546,600
Street Resurfacing and Reconstruction / AID00005	455		\$ -	\$ -
Palm Ave I-5 to Georgia Street Repairs / B22150		Design Bid Build	2,680,000	4,000,000
Mission Blvd South Loring Overlay / B24135		Job Order Contract	654,293	1,145,000
Roswell Street Overlay / B24137		Job Order Contract	400,000	710,000
AC Overlay Group 2511 / B25049		Job Order Contract	3,914,850	4,641,000
AC Overlay Group 2511A / B25067		Design Bid Build	890,000	1,240,000
AC Overlay Group 2511B / B25068		Design Bid Build	700,000	1,050,000
AC Overlay Group 2511C / B25069		Design Bid Build	700,000	1,050,000
Sidewalk Repair and Reconstruction / AIK00003	449		\$ -	\$ -
Sidewalk Replacement Group 2330 - LV & N / B23091		Design Bid Build	1,700,000	3,165,464
Traffic Calming / AIL00001	457		\$ -	\$ -
Osler Street Traffic Calming / B23147		Design Bid Build	346,600	633,950
Otay Mesa Rd Pedestrian Improvements / B23148		Design Bid Build	321,750	661,600
Transportation Total			\$ 63,530,169	\$ 101,356,552
Total			\$ 376,490,058	\$ 563,220,368

Conclusion

The Fiscal Year 2025 Draft CIP Budget provides a \$845.9 million increase to the City's multi-year CIP. This budget publishes 290 projects spanning a variety of departments and project types, including 14 new projects (8 of which received new funding) and adds funding to 61 continuing projects and 1 warranty projects. The Fiscal Year 2026 Draft CIP Budget also includes a list of funding sources, a list of anticipated construction contracts, and a list of projects that received or will receive developer credits.