



PUBLIC WORKS DEPARTMENT

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SUSTAINABILITY COMMISSION

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FY2025 – 2026 CIP Status and FY2026 – 2027 CIP Proposal

The Fiscal Year (FY) 2025-2026 Capital Improvement Program (CIP) includes 17 active projects and 7 queued projects. Three projects were successfully completed this fiscal year.

The Fiscal Year 2026–2027 (FY 26–27) CIP advances previously approved, strategically-aligned projects and prioritizes safety through the repair and revitalization of existing infrastructure to preserve City facilities. The proposal also considers the current staffing levels and ensures that future projects are planned in a way that aligns with available resources for effective execution. The proposal comprises four new projects and additional funding for two existing projects.

The FY26-27 CIP Book will provide a summary of the new and existing projects, broken into five categories of projects, for ease of discussion. Allocation of each project into a category does not have financial implications and many projects could be placed into more than one category. However, the classification is useful for reviewing the distribution of funds receiving capital improvements. Wherever possible, color coding is used to illustrate the project category, as indicated in the list below.

CATEGORY LEGEND:

1	Facilities: Yellow
2	Parks: Green
3	Streets and Infrastructure: Orange
4	Transportation/ Bike and Pedestrian: Blue
5	Sustainability: Maroon

Within each category’s section, you will find

- A. Summary of the FY25-26 and FY26-27 projects,
- B. Status and Prioritization of New and Existing Projects,
- C. Unfunded projects and their Prioritization, and
- D. Five-year plan for each Category.

This report for the Sustainability Commission includes only the Sustainability category projects.

CIP Project prioritization is used to guide funding decisions and resource scheduling. Staff evaluates and ranks new project proposals using the criteria and process outlined in the CIP projects Prioritization Process. A matrix of all current, proposed and unfunded CIP projects is developed using the criteria and factors listed. After the matrix is developed and adjusted, it is further evaluated within the context of current budget and staffing resources. This matrix is presented to Council and the Community as a communication tool to facilitate the broader conversation of which projects are appropriate and required for the next fiscal year's CIP. Extracts from the Prioritization Matrix are included in each section as noted above.

City of Cupertino
CIP: SUSTAINABILITY

5. Sustainability

A. Summary of the existing FY25-26 and new FY26-27 Sustainability Projects: There are two currently funded and active Sustainability projects.

TABLE 1 – FY26-27 SUSTAINABILITY PROJECTS (EXISTING & NEW)

#	Project name	Project Description	Year Initiated	City Funding	Grant Funding	Developer Funds	Project Budget	Remaining Funds*
SU1	EVCS expansion - Service Center	The construction of electric vehicle charging station (EVCS) infrastructure for the electrification of the City's fleet California Air Resources Board (CARB) regulations. Working with SVCE for technical assistance. <i>Estimated Completion: 2026</i>	FY24-25	560,000			785,230	775,585
			<i>SVCE grant funding</i> FY25-26			225,230		
SU2	Photovoltaics Systems Design & Installation	This project will design-build PV systems at three locations: Quinlan Community Center, Cupertino Sports Center, and Community Hall.	FY24-25	6,300,000			6,300,000	5,513,958
2	subtotal			6,860,000	225,230	0	7,085,230	6,289,543

**Table Note: The funds indicated in the "Remaining Funds" column are a calculation based on the transactions to date as of February 2026, not including contract encumbrances not yet expensed. Also, it does not fully account for the amount of grant funds that are expensed/received to date. If the project were to be defunded, for example, a more thorough accounting of the funds remaining on the project would be required.*

B. Status and Prioritization of New and Existing Sustainability Projects

SU1. EVCS expansion - Service Center project is under construction.

Prioritization: The EVCS expansion at Service Center project is necessary for the ongoing electrification of the City's fleet. This project is currently funded and supported through SVCE.

SU2. Photovoltaics Systems Design & Installation project is under construction.

Prioritization: The project is under construction and will reduce the City's utility costs once initiated.

C. Unfunded Sustainability Projects and their Prioritization

The CIP Prioritization matrix includes a number of Sustainability projects that were considered in past years. In that time, these projects have been proposed and remain unfunded. The list that follows notes the years proposed, projected cost in FY26-27 dollars, and the total points indication in the FY26-27 Prioritization Matrix.

TABLE 2 - UNFUNDED SUSTAINABILITY PROJECTS

Project	FY proposed	Project Description	Projected Cost	Prioritization Total (0 to 500)
Buildings Electrification Analysis	FY25-26	Analysis of larger gas-consuming City facilities to provide preliminary conceptual plans and outline specifications in service of more accurate replacement costs and projected energy cost savings. This will require contracting an engineering consultant team.	~\$30,000 per facility	275
Quinlan Community Center Electrification	FY25-26	Quinlan Community Center has the highest gas consumption (33.54% of the City’s overall gas usage) and requires an engineered solution due to roof and building space constraints, complex building envelope, and energy efficiency considerations.	~\$8M	265
Library Electrification & Resiliency upgrades	FY25-26	As the second-highest gas user (22.59% of the City’s overall gas usage), the Library’s electrification must be preceded by measures to reduce reliance on reheat energy. The project will optimize the HVAC system before replacing the HVAC and hot water boiler with an electric alternative. Electrification may be best pursued alongside a Resiliency Upgrade to the building, to facilitate use as the Community’s Cooling and Heating Center. This will probably include a photovoltaic system and battery back-up system. CIP is currently working with SCCLD to develop a mutually beneficial scope of work.	~\$8M	260

Electrification of other City Facilities	FY25-26	Senior Center, Sports Center, BBF Recreation Buildings (medium priorities), Monta Vista Recreation Center, Service Center, McClellan Ranch Preserve, and other Park Facilities (lower priorities) can be upgraded to electric appliances to provide long-term sustainability benefits and reduce operational costs.	TBD	260
Blackberry Farm Pools Water Heating Upgrades	FY25-26	With high gas usage (approximately 14.27% of the City's overall gas usage), the Blackberry Farm pool project presents an opportunity to integrate solar thermal storage. The plan involves replacing showers with primary solar thermal and storage and backup small air-source heat pump water heaters. The pool heaters could be replaced with air-source heat pump technology in conjunction with solar and storage.	TBD	245
Replace Non-Functional Turf & Improve water efficiency	FY25-26	Government properties must stop watering non-functional turf by January 1, 2027, to comply with state mandate AB 1572. It is recommended to start replacement no later than early 2027 to avoid aesthetic concerns regarding landscaping.	TBD	145

Building Electrification Analysis

In FY25-26, the Sustainability team worked with BayREN to analyze five City facilities as a free service. A report of this analysis has been delivered and is under review. Similar analysis of other facilities could also be carried out at cost.

D. Sustainability CIP - 5-year Plan

In the next five years, the broad sustainability goals for City facilities focus on:

- 1) Reducing overall energy use through efficiency improvements to equipment controls and building envelopes.
- 2) Moving away from using natural gas to power heating and cooling equipment and look for opportunities to electrify equipment wherever possible, especially where PV systems exist.
- 3) Improve the HVAC and power capabilities of the Library and Quinlan Community Center to serve as Resiliency Centers, enabling reliable shelter in the event of extreme heat, cold, or poor air quality.

- 4) Meet the water conservation requirements of AB 1572 for non-functional turf.

Projects required to achieve these goals can be categorized into (a) large facility-wide projects or (b) smaller equipment-specific projects, and would be further subdivided into either CIP projects that require engineering support, or those Special Projects/Maintenance efforts implemented by the Facilities division of Public Works. The larger facility-wide projects have been captured above in the “Unfunded Sustainability Projects” table, but smaller equipment-specific projects may occur when replacement becomes a necessity or as funding opportunities arise.

Working in partnership with BayREN, the Sustainability group identified several rebate opportunities that may fund water heater or other smaller equipment replacements. BayREN also identified equipment run-time trimming recommendations that may have short-term energy and cost savings. Additionally, the City is part of a regional coalition of several jurisdictions seeking to work together to pursue grant funding for Resiliency Center upgrades across the county.

Given the various approaches described above and uncertain funding, Sustainability staff will continue to work with CIP and Facilities staff to coordinate on potential projects, pursue funding, and evaluate opportunities to move projects forward that are of mutual benefit.

CIP: SUMMARY

Summary

TABLE 4: PROPOSED FY26-27 CIP PROJECTS

Project name	Project Description	FY 26-27 Funding	INTERNAL Funding	EXTERNAL Funding
Citywide Facilities Condition Assessment (FCA) Implementation	Implement “Priority 1” recommendations identified in the FCA reports. Ongoing initiative due to the extent of improvements needed throughout City buildings.	\$1,250,000	\$1,250,000	\$0
City Hall Annex	10455 Torre Avenue facility renovation to include the City’s Emergency Operations Center (EOC), and workplace for use as interim City Hall.	\$5,000,000	\$5,000,000	\$0
BBF Golf Course Pro Shop Renovation	Interior renovation to improve functionality and code compliance.	\$120,000	\$120,000	\$0
Sports Center Courts Resurfacing	Resurfacing the courts to provide safe and consistent surfaces.	\$210,000	\$210,000	\$0
SCB/SR 85 NB ramp Intersection improvements	Improve traffic conditions for all users at this intersection. Developer In-Lieu fees funded.	\$600,000	\$0	\$600,000
Blesch Residence Improvements	Demolition of the existing residential building, replace with minimal grading, natural habitat and modest pathway[s].	TBD	TBD	TBD
subtotal		\$7,180,000	\$6,580,000	\$600,000

In spite of limited resources in the past year, the CIP Division has successfully completed three projects and three additional projects as part of the Facilities Condition Assessment Implementation (FCA) project. Projects completed in FY 25-26, or which are scheduled for completion this year include:

- All-Inclusive Play Area & Adult-Assistive Bathroom Facility at Jollyman Park
- City Lighting LED improvements
- Bridge Preventative Maintenance Program (BPMP)
- FCA: Senior Center Fire Alarm System Upgrade
- FCA: Quinlan Community Center Chiller replacement*
- FCA: Quinlan Community Center and Sports Center flat roofs replacements*

Staff anticipates that these projects will underspend their respective budgets by approximately \$1,000,000. These underspent funds will be returned to the Capital Reserve (or other appropriate accounts based on the original source of any restricted funds). Public Works and

Finance staff work together as part of the year-end process to close out completed projects, presenting this information as part of the first quarter report for the following fiscal year.

Five-Year CIP Plan

Building upon the five-year plans of previous years, as well as input from stakeholders, the updated five-year CIP plan is included below. More detail and context will be provided in the forthcoming “Fiscal Year 2026–2027 Capital Improvement Programs and Five-Year Plan proposal, and Fiscal Year 2025-2026 Annual Report.”

TABLE 5: PROPOSED FY 26-27 CIP FIVE-YEAR PLAN PROJECTS

Project	FY 26-27 Funding	Year 2 FY 27-28 Projected Cost	Year 3 FY 28-29 Projected Cost	Year 4 FY 29-30 Projected Cost	Year 5 FY 30-31 Projected Cost
City Hall Annex	\$5,000,000				
BBF Golf Course Pro Shop Renovation	\$120,000				
Sports Center Courts Resurfacing	\$210,000				
SCB/SR 85 NB ramp Intersection improvements	\$600,000				
Citywide FCA Implementation (Annually funded)	\$1,250,000	\$1,300,000			
ADA Improvements (Annually funded)		\$100,000	\$110,000	\$120,000	\$125,000
Outfalls Repairs (Annually funded)		\$600,000	\$300,000	\$600,000	\$600,000
BBF Golf Renovation: minimal repairs			\$1,580,150		
Park Shade Structures (5)				\$1,000,000	\$500,000
totals	\$7,180,000	\$2,000,000	\$1,990,150	\$1,720,000	\$1,225,000

Table Notes:

1. Current annual CIP funding is budgeted at \$2M/year. Proposed annual CIP funding that exceeds \$2M/year will require additional funds beyond the \$2M annual funding being allocated to the program. Where possible, staff will search for external funding to address funding requests of more than \$2M.
2. Project estimates may be refined prior to future requests for funding. Estimates of Escalation are included.

In December 2025, City Council approved the scope and increased funding for the City Hall Improvements project. In the December 16, 2025 staff report, the projected expenditures and encumbrances (e.g. contracts) for the renovation project were distributed over the next five fiscal years:

TABLE 6: CITY HALL IMPROVEMENTS PROJECTED SPENDING (12/16/25)

	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	totals
Projected Expenditures	\$793,824	\$1,329,109	\$7,704,743	\$22,501,089	\$22,042,269	\$54,371,034
Projected Encumbrances	\$1,555,777	\$3,824,198	\$43,973,600	\$5,017,464	\$ 0	\$54,371,034

Using those figures and considering the project’s currently approved funding of \$3 million, the five-year plan for that project aligns as indicated in the table below.

TABLE 7: CITY HALL IMPROVEMENTS FIVE-YEAR PLAN

Project/ Current Funding	FY 26-27 Funding	Year 2 FY 27-28 Projected Cost	Year 3 FY 28-29 Projected Cost	Year 4 FY 29-30 Projected Cost	Year 5 FY 30-31 Projected Cost
City Hall \$3,000,000*	\$0	\$46,353,570	\$5,017,464	\$0	\$0

**The funding available for the City Hall project before FY25-26 was \$500,000 and an additional \$2,500,000 was approved in December 2025 for a total of \$3,000,000. Years 2-5 have yet to be approved.*

Going forward, funding for the City Hall project is expected to be drawn primarily from the Future Use Fund, as discussed in December 2025. For clarity, the project is shown here as a separate line item; however, Years 2–5 are anticipated to have significant impacts on the CIP, both financially and in terms of staffing resources.

In summary, the FY 26-27 CIP proposal reflects two major projects previously approved by City Council, along with long-deferred improvements to existing City facilities. The proposed five-year plan prioritizes rehabilitation of aging infrastructure, investments that extend asset life cycles, and capital improvements that support public health, safety, and overall community well-being.

City of Cupertino
CIP: COMPLETED PROJECTS

A. Completed Projects

A. Completed CIP Projects: Three projects were completed in FY25-26.

TABLE 3 – COMPLETED CIP PROJECTS

#	Project name	Project Description	Year Initiated	City Funding	Grant Funding	Developer Funds	Project Budget	Remaining Funds*
P01	All Inclusive Play Area & Adult-Assistive Bathroom Facility (Jollyman Park)	At Jollyman Park, Design and Construct an all-inclusive playground. <i>(Externally Funded, in part)</i>	FY18-19	1,230,000			4,891,999	381,035
		<i>SCC AIPG grant</i>	FY18-19		1,448,201			
		<i>CA P&R grant</i>	FY21-22		1,000,000			
		<i>PG&E donation</i>	FY21-22			25,000		
		<i>CAP Allocation</i>	FY22-23	652				
		<i>City: Adult-assistive bathroom added</i>	FY22-23	850,000				
		<i>Art In-lieu fees</i>	FY23-24			338,146		
ST02	City Bridge Maintenance Repairs Project (Bridge Preventive Maintenance Program, or BPMP)	Repair of five City bridges as recommended in the Caltrans Bridge Report along with additional improvements to prolong the useful life of the bridges.	FY15-16	165,000			2,186,173	213,559
		<i>City Funding</i>	FY16-17	535,000				
		<i>FHWA</i>	FY16-17		571,151			
		<i>CAP Allocation</i>	FY22-23	10,068				
		<i>FHWA</i>	FY22-23		716,296			
		<i>FHWA</i>	FY23-24		95,227			
		<i>FHWA</i>	FY24-25		510,521			
		<i>City Funding</i>	FY24-25	300,000				
		<i>City Funding</i>	FY24-25	1,176,105				
ST03	City Lighting LED improvements	Transition of City's streetlight infrastructure to LED fixtures to reduce light pollution and energy cost. <i>(Partially grant funded)</i>	FY21-22	50,000			1,350,000	403,087
		<i>City Funding</i>	FY22-23	1,300,000				
		<i>EECBG grant</i>	FY23-24		125,790			
3		subtotal		5,616,825	4,467,186	363,146	8,428,172	997,682