



Watsonville
CALIFORNIA

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, June 23, 2026
TO: CITY COUNCIL
WRITTEN BY: ASSISTANT PUBLIC WORKS & UTILITIES DIRECTOR FONTES
RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR GREEN
APPROVED BY: TAMARA VIDES, CITY MANAGER
SUBJECT: APPROVAL OF PROJECT LISTS FOR TRANSPORTATION PROJECTS
FUNDED BY MEASURE D AND SB 1 FOR FY26/27

RECOMMENDATION:

Staff recommends that the City Council adopt resolutions approving project lists for transportation projects to be funded by:

1. Measure D in FY26/27 through FY30/31
 2. Senate Bill 1 (SB1) in FY26/27
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BACKGROUND:

The City's proposed Capital Improvement Program (CIP) for FY26/27 includes transportation projects funded from various sources. Two sources are the Measure D and SB 1 programs. Each requires that the city develop and approve an annual project list and expenditure plan. The projects included in these plans are part of the larger CIP which Council will be approving during the current budget process.

DISCUSSION:

MEASURE D

In 2016, Santa Cruz County voters approved Measure D, a one-half-cent sales tax that funds transportation projects for 30 years. The Measure allocates a portion of the funding to individual agencies, with the city's projected share for FY26/27 totaling \$1,251,000. The City will spend these funds, along with funds that have carried over from previous years. Requirements for the funding include the development of a five-

year expenditure plan, which is presented at a public hearing and approved by the City Council. The Plan is entitled “Measure D: 5-Year Program of Projects (FY26/27-30/31)” and is included with the resolution.

The Plan and Council Resolution of approval are to be submitted to the Santa Cruz County Regional Transportation Commission by December 30th of each year. Attached to this staff report is a map showing the projects receiving Measure D and SB 1 funding in FY26/27.

In FY26/27, the Plan proposes allocating Measure D to partially or completely fund the following projects:

- Improve bicycle and pedestrian safety through annual funding for activities and improvements that involve citywide bicycle facilities, maintenance and improvement of trails, and supporting pedestrian & traffic safety
- Citywide road restriping projects
- Provide Pavement Program Management services for Pavement Repair Projects
- Construct Pavement Repair Projects
- Prepare Active Transportation Plan
- Demonstration project to purchase speed cameras and messaging trailers and implement a speed warning system

FY26/27 projects to receive Measure D funding that was allocated previously and carried over to this year include:

- Freedom Blvd reconstruction and sidewalk infill between Green Valley Rd & Airport Blvd
- Lee Rd Trail Phase 1 construction
- Pennsylvania Dr reconstruction design from Clifford St to Winding Way
- Pennsylvania Dr Trail Repair design and construction from Clifford St to Winding Way
- Safe Routes to Downtown Watsonville project design and permitting that includes pedestrian and bicycle safety improvements within the downtown area and around eight schools
- Safer Access to Pajaro Valley High School & Beyond project (Highway 1/Harkins Slough Rd pedestrian bridge) construction

In future years, the Plan continues to provide funding for bicycle, pedestrian, and traffic safety; trail maintenance; road maintenance and repair; and striping.

SB 1

In 2017, Governor Brown signed SB 1, providing additional funding for road maintenance, rehabilitation, and safety projects. The funding is apportioned by formula to cities and counties. Watsonville’s projected annual share for FY26/27 is \$1,453,684. The City will use these funds and others that have rolled over from previous years for projects to be constructed in this and future fiscal years.

To be eligible for SB 1 funding in FY26/27, the City must provide the California Transportation Commission (CTC) with a list of projects that have been approved by the City Council. The list is due to the CTC by July

1, 2026. The list is included with the resolution. Attached to the staff report is a map showing the location of the proposed SB 1 and Measure D funded projects.

In FY26/27, the city will allocate SB 1 funding for:

- 2026 Pavement Repair
- Clifford Ave Reconstruction and Safety Improvements from Main St to Pennsylvania Dr

FY26/27 projects to receive SB1 funding that was allocated previously and carried over to this year include:

- 2025 Road Maintenance
- Pennsylvania Dr Reconstruction design
- Pennsylvania Drive Trail Repair design and construction
- Sidewalk Repair
- Road Restriping

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

This action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that adopting a Resolution supporting a funding plan does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment. The individual projects in the FY 26-27 Measure D and SB 1 project lists will be analyzed separately under CEQA when they are undertaken.

STRATEGIC PLAN:

The proposed expenditure plans are consistent with the following Strategic Plan Goals:

Infrastructure & Environment
Public Safety

FINANCIAL IMPACT:

Measure D and SB 1 will provide funding for transportation projects and help the city qualify for additional grant funds by serving as a local match.

ALTERNATIVE ACTION:

No reasonable alternatives are known currently.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

1. Watsonville Measure D & SB 1 FY26/27 Projects Map

RESOLUTION NO. 133-26 (CM)**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
WATSONVILLE APPROVING THE CITY OF WATSONVILLE – SB1
PROJECT LIST FY 26/27 TO BE FUNDED BY SENATE BILL 1 FUNDS**

WHEREAS, Senate Bill 1 (SB1) also known as the Road Repair and Accountability Act of 2017, was signed into law on April 28, 2017; and

WHEREAS, SB1 provides funding for road maintenance, rehabilitation, and safety projects which are split between the state, cities and counties; and

WHEREAS, eligibility for SB1 funding includes City Council approval of list of possible transportation projects provided to the California Transportation Commission (CTC) before July 1, 2026; and

WHEREAS, the State estimates annual funding available to the City of Watsonville through SB1 to be approximately \$1,453,684 for FY26/27.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:**

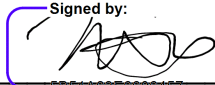
1. This action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5), in that adopting a Resolution supporting a funding plan does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment. The individual

projects in the FY 26-27 project list will be analyzed separately under CEQA when they are undertaken.

2. That the City Council hereby approves the 2026 City of Watsonville – SB1 Project List FY26/27 for the City of Watsonville, which is attached hereto and incorporated herein as Exhibit “A.”

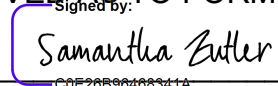
The foregoing resolution was introduced at a regular meeting of the Council of the City of Watsonville, held on the 23rd day of June, **2026**, by Mayor Pro Tempore **Clark**, who moved its adoption, which motion being duly seconded by Member **Orozco**, was upon roll call carried and the resolution adopted by the following vote:

AYES:	COUNCIL MEMBERS:	Clark, Dutra, Montesino, Orozco, Parker, Quiroz-Carter, Salcido
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

ATTEST:  Signed by: _____ Irwin Ortiz City Clerk	Signed by: _____  Signed by: _____ Kristal Salcido, Mayor
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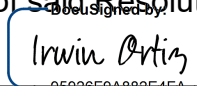
6/23/2026 | 6:56 PM PDT
Date _____

APPROVED AS TO FORM:

 Signed by: _____

Samantha Butler
City Attorney

I, Irwin I. Ortiz, City Clerk of the City of Watsonville, do hereby certify that the foregoing Resolution No. 133-26 (CM) was duly and regularly passed and adopted by the Watsonville City Council at a meeting thereof held on the 23rd day of June, 2026, and that the foregoing is a full, true and correct copy of said Resolution.

 Signed by: _____

Irwin I. Ortiz, City Clerk

Date 6/23/2026 | 6:56 PM PDT

City of Watsonville - SB1 Project List FY26/27

New Projects for FY 26/27

Name (City Project Number)	Description	SB1 Share of Project Cost	Status	Complete	Useful Life
2026 Pavement Repair	Pavement maintenance and restriping at Freedom Blvd from Green Valley Rd to Airport Blvd and at other locations within the city	1,200,000	New	FY26/27	10 Yr
Clifford Ave from Main St to Pennsylvania Dr	Rehabilitate roadway surface, replace non compliant curb ramps, install Class II bike lanes, upgrade traffic signage to meet reflectivity standards, and apply new striping and pavement markings	750,000	New	FY26/27	10 Yr

Existing Projects that are either In Progress or Carried Over from previous years

Name (City Project Number)	Description	Remaining SB1 Funds	Status	Complete	Useful Life
Pennsylvania Drive Reconstruction (14817)	Design of roadway repair between Winding Way and Clifford St	68,134	In Progress	FY26/27	10 Yr
Pennsylvania Drive Trail Repair (14870)	Design of trail repair between Winding Way and Clifford St	71,217	In Progress	FY26/27	10 Yr
Sidewalk Repair (14873)	Repair and/or replace existing sidewalks on Riverside Dr and other locations within the city	65,322	Carry Over	FY26/27	20 Yr
Road Restriping (15081)	Restripe existing roadway on West Beach St and other locations within the city	78,072	In Progress	FY26/27	1-5 Yr
2025 Road Maintenance (15187)	Pavement maintenance and restriping at Ford St from Rodriguez St to Walker St, Freedom Blvd from Alta Vista St to Broadis St, Green Valley Rd from Main St to Pennsylvania Dr, Harkins Slough Rd from Green Valley Rd to Struve Slough Bridge, Kilburn St from Ford St to West 5th St, Loma Prieta Ave from Airport Blvd to Green Valley Rd	1,076,827	In Progress	FY26/27	1-5 Yr