

City of Hesperia

STAFF REPORT



DATE: August 5, 2025

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Kevin Sin, Deputy City Engineer
Tina Souza, Senior Project Manager
Deanna Lestina, Project Manager

SUBJECT: Amend Measure I Fiscal Year 2024/25 – 2028/29 Five-Year Capital Improvement Plan

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. 2025-30, amending the Measure I Five-Year Capital Improvement Plan for Fiscal Years 2024/25 – 2028/29 to include a Traffic Signal at Seventh Avenue and Sequoia Street (CO 7173) and Escondido Avenue and Sultana Street (CO 7174).

BACKGROUND

In November 2004, voters in San Bernardino County approved Ordinance 04-01, a second 30-year term to impose a one half of one percent retail transaction and sales tax to fund transportation related improvements and traffic management programs. Originally established in 1989 as Measure I, currently referred to as Measure I 2010-2040, revenue collected is to be used as follows:

- 70% Local Street Program (2% of the revenue is to be reserved for Project Development and Traffic Management Systems)
- 25% Major Local Highway Program (used to leverage against State/Federal funds)
- 5% Senior and Disabled Transit Program

As a recipient of Measure I tax revenue from the San Bernardino County Transportation Authority (SBCTA) Local Street Program, the City is required to adopt a Measure I Five-Year Capital Improvement Program (MICIP) each year by formal action of the City Council. This program outlines the specific projects that will be funded with Measure I pass-through revenue.

Per SBCTA guidelines, only projects listed in the adopted MICIP are eligible for Measure I funding. Additionally, no more than 50% of the estimated revenue may be allocated toward general maintenance and overhead costs. The remaining 50% or more must be dedicated to specific street improvement projects, which must be clearly identified by project name, location, and scope.

To ensure compliance, SBCTA conducts an annual audit of the City's Measure I expenditures. The audit verifies that funds were used as planned in the approved MICIP.

ISSUES/ANALYSIS

On September 3, 2024, the City Council adopted Resolution No. 2024-42, the Fiscal Year 2024/25–2028/29 Measure I Five-Year Capital Improvement Program (MICIP) to the San Bernardino County Transportation Authority (SBCTA) Local Street Program, in accordance with the requirements of the Measure I Local Street Program. Since that time, the City is amending the MICIP to be constant with the City Capital Improvement Program, which includes the addition of two traffic improvement projects that used local Measure I funding and require inclusion in the Measure I program.

The following projects were not included in the original 2024/25-2028/29 MICIP:

- Traffic Signal at Seventh Avenue and Sequoia Street (CO 7173)
- Traffic Signal at Escondido Avenue and Sultana Street (CO 7174)

To ensure compliance with Measure I program requirements and SBCTA's policies and procedures, a revised Five-Year CIP is required by September 1, 2025. This update will ensure the City remains eligible to use Measure I funds for these projects, that all eligible work is properly reflected in the adopted plan, and the City is compliant during the forthcoming annual audit.

CITY GOAL SUPPORTED BY THIS ITEM

Financial Health – Maintain a balanced budget and adequate reserves.

Capital Improvement – Continually evaluate capital improvement priorities.

FISCAL IMPACT

There is no direct fiscal impact as a result of the subject item. This action simply adopts the Amended Measure I Five-Year Capital Improvement Plan FY 2024/25 – 2028/29 for the purpose of expending Measure I revenues.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2025-30
2. Attachment "A" Amended Measure I Five-Year CIP 2024/25 - 2028/29 Spreadsheet
3. Attachment "B" Amended Measure I Five-Year CIP 2024/25 - 2028/29 Expenditure Strategy