



City of Diamond Bar City Council Agenda

Steve Tye, Mayor
Ruth M. Low, Mayor Pro Tem
Andrew Chou, Council Member
Stan Liu, Council Member
Chia Yu Teng, Council Member

City Manager Dan Fox • City Attorney Omar Sandoval • City Clerk Kristina Santana

Meeting Date: Tuesday, April 14, 2026

Special Study Session at 2:00 p.m.

**Windmill Community Room, Diamond Bar City Hall, 21810 Copley Dr.
Diamond Bar, CA 91765**

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PUBLIC COMMENT

The public may provide public comment by attending the meeting in person, by sending an email, or by logging into the teleconference. Please send email public comments to the City Clerk at cityclerk@DiamondBarCA.gov by 12:00 p.m. on the day of the meeting and indicate in the

Subject Line "FOR PUBLIC COMMENT." Written comments will be distributed to the Council Members, noted for the record at the meeting and posted on the City's official agenda webpage as soon as reasonably practicable (found here: www.diamondbarca.gov/agendas).

LIVE MEETING NOTICE

This meeting is being video recorded and by participating you are giving your permission to be televised. This meeting will be re- broadcast every Saturday and Sunday at 9:00 a.m. and alternate Tuesdays at 8:00 p.m.

1. CALL TO ORDER: 2:00 p.m., Windmill Room**PLEDGE OF ALLEGIANCE:** Mayor Tye**ROLL CALL:** Council Members Chou, Liu, Teng, Mayor Pro Tem Low, Mayor Tye**APPROVAL OF AGENDA:** Mayor Tye**2. PUBLIC COMMENTS:**

The Public Comment portion of the City Council Study Session is limited to matters appearing on the Study Session agenda.

3. COUNCIL CONSIDERATION:

- 3.1 Community Budget Workshop #2 to Review the Proposed FY 2026/27 Capital Improvement Program (CIP), Traffic Mitigation Fund Project Priorities, and a Proposed Vehicle Lease Program.

Recommended Action:

That the City Council receive and discuss the following items as part of the second Community Budget Workshop for Fiscal Year 2026/27 and provide direction to staff as appropriate:

1. The Draft FY 2026/27 Capital Improvement Program (CIP);
2. The proposed use of Traffic Mitigation Funds to establish a prioritized list of street improvement projects; and
3. The implementation of a Vehicle Lease Program to modernize and optimize the City's fleet.

4. ADJOURNMENT:**CERTIFICATION**

I, Kristina Santana, MMC, City Clerk, City of Diamond Bar, hereby certify, under penalty of perjury under the laws of the State of California that the foregoing notice was posted pursuant to Government Code Section 54950 Et. Seq., not less than 72 hours prior to the meeting, at the following locations: Diamond Bar City Hall Kiosk, Diamond Bar City Hall Bulletin Board, City website: www.diamondbarca.gov, and Diamond Bar Library.

Kristina Santana, MMC
City Clerk
Date Posted: April 9, 2026



CITY COUNCIL STUDY SESSION REPORT

TO: Honorable Mayor and Members of the City Council

VIA: Daniel Fox, City Manager

FROM: Jason Jacobsen, Director, Finance

TITLE: Community Budget Workshop #2 to Review the Proposed FY 2026/27 Capital Improvement Program (CIP), Traffic Mitigation Fund Project Priorities, and a Proposed Vehicle Lease Program.

BACKGROUND:

As part of the City's annual budget development process, staff is conducting a series of Community Budget Workshops to provide transparency, gather feedback, and facilitate City Council direction on key financial and policy decisions. The first workshop focused on balancing the General Fund given the City's structural deficit through a combination of expenditure reductions and revenue adjustments. This second workshop shifts focus to long-term capital planning, infrastructure investment, and operational efficiency strategies.

ANALYSIS:

1. FY 2026/27 Draft Capital Improvement Program (CIP)

The Draft CIP presents an annual plan for the construction, rehabilitation, and replacement of the City's infrastructure and public assets. The CIP is a critical planning tool that aligns capital investments with community priorities and available funding sources.

The proposed CIP includes projects related to:

- Street rehabilitation and pavement management
- Traffic management and safety
- Facility improvements and deferred maintenance
- Stormwater, drainage and erosion prevention infrastructure

Staff will present an overview of the proposed projects, funding sources, and project timelines. City Council feedback will help refine project prioritization and funding allocations prior to final budget adoption.

2. Traffic Mitigation Fund – Street Improvement Project List

The City receives Traffic Mitigation Funds to address transportation system impacts associated with development. Staff is recommending the establishment of a prioritized list of street improvement projects to ensure these funds are deployed strategically and transparently.

This effort will:

- Align expenditures with nexus and eligibility requirements
- Prioritize projects that improve traffic flow and safety
- Provide a clear and defensible framework for future project selection

City Council direction is requested on the proposed use of these funds to establish a project list.

3. Proposed Vehicle Lease Program

Staff is proposing the implementation of a Vehicle Lease Program as a strategic approach to modernize the City's fleet operations.

Key objectives of the program include:

- **Increased Flexibility:** Allows the City to adjust fleet composition based on operational needs without large upfront capital costs
- **Operational Efficiency:** Reduces staff time and resources spent on vehicle maintenance and lifecycle management
- **Cost Predictability:** Converts large, irregular capital expenditures into more stable and predictable operating costs
- **Regulatory Compliance:** Supports compliance with the State of California regulation requiring local government fleets to reduce emissions by mandating at least 50% of new vehicle purchases be zero-emission vehicles beginning in 2027

The program is intended to improve service delivery, reduce long-term maintenance burdens, and position the City to meet evolving regulatory and environmental requirements.

Staff will present program structure, cost considerations, and an implementation option for City Council feedback.

ATTACHMENTS:

1. City Council CIP Budget Workshop Worksheet

City Council Budget Workshop #2 Worksheet

FY 2026/27 Capital Improvement Program

The proposed Fiscal Year 2026/27 Capital Improvement Program (CIP) outlines the City's plans for constructing, rehabilitating, or replacing public infrastructure and assets to the budget. This worksheet covers seven projects scheduled for discussion at the April 14 Budget Workshop, and provides summaries of the proposed use of the City's Traffic Mitigation Fund and the establishment of a new Vehicle Lease Program. A glossary of the funding sources referenced throughout the worksheet is included at the end. Council feedback will help staff refine project prioritization and funding allocations ahead of the Fiscal Year 2026/27 budget adoption.

Arterial Street Rehabilitation Temple Avenue

Item 1 of 7 - New



Estimated Cost

\$480K

Funding Sources

- Prop A \$70,000
- Prop C \$410,000

Description

Work consists of the complete rehabilitation of the Diamond Bar side of Temple Avenue between Diamond Bar Boulevard and the city limit (past Golden Springs Drive). Based on existing pavement conditions, the treatment is expected to include an AC edge grind or a full-width overlay, along with ADA curb ramp improvements.

Timeline



Notes for Discussion

Residential and Collector Street Rehabilitation Area 5 - Construction

Item 2 of 7 - New



Description

Work involves the application of slurry seal over the existing pavement and AC edge grind and overlay. This type of maintenance activity is performed annually throughout the city on residential streets to extend the life of the roadways.

Estimated Cost
\$3.68M

Funding Sources

- Measure M \$1,000,000
- Measure R \$1,000,000
- RMRA \$1,500,000
- Hauler Fees \$180,000

Timeline



CDBG Curb Ramp Project Area 7 - Construction

Item 3 of 7 - New



Description

Work involves upgrading existing curb ramps or installing new ones that meet the latest federal ADA compliance standards. Area 7 is located towards the north west of the city between Grand Avenue on the south, the city limit on the north and west, and Armitos Place on the north east (neighborhood north of Pantera Park).

Estimated Cost
\$186K

Funding Source

- CDBG \$185,894

Timeline



Notes for Discussion

Battery Backup and CCTV Replacement Program FY 26/27

Item 4 of 7 - New



Estimated Cost

\$66K

Funding Sources

- Prop C \$66,000

Timeline

February 2027

June 2027



Description

This project will replace existing aging equipment citywide that was originally installed from 2008 to 2011.

Full Capture Devices on Stormwater Catch Basin for Trash Amendment Compliance - Phase 1

**Item 5 of 7 - Ongoing
with New Request**



Estimated Cost

\$880K

Funding Source

- Measure W (approved) \$380,000
- **Measure W (new request) \$500,000**

Timeline

July 2026

October 2026



Description

Per the State Water Quality Control Board's Trash Amendment Compliance requirements, the City is required to install full-capture trash filters on the stormwater catch basins in certain areas citywide.

Notes for Discussion

Chino Hills Parkway Erosion Control - Construction

Item 6 of 7 - New



Description

Work involves installing permanent erosion control low-impact development Best Management Practices measures where needed along the Chino Hills Parkway median within city limits.

Estimated Cost
\$200K

Funding Source

- Measure W \$200,000

Timeline

April 2027

June 2027



Start



Completion

Sycamore Canyon Park Lower Bridge Replacement Options (All Phases)

Item 7 of 7 - Ongoing
with New Request



Description

The pedestrian bridge will be removed, and a new pathway will be built for access from the lower parking area to the trails system. Additional funds are requested to move the project from the design phase to the construction phase. The construction phase will use the savings from the design phase.

Estimated Cost
\$400K

Funding Source

- General Fund (approved) \$150,000 for design
- Park Development Funds (new request) \$250,000 for construction

Timeline

August 2025

June 2027



Start



Completion

Notes for Discussion

Traffic Mitigation Fund Street Improvement Project List



Description

The City receives Traffic Mitigation Funds to address transportation system impacts associated with development. Staff is recommending the establishment of a prioritized portfolio of traffic improvement projects to ensure these funds are deployed strategically transparently, and in compliance with their intended use, providing the most benefit to the community.

Objectives

- Responsible Spending Focus**
Align expenditures with nexus and eligibility requirements.
- High Priority Project Selection**
Prioritize projects that improve traffic flow and safety.
- Compliance with Legal Requirements**
Provide a clear and defensible framework for future project selection.

Takeaways

- This proposal uses a non-General Fund funding source with a specific and restricted use.
- The use of experts to provide specialized advice makes technical and financial sense, and is essential to maximize best use of restricted funds.

Request

Council direction is requested on the proposed use of these funds to establish a project list for Fiscal Year 2026/27.

Notes for Discussion

Proposed Vehicle Lease Program



Description

Staff is proposing the implementation of a Vehicle Lease Program as a strategic approach to modernize the City's fleet operations. This is intended to improve service delivery, reduce long-term maintenance burdens, and position the City to meet evolving regulatory and environmental requirements.

Objectives



Increased Flexibility

Allows the City to adjust fleet composition based on operational needs without large upfront capital costs.



Operational Efficiency

Reduces staff time and resources spent on vehicle maintenance and lifecycle management.



Cost Predictability

Converts large, irregular capital expenditures into more stable and predictable operating costs.



Regulatory Compliance

Supports compliance with state regulation requiring local government fleets to reduce emissions by mandating at least 50% of new vehicle purchases be zero-emission vehicles beginning in 2027.

Takeaways

- This proposed program uses a non-General Fund funding source with a specific and restricted use.
- If approved, the program will be funded using a non-General Fund funding source that has a specific and restricted use (AQMD's AB 2766 Motor Vehicle Subvention Program).

Request

Staff will present program structure, cost considerations, and an implementation option for City Council feedback.

Notes for Discussion

Capital Improvement Program - Funding Sources

CDBG - Annual federal fund administered by U.S. Department of Housing and Urban Development for allowable local expenditures as prescribed under the Community Development Block Grant program.

Hauler Fees - The Integrated Waste Management Fund was created during FY 1990/1991, to account for expenditures and revenues related to the activities involved with the City's efforts to comply with AB939. Revenues recorded in this fund are the adopted waste hauler fees and funds received from the State for recycling education and efforts.

Measure M - Approved by the voters on November 8, 2016, the Measure M half-cent sales tax increase will fund projects that will improve local streets, repair potholes and improve traffic flow/safety.

Measure R - The Measure R Local Return program funds are to be used for major street resurfacing, rehabilitation, and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit.

Measure W - Approved by the voters on November 6, 2018, Measure W provides for a 2.5 cents per square foot of "impermeable surface" assessment on the property tax bill to fund projects that improve water quality. This fund accounts for the local return of 40% that is remitted by the County to the City of the total assessments received from Diamond Bar property tax payers. The County retains the remaining amount which is used to fund water quality improvement projects at the regional level.

Park Development Fund - The purpose of this fund is to provide resources for the development and enhancement of the City's parks and facilities.

Prop A Transit Fund - The City receives Proposition A Transit Tax which is a voter approved sales tax override for public transportation purposes. This fund has been established to account for these revenues and approved project expenditures.

Prop C Transit Fund - The City receives Proposition C Tax which is additional allocations of State Gas Tax funds from Los Angeles County. These funds must be used for street-related purposes such as construction, rehabilitation, maintenance or traffic safety. The projects must be transit related improvements. In order to spend these funds, the City must submit the project to Metropolitan Transit Authority (MTA) for prior approval.

RMRA - Senate Bill 1, the Road Repair and Accountability Act of 2017 was signed into law in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide. SB1 prioritizes funding towards maintenance, rehabilitation and safety improvements on state highways, local streets and roads, and bridges, and to improve the State's trade corridors, transit and active transportation facilities.

Traffic Mitigation Fund - This fund is used to account for funds which have been received from development projects and designated by the City Council for traffic mitigation projects.