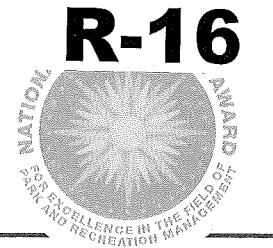




CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

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July 23, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents necessary to return \$122,043 in remaining grant funds and interest earnings of \$170,339, plus any other interest that may be due at the time of payment to the State of California, Department of Boating and Waterways, under Agreement No. 24446, for the renovations of the boat launching area located at the east end of Marine Stadium; and,

Execute all documents necessary to return \$10,684 in remaining grant funds and interest earnings of \$122,996, plus any other interest that may be due at the time of payment to the State of California, Department of Boating and Waterways, under Agreement No. 26289, for the improvements of the boat launching area located at the east end of Marine Stadium. (District 3)

DISCUSSION

On January 23, 1996, the City Council adopted a Resolution authorizing the City Manager to accept \$330,000 in capital outlay grant funds from the State of California, Department of Boating and Waterways (DBW), for the renovation of the boat launching area located at the east end of Marine Stadium. The project included the re-armoring and reconstruction of the shoreline, replacement of the boat launching ramp, sidewalk upgrades to meet standards set by the Americans with Disabilities Act, and general refurbishment of the site. This portion of the project was completed on December 31, 2010.

On December 15, 1998, the City Council adopted a Resolution authorizing the City Manager to accept grant funds totaling \$434,000 from DBW for improvements to the east end of the Marine Stadium boat launching area. This project included the repair of ramp undermining and replacement of the existing restroom. This portion of the project was completed on December 21, 2009.

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DBW completed the final inspection of the site in February 2013, and indicated that the remaining funds could potentially be applied to other capital projects in the portion of Marine Stadium deemed State-owned property. After reviewing and discussing potential uses of the remaining funds with DBW, it was determined that there were no appropriate projects and, therefore, the funds must be returned to DBW in accordance with Article III, Section B(1)h, of the Agreements listed above. These improvements were funded with State of California capital outlay grant funds, which by definition, limits the use of the grant funds to State-owned property. Pursuant to Section 3.48.040(c) of the Long Beach Municipal Code, the City Council must authorize the refund/return of funds over \$10,000.

This matter was reviewed by Deputy City Attorney Gary J. Anderson and Budget Management Officer Victoria Bell on July 9, 2013.

TIMING CONSIDERATIONS

City Council action is requested on July 23, 2013, in order to complete the refund process before the end of the fiscal year.

FISCAL IMPACT

The total grant funds and interest earnings to be returned is estimated at \$426,062. Under the terms of Agreement Nos. 24446 and 26289, the City of Long Beach was required to deposit the advance of grant funds in a special account designated as "Long Beach Marine Stadium/Capital Project." This funding has remained segregated in a deferred revenue account within the Marina Fund (TF 403) and will continue to accrue approximately \$107 of interest each month until the funds are returned. There is no fiscal impact to the City and no impact to jobs associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE

GC:MS:eh

APPROVED:


PATRICK H. WEST
CITY MANAGER