



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802

September 3, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and discuss proposed Fiscal Year 2014 budgets for the following departments: Harbor Department, Water Department, Police Department and Fire Department; and

Receive supporting documentation into the record, conclude the public hearing and take the actions necessary to adopt the Fiscal Year 2014 budget as listed in Attachment A of this letter. (Citywide)

DISCUSSION

On August 1, 2013, the City Manager's Proposed Budget for Fiscal Year 2014 (FY 14) was delivered by the Mayor to the City Council and community with recommended amendments for consideration. Budget meetings were set for February 12, March 5, March 12, April 23, August 6, August 13, August 27, September 3 and September 10, along with nine Budget Oversight Committee (BOC) meetings and nine community meetings at which the FY 14 Proposed Budget was discussed. We are pleased to report that through the scheduled hearings, BOC and community meetings, presentations have been made by multiple City departments resulting in 27 separate opportunities for public feedback, deliberation and input.

At the conclusion of the hearings, the City Council will amend the proposed budget as it deems appropriate, and adopt the proposed budget as amended. Since the publication of the FY 14 Proposed Budget, updated estimates of revenue and expense, which address technical corrections as well as decisions made by elected offices, are listed by fund and department in Attachments B and C to this letter, respectively.

The Appropriations Ordinance officially adopts the FY 14 budget and authorizes expenditures in conformance with the adopted budget. To become effective October 1, 2013, this Ordinance must include a finding of emergency. Specific resolutions provide for approval of the budgets for the Harbor, Sewer, and Water funds, which are not in the Appropriations Ordinance and certain fee adjustments. Requests for approval include the FY 14 Capital Improvement Program; the Mayor's Recommendations; and the Budget Oversight Committee's Recommendations for the FY 14 Proposed Budget.

This matter was reviewed by City Attorney Charles Parkin on August 20, 2013.

TIMING CONSIDERATIONS

In accordance with the Long Beach City Charter, the FY 14 budget must be adopted by September 15, 2013. Should the City Council fail to adopt the budget by that date, the City Manager's FY 14 Proposed Budget shall be deemed the budget for the 2014 fiscal year. The Mayor has five calendar days from City Council adoption of the budget to use his veto authority. The City Council would then have until September 30, 2013, to override veto action by the Mayor with a two-thirds supermajority vote.

FISCAL IMPACT

The City Charter requires that the Appropriations Ordinance shall govern and control the expenditure and commitment amounts stated therein relating to the City's departments, offices and agencies during each fiscal year. The total FY 14 budget for all departments and funds is \$3,917,614,042, which comprises \$3,126,505,680 in new appropriation and \$791,108,362 in estimated carry-over from FY 13 for multi-year grants and projects.

The Appropriations Ordinance, included as Attachment A-14 to this letter, totals \$2,569,089,304 for all funds except Harbor, Sewer, and Water, and \$2,571,229,855 for all departments except Harbor and Water. The \$2,140,551 difference between funds and departments in the Appropriations Ordinance is due to general City indirect costs budgeted in the Department of Financial Management but charged to the Harbor, Water and Sewer funds, which are not included in the Appropriations Ordinance by fund.

The proposed Harbor, Water and Sewer fund budgets are in separate City Council resolutions included as Attachment A-1 and A-4 to this letter, respectively, and total \$1,142,757,770. The Board of Harbor Commissioners adopted the budget for the Harbor Department by minute order on June 17, 2013. The Board of Water Commissioners adopted the budget for the Water Department by resolution on June 20, 2013.

User fees and charges in the attached Master Fee and Charges Schedule (A-5) have been increased by the City Cost Index (CCI), a calculation of the increase in the City's cost over the prior fiscal year, except for those fees that are set using other criteria. In addition to the CCI-based fee changes, some fees have been added or adjusted due to a change in service or other bases. For details regarding these proposed new fees and non-CCI fee adjustments, please see the List of Proposed Fee Adjustments for FY 14 that has been incorporated as Exhibit C to the Master Fee and Charges Resolution.

Other requested City Council actions include approval of the FY 14 One-Year Capital Improvement Program (CIP) budget, which is contained in the Appropriations Ordinance. The Planning Commission, at its meeting of August 15, 2013, approved the CIP for FY 14 for conformance with the General Plan.

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The City Council is also requested to adopt the Resolution establishing the "Gann Appropriations Limit" (Limit) for general purpose expenditures. In November 1979, the voters of the State of California approved Proposition 4, also known as the "Gann Initiative." The Initiative places certain limits on the amount of tax revenue that can be appropriated each fiscal year. The Limit is based on actual appropriations during FY 79 and guards against overspending proceeds of taxes. Only those revenues which are considered as "proceeds of taxes" are subject to the Limit. The Limit is recalculated each fiscal year based on certain inflation and population factors provided by the State. The Proposed Budget includes tax revenue estimates that are at 40.94 percent of the 2013-2014 Appropriations Limit and, therefore, does not exceed the Limit. This calculation is reviewed by the City Auditor for conformance to the law.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

List of Requested Fiscal Year 2014 Budget Adoption Actions

1. Adopt the Resolution approving the FY 14 budget for the Long Beach Harbor Department as adopted by the Board of Harbor Commissioners on June 17, 2013. (A-1)
2. Declare an emergency to exist. (A-2)
3. Declare the Ordinance approving the Resolution No. WD-1309 establishing the rates and charges for water and sewer service to all customers, as adopted by the Board of Water Commissioners on June 20, 2013, as an Emergency Ordinance, read, and adopted as read and laid over to the next regular meeting of the City Council for final reading. (A-3)
4. Adopt the Resolution approving the FY 14 budget of the Long Beach Water Department as adopted by the Board of Water Commissioners on June 20, 2013. (A-4)
5. Adopt the Resolution amending the master fee and charges schedule for specified City services for Citywide fees and charges for the City of Long Beach. (A-5)
6. Approve the FY 14 One-Year Capital Improvement Program. (A-6)
7. Adopt a motion approving the FY 14 budget for the Long Beach Housing Development Company in the amount of \$132,708. (A-7)
8. Adopt a motion approving the estimated transfer of \$18,373,000 from the Harbor Revenue Fund to the Tidelands Operating Fund. (A-8)
9. Adopt the Resolution establishing the "Gann Appropriations Limit" (Limit) for FY 14 pursuant to Article XIII (B) of the California Constitution. (A-9)
10. Adopt the Mayor's proposed budget recommendations, as amended, to the FY 14 Proposed Budget. (A-10)
11. Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the FY 14 Proposed Budget. (A-11)
12. Adopt a motion amending the proposed FY 14 budget. (A-12)
13. Declare an emergency to exist. (A-13)
14. Declare the Appropriations Ordinance for FY 14, creating and establishing the funds of the Municipal Government and appropriating money to and authorizing expenditures from said funds and for said fiscal year as an Emergency Ordinance, read, and adopted as read and laid over to the next regular meeting of the City Council for final reading. (A-14)

FISCAL YEAR 2014 APPROPRIATIONS ORDINANCE BY FUND
 (Does not include Harbor, Sewer, and Water)

<u>FUND</u>	<u>FY 14 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 13 ESTIMATED CARRYOVER*</u>	<u>FY 14 APPROPRIATION</u>
GENERAL FUND	437,992,069	3,695	-	437,995,764
GENERAL GRANTS FUND	6,741,136	-	20,047,376	26,788,513
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	3,194,892	-	-	3,194,892
HEALTH FUND	37,646,108	-	29,288,235	66,934,343
PARKING & BUSINESS AREA IMPROVEMENT FUND	6,683,060	4,000	-	6,687,060
SPECIAL ADVERTISING & PROMOTION FUND	5,660,712	-	-	5,660,712
UPLAND OIL FUND	37,100,863	-	-	37,100,863
HOUSING DEVELOPMENT FUND	1,656,186	-	46,496,689	48,152,875
BELMONT SHORE PARKING METER FUND	456,145	-	-	456,145
BUSINESS ASSISTANCE FUND	652,287	-	1,272,028	1,924,315
COMMUNITY DEVELOPMENT GRANTS FUND	20,914,909	(1)	18,207,841	39,122,750
PARK DEVELOPMENT FUND	-	-	-	-
GASOLINE TAX STREET IMPROVEMENT FUND	18,549,773	-	31,181,247	49,731,020
TRANSPORTATION FUND	20,935,887	-	18,351,504	39,287,391
CAPITAL PROJECTS FUND	5,865,456	(897,258)	106,425,380	111,393,578
DEBT SERVICE FUND	9,474,085	-	-	9,474,085
CIVIC CENTER FUND	11,314,628	-	938,143	12,252,771
GENERAL SERVICES FUND	39,816,839	341,374	4,350,132	44,508,345
FLEET SERVICES FUND	30,232,786	-	1,489,072	31,721,857
INSURANCE FUND	40,355,842	-	139,683	40,495,524
EMPLOYEE BENEFITS FUND	223,381,494	-	-	223,381,494
TIDELANDS FUNDS	133,492,142	(4,170)	97,312,769	230,800,741
TIDELAND OIL REVENUE FUND	421,846,188	-	-	421,846,188
RESERVE FOR SUBSIDENCE	-	-	-	-
DEVELOPMENT SERVICES FUND	15,682,866	-	447,638	16,130,504
GAS FUND	105,051,881	-	6,353,022	111,404,904
GAS PREPAY FUND	39,938,547	-	-	39,938,547
AIRPORT FUND	42,404,709	-	31,340,672	73,745,380
REFUSE/RECYCLING FUND	44,775,686	-	458,961	45,234,647
SERRF FUND	52,492,647	-	-	52,492,647
SERRF JPA FUND	11,225,140	-	-	11,225,140
TOWING FUND	6,870,623	-	-	6,870,623
PARKING AUTHORITY FUND	-	-	-	-
HOUSING AUTHORITY FUND	81,853,207	-	(455,475)	81,397,732
SUCCESSOR AGENCY	66,337,804	-	173,815,640	240,153,444
CUPA FUND	1,563,122	-	21,389	1,584,511
TOTAL	1,982,159,719	(552,360)	587,481,945	2,569,089,304

*Carryover of multi-year grants and CIP funds.

FISCAL YEAR 2014 APPROPRIATIONS ORDINANCE BY DEPARTMENT
(Does not include Harbor and Water)

<u>DEPARTMENT</u>	<u>FY 14 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 13 ESTIMATED CARRYOVER*</u>	<u>FY 14 APPROPRIATION</u>
MAYOR AND COUNCIL	4,629,090	-	11,522,175	16,151,265
CITY ATTORNEY	8,971,418	-	-	8,971,418
CITY AUDITOR	2,810,382	-	-	2,810,382
CITY CLERK	2,577,598	-	-	2,577,598
CITY MANAGER	23,779,184	-	69,684,549	93,463,734
CITY PROSECUTOR	4,701,396	-	35,000	4,736,396
CIVIL SERVICE	2,005,846	-	-	2,005,846
AIRPORT	41,974,235	-	29,377,301	71,351,537
DISASTER PREPAREDNESS & EMERGENCY COMMUNICATIONS	1,019,688	-	-	1,019,688
DEVELOPMENT SERVICES	97,341,066	(1)	260,801,993	358,143,058
FINANCIAL MANAGEMENT**	500,137,051	(112,588)	15,472,145	515,496,608
FIRE	94,347,255	-	3,185,150	97,532,404
HEALTH AND HUMAN SERVICES	119,905,125	-	29,391,110	149,296,235
HUMAN RESOURCES	21,022,670	-	3,654,787	24,677,457
LIBRARY SERVICES	12,626,334	-	-	12,626,334
LONG BEACH GAS AND OIL	606,867,721	-	6,164,245	613,031,967
PARKS, RECREATION AND MARINE	52,293,834	12,683	22,454,132	74,760,648
POLICE	203,259,384	-	13,222,086	216,481,470
PUBLIC WORKS	146,003,975	(793,828)	118,167,138	263,377,285
TECHNOLOGY SERVICES	38,027,019	341,374	4,350,133	42,718,526
TOTAL	1,984,300,270	(552,360)	587,481,945	2,571,229,855

*Carryover of multi-year grants and CIP funds.

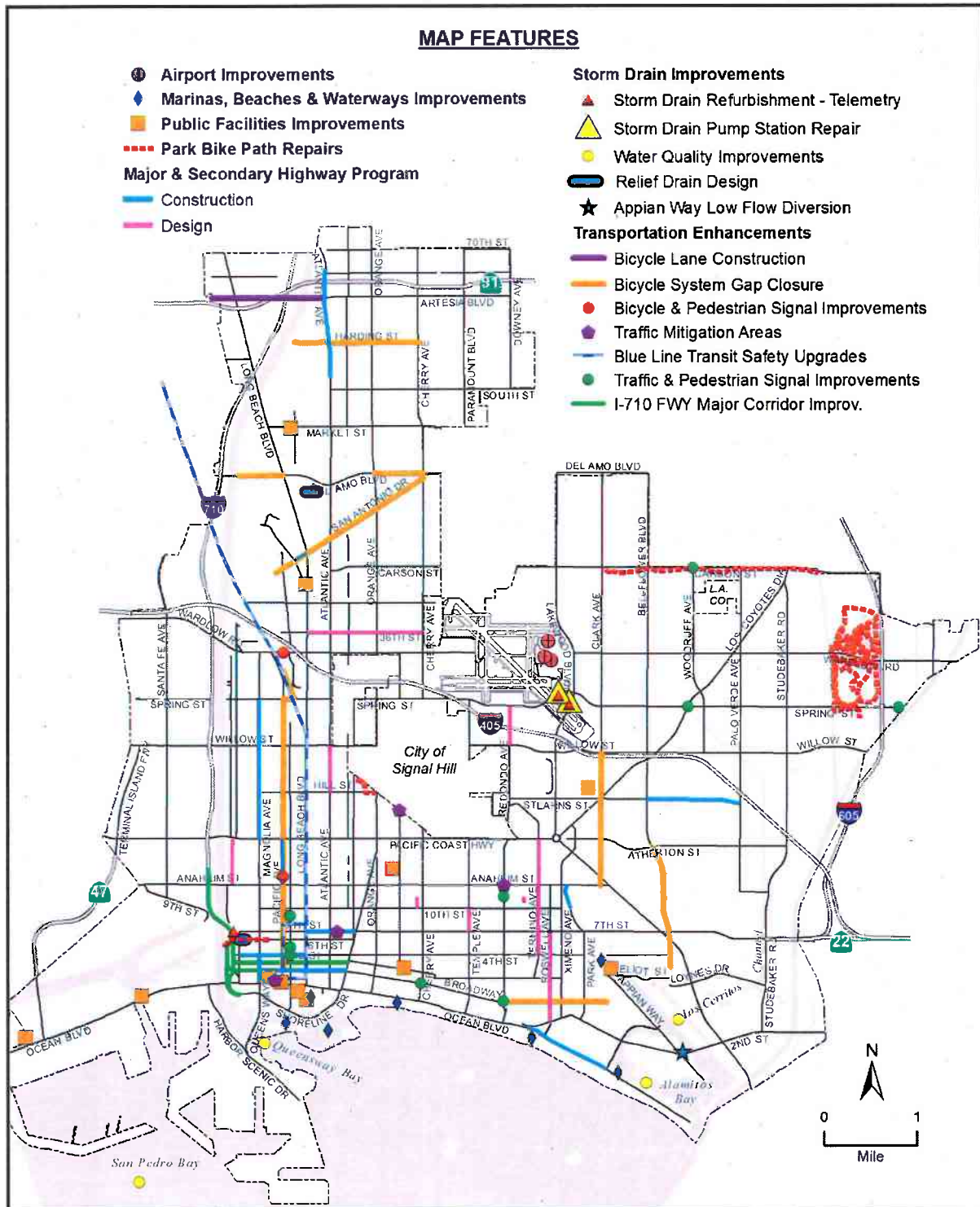
**Department of Financial Management includes internal service charges that are contained in the resolutions of the Harbor, Water, and Sewer funds for accounting, budgeting and treasury functions, and other citywide activities such as debt service.

BH-1.6

**Capital Improvement
Program (CIP)**

FY 14 Capital Improvement Program (CIP)

Capital Program Overview



FY 14 Capital Improvement Program (CIP)

BACKGROUND

The purpose of the CIP is to provide a comprehensive program to the City Council and the residents of Long Beach to plan, design, construct, maintain, and repair City facilities and infrastructure. The size, age and diverse infrastructure of the City require significant consideration to determine the best investments to make now, in order to realize the most cost effective returns in the future. The CIP also serves as a financial tool to set aside funds for the wide variety of capital projects as well as a planning tool to ensure capital projects are consistent with the City's General plan.

BUDGET PROCESS

The Public Works Department was responsible for developing the Fiscal Year 2014 (FY 14) CIP. Public Works, in conjunction with other Departments, reviewed the City's capital needs and prioritized project submittals based on established criteria:

- The ability of the project to meet health, safety and legal concerns and mandates
- The value of the project to prolong the life of City assets or avoid/minimize future repair costs
- The benefit the project will provide the community in support of the goals articulated in the Strategic Plan
- The potential for the project to generate savings or increase productivity
- The extent to which the project will secure future funds through program planning or grant eligibility
- Inclusion of the project in the previous Five-Year plan

The CIP identifies and provides for infrastructure expenditures. The strategic capital investment in the City's infrastructure includes major enhancements and repairs to the Airport, parks, marinas and beaches, buildings, streets, traffic signals, storm drains, sidewalks, bus stops, fuel storage facilities, bridges, water and sewer facilities, the Harbor and Americans with Disabilities Act (ADA) upgrades.

BUDGET HIGHLIGHTS

The economic vitality and quality of life in the community is enhanced through CIP projects. Capital improvements require a major initial investment, a significant and continuing financial commitment for maintenance and, eventually, replacement. The following pages provide a summary of each section with a dollar amount that represents new funding for FY 14:

- Airport Projects
- Gas & Oil Projects
- Marinas, Beaches & Waterways Projects
- Parks and Recreation Projects
- Public Facilities Projects
- Storm Drains Projects
- Street Rehabilitation Projects
- Transportation Enhancements Projects
- Harbor Department Projects
- Successor Agency Projects
- Water Department Projects

FY 14 Capital Improvement Program (CIP)

ALLOCATION PLAN

	FY 13	Proposed
Sources: ¹	Estimated	FY 14
Airport Fund	\$33,350,086	\$3,500,000
Civic Center Fund	\$625,000	\$1,200,000
Fleet Services Fund	\$100,000	\$250,000
Gas Fund	\$14,087,634	\$8,050,000
Gasoline Tax Street Improvement Fund	\$3,939,984	\$11,566,800
General Capital Projects Fund	\$13,867,137	\$5,336,250
Marina Fund	\$13,335,087	\$0
Queen Mary Fund	\$1,300,000	\$0
Special Assessment District Capital Projects	\$11,000	\$0
Special Revenue General Grants Fund	\$283,165	\$0
Tidelands Operations Fund ²	\$13,416,176	\$13,030,000
Transportation Fund	<u>\$13,639,424</u>	<u>\$12,360,950</u>
Subtotal	\$107,954,693	\$55,294,000
Harbor	\$742,946,697	\$790,550,000
Successor Agency	\$7,918,000	\$19,325,000
Water Utility	\$13,637,467	\$13,228,966
Sewer	<u>\$4,785,500</u>	<u>\$3,183,000</u>
Subtotal	\$769,287,664	\$826,286,966
Grand Total	\$877,242,357	\$881,580,966
Uses:		
Airport	\$33,350,086	\$3,500,000
Gas & Oil	\$14,087,634	\$8,050,000
Marinas, Beaches & Waterways	\$25,715,087	\$7,550,000
Parks, Recreation & Marine	\$613,542	\$100,000
Public Facilities	\$3,804,186	\$7,630,000
Storm Drains	\$1,614,504	\$1,750,000
Street Rehabilitation	\$22,976,299	\$21,595,000
Transportation Enhancements	<u>\$5,793,356</u>	<u>\$5,119,000</u>
Subtotal	\$107,954,693	\$55,294,000
Harbor	\$742,946,697	\$790,550,000
Successor Agency	\$7,918,000	\$19,325,000
Water Utility	\$13,637,467	\$13,228,966
Sewer	<u>\$4,785,500</u>	<u>\$3,183,000</u>
Subtotal	\$769,287,664	\$826,286,966
Grand Total	\$877,242,357	\$881,580,966

¹ Each fund receives revenue from various sources such as bonds, fees and grants. Funding sources for the Capital Projects Fund may include, but are not limited to: County Park Bonds, County Grants, Developer Fees, Federal Grants, General Fund, Lease Revenue Bonds, Park Impact Fees, State Grants, Traffic Mitigation Program and Uplands Oil Capital Fund.

² Belmont Pool and Pier Improvements Project of \$6,000,000 has been funded and therefore is not reflected in the total amount of \$13,030,000. Projects funded by the Tidelands Operations Fund are listed under Marinas, Beaches & Waterways, Public Facilities and Storm Drains sections.

FY 14 Capital Improvement Program (CIP)

Airport Projects

Long Beach Airport serves over 3 million passengers each year and offers a variety of services to airlines, commercial and general aviation users, as well as the general public, providing direct and indirect economic benefits to the region. Funding for Airport Capital Improvement Projects comes from several sources including Federal Aviation Administration (FAA) Airport Improvement Program grants (AIP), Passenger Facility Charges (PFC), Airport fees and Customer Facility Charges (CFC), and bond sale proceeds. The basis for Airport capital projects is the safety and security of the general public, FAA and Transportation Security Administration (TSA) mandates and operational improvements. FY 13 was highlighted with the opening of the new Long Beach Airport passenger concourse.

Planned projects in FY 14 include airport terminal area improvements, air carrier ramp improvements, and new rental car facility, reconstruction of 7L-25R and Taxilane J, and new airfield signage and security improvements. There are other projects started in FY 13 that will continue on in FY 14. Funding for the Rental Car Facility project will be from Customer Facility Charges (CFCs). These projects will enhance the Passenger Experience Program.

Project Title	Proposed FY 14
Airport Terminal Area Improvements	\$500,000
Airfield Pavement Rehabilitation	1,000,000
Airport Parking Structure	500,000
Rental Car Facility	<u>1,500,000</u>
Total Airport Projects	\$3,500,000

Gas & Oil Projects

Long Beach Gas & Oil (LBGO) oversees 1,900 miles of natural gas pipeline. A key Department objective is the safe delivery of natural gas to its 145,000 businesses and households. All operations are conducted in strict compliance with U.S. Department of Transportation's (DOT) pipeline regulations, CFR 49 part 190-199. LBGO is engaged in a long-term pipeline infrastructure replacement program focusing on upgrading pipe 60+ years old. Over the past five years, over 76 miles of distribution pipeline and approximately 10,000 service pipelines have been replaced, improving system integrity.

As part of the department's commitment to provide affordable and safe natural gas, LBGO has taken a system-wide approach by reviewing the backbone of the gas distribution system for potential upgrades to increase gas deliverability to its customers needing higher delivery pressure than is currently available. LBGO is also in the process of establishing a 15-pound pressure standard throughout the regular distribution system, which will replace the five existing pressure areas, while increasing the backbone system above the existing 40-pound limitation. The integrated plan of pressure-consistency, along with replacement of aging infrastructure and corrosion control practices will enhance system integrity, improve system reliability and gas deliverability, increase gas storage within the distribution system, and reduce potential flow constraints. FY 14 will see continued improvement in the Department efforts to coordinate gas projects with street projects.

FY 14 Capital Improvement Program (CIP)

Project Title	Proposed FY 14
Facility Work	\$500,000
Gas Control/Cathodic Protection	250,000
Gas Meter Replacement Program	700,000
Main Pipeline Replacement	5,500,000
Service Pipeline Replacement	<u>1,100,000</u>
Total Gas & Oil Projects	\$8,050,000

Marinas, Beaches & Waterways Projects

Two assets that make Long Beach unique are its beaches and marinas. These City operated and maintained resources provide recreational enjoyment to both residents and visitors. In FY 13, the City completed the design and permitting for several beach restrooms, with construction scheduled to be completed in FY 14. Residents and visitors who enjoy the City's beaches can also expect to find more efficient, environmentally friendly, and improved beach parking lots during FY 14. Lighting and landscaping enhancements were initiated in FY 13 around the Rainbow Harbor Esplanade, and additional security measures and safety lighting will be installed in FY 14.

The City's water quality has continued to improve in the last several years. The FY 14 capital program remains proactive in improving the City's beaches and recreational water quality. A proposed low flow diversion system at Appian Way and Second Street will help divert dry weather urban runoff into the sewer system as opposed to into the Alamitos Bay. Construction of this system is anticipated to be completed in FY 14. The engineering design of the Colorado Lagoon Open Channel and assessment of Rainbow Harbor Lagoon will also be initiated in FY 14.

The Alamitos Bay Marina Rebuild will continue in phases as funds are secured. Bluff erosion repairs and enhancements are anticipated to be completed in FY 14, with new identified bluffs undergoing design and engineering for additional improvements.

Proposed public dock and pier improvements at Rainbow Harbor, Leeway Sailing Center, and Peter Archer Rowing Center will continue to move forward.

Project Title	Proposed FY 14
Alamitos Bay Area Improvements	\$1,300,000
Bluff Erosion Control	1,000,000
Colorado Lagoon	250,000
Rainbow Lagoon	3,000,000
Rainbow Harbor	1,500,000
Tidelands Area Roadways	500,000
Total Marinas, Beaches, & Waterways Projects¹	\$7,550,000
Belmont Pool and Pier Improvements ²	\$6,000,000

¹ Tidelands Operations FY 14 projects total \$13,030,000. Additional projects funded by the Tidelands Operations Fund include \$5,280,000 for Convention Center Complex Improvements (see Public Facilities Projects) and \$200,000 for Appian Way Low Flow Diversion (included in Storm Drain Pump Station Repair & Certification total under Storm Drains Projects).

² Belmont Pool and Pier Improvements Project of \$6,000,000 has been funded and therefore is not reflected in the total amount of \$7,550,000.

FY 14 Capital Improvement Program (CIP)

Parks & Recreation Projects

Parks located throughout the City provide recreational amenities and open space to enhance the environment and provide leisure opportunities to meet the needs and interests of residents. There is a constant effort to address aging park infrastructure throughout the city as well as to address the lack of park and open space opportunities in underserved neighborhoods.

During this past year, new parks opened at Longview Point at Willow Springs, Craftsman Park and Baker Street. In addition, the existing Promenade Park was completely renovated and opened with a new name, Harvey Milk Promenade Park. Construction commenced in FY 13 on Chittick Field and Orizaba Community Center. The newly renovated freestanding restroom at Ramona Park also opened to park patrons. In FY 14, the Orizaba Community Center will open. Design and construction efforts will continue in FY 14 at Wrigley Greenbelt, Seaside and 14th Street Soccer Renovation, SCE/NLB Fitness Park, Alamitos Park and Drake/Chavez Soccer Fields.

Project Title	Proposed FY 14
Park Bike Path Replacement	<u>\$100,000</u>
Total Parks & Recreation Projects	\$100,000

Public Facilities Projects

Long deferred critical repairs are required to sustain the integrity of various health, library, fire station, police station, public works and other key facilities. A facility assessment performed in FY 07 evaluated the condition of 132 structures totaling 1,916,769 square feet. The assessment identifies deficiencies in each facility and provides cost estimates to perform repairs required to maintain each facility in a safe and reliable operating condition.

The Civic Center's FY 14 projects include upgrading security cameras and halon fire panel, overhauling the chiller at City Hall, replacing electrical cable, plumbing, and replacing auditorium seats, drapes and carpet in council chambers. These improvements will be initiated as needs are identified in conjunction with the potential relocation of City Hall to ensure Civic Center funds are used efficiently.

The Convention Center's FY 13 projects included improvements to allow for the temporary transformation of the arena into a ballroom facility, including seating, a fly-up superstructure, and roll-up carpeting and drapes. Additional upgrades provided directional signage, renovation of food and beverage facilities, kitchen equipment, plumbing, electrical, and the central plant. These improvements, funded by Measure D Oil Revenue, increased the Center's marketability while maintaining this important City asset. In FY 14, the Sports Arena air handlers will be replaced, entryway will be improved, and four restrooms will be renovated.

Project Title	Proposed FY 14
Civic Center Complex Improvements	\$1,200,000
Convention Center Complex Improvements	5,280,000
Regional Fuel Storage	250,000
Fire Department Facilities Modernization	<u>900,000</u>
Total Public Facilities Projects	\$7,630,000

FY 14 Capital Improvement Program (CIP)

Storm Drains Projects

Public Works is responsible for stormwater-related capital improvement projects and storm drain system maintenance. This work includes pump station repair, telemetry monitoring, and system improvements for all 23 City-owned pump stations that are essential to the protection of property during storm events. In addition, portions of the storm drain system remain deficient in capacity and the City continues to design and construct upgrades to its undersized storm drains as funding becomes available.

The Long Beach Stormwater Management Program (LBSWMP) is now in its 13th year and continues to be fully implemented in compliance with its National Pollutant Discharge Elimination System (NPDES) permit, the Federal Clean Water Act (CWA) and subsequent CWA amendments, all of which were adopted to protect receiving waters such as rivers, lakes, bay areas, and oceans from contamination by preventing pollutants from entering Municipal Separate Storm Sewer Systems (MS4s). Projects to maintain compliance with these permits include catch basin trash collection screens, pump station trash netting systems, monitoring for water quality and low flow diversion systems.

Repairs, rebuild and replacement of broken storm water pumps will be performed in FY 14 to ensure proper storm water management and reduce flooding on City streets and the 710 and Terminal Island Freeways.

Project Title	Proposed FY 14
Storm Drain Pump Station Repair & Certification	\$1,200,000
Storm Drain Refurbishment - Telemetry	100,000
Storm Drain System & Water Quality Improvements	<u>450,000</u>
Total Storm Drains Projects	\$1,750,000

Street Rehabilitation Projects

Preserving our neighborhoods is a key element in the Long Beach Strategic Plan. The Street Rehabilitation programs are designed to help meet that goal. The program delivers improvements including reconstructing and resurfacing major, secondary, and residential streets, upgrading accessibility of curb ramps to comply with current disabled access regulations, replacing of street signs; repairing neighborhood sidewalks, curbs, and gutters; and rehabilitating bridges to repair deficiencies identified by the annual Los Angeles County bridge inspection reports.

Project Title	Proposed FY 14
Proposition A Transit Related Improvements	\$500,000
Major and Secondary Highway Program	12,395,000
Bridge Rehabilitation & Seismic Retrofit	500,000
Citywide Residential Street Repair	4,700,000
Citywide Infrastructure Improvements (Sidewalks)	3,000,000
ADA Response Program	<u>500,000</u>
Total Street Rehabilitation Projects	\$21,595,000

FY 14 Capital Improvement Program (CIP)

Transportation Enhancements Projects

This section contains programs designed to meet increased needs for mobility resulting from economic growth utilizing a combination of funds. These funds include Proposition C, Gas Tax Street Improvement Capital, Transportation Improvement Fees, and Federal and County grants. The transportation improvements include street and intersection widening, traffic signal system expansion and upgrades, transit improvements, parking restrictions and replacement parking, neighborhood traffic management, and bike lanes. This category also includes programs that monitor and evaluate traffic congestion areas throughout the City and respond with projects to relieve congestion or enhance traffic safety.

Project Title	Proposed FY 14
Sustainable Transportation Improvements	\$1,783,000
Traffic Mitigation Program	300,000
Traffic & Pedestrian Signals	1,200,000
Light Rail Transit Related Improvements	300,000
I-710 Major Corridor Improvements	<u>1,536,800</u>
Total Transportation Enhancements Projects	\$5,119,000

Harbor Department Projects

The Harbor Department (Port) continues to implement a long-term capital improvement program designed to (1) provide Port tenants with safe and secure, state-of-the-art facilities capable of accommodating international trade and (2) secure regional economic benefits in a sustainable manner that ensures economic vitality, ecological health, and community integrity.

The Port's \$4.5 billion investment in capital projects over the next decade will stimulate the economy by creating thousands of direct construction jobs along with indirect service and commercial opportunities. In FY 14, the Port will be spending over \$284 million on the Gerald Desmond Bridge as construction will be well underway, with all work scheduled to be completed in 2016. FY 14 will also see the Port invest over \$214 million in its Middle Harbor Redevelopment Project. When the project is completed, the Middle Harbor Terminal will be the greenest major container terminal in North America due to its extensive use of on dock rail and cold ironing infrastructure. In addition more than \$57 million is being allocate in FY 14 to environmental expenditures, which includes \$39 million for the development of cold-ironing infrastructure on Piers A, G, J and T. Port Security will continue to be a high priority with the Department investing over \$61 million in projects including nearly \$52 million for fire Station upgrades and the planning and purchasing of two new fireboats.

Project Title	Proposed FY 14
Major Projects	
Terminal Expansion and Development	
Pier D/E/F (Middle Harbor)	\$214,446,000
Pier G	60,122,000
Pier S	669,000
Pier T	8,848,000
Back Channel Navigation	9,763,000
Other Construction	<u>342,000</u>

FY 14 Capital Improvement Program (CIP)

Total Terminals Expansion and Development	\$294,190,000
Streets, Bridges, and Railways	
Rail Projects	37,683,000
Gerald Desmond Bridge Replacement	284,110,000
Other Streets and Bridges	<u>11,893,000</u>
Total Streets, Bridges, and Railways	\$333,686,000
Total Major Projects	\$627,876,000
Miscellaneous	
Environmental Projects/Shore to Ship Power	\$57,077,000
Security Projects	9,824,000
Eng Misc Projects/Port Infrastructure	41,244,000
Fire Station/Fire Boat Replacements	51,641,000
Furniture, Fixtures, and Equipment	<u>2,888,000</u>
Total Miscellaneous Project	\$162,674,000
Total Harbor Department Expenditures	\$790,550,000

Successor Agency Projects

The Successor Agency (Agency) is the successor entity to the former Long Beach Redevelopment Agency (RDA), which was dissolved by action of the State legislature on February 1, 2012. The Successor Agency is implementing the outstanding obligations of the former RDA, including planned and ongoing Capital Improvement Projects. These projects total \$22.4 million during FY 14 through FY 18 and include park development, improvements to streets and pedestrian rights-of-way, and construction of libraries and public safety facilities.

The Agency is working with the Departments of Parks, Recreation and Marine and Public Works to create open space and recreational opportunities in underserved areas of Central and North Long Beach. A new neighborhood library in North Long Beach will also enhance resources for residents of that area. Street enhancements are also ongoing in North Long Beach with median improvements to Atlantic Avenue and Artesia Boulevard. Improvements to Pine Avenue will help enhance the residential community in Downtown Long Beach as well as draw additional visitors. The construction of the new East Police Station will ensure that residents and businesses in that area receive effective safety protection. Finally, the Agency is supporting construction of the Deukmejian Courthouse by funding off-site improvements.

Project Title	Proposed FY 14
Parks and Open Space	
Oregon & Del Amo Park	\$2,000,000
Orizaba Park Community Center	<u>250,000</u>
Total Parks and Open Space	2,250,000
Streets and Pedestrian Rights-of-Way	
Atlantic Avenue Medians between 52 nd and Aloha	1,735,000
Artesia Boulevard Medians between Atlantic and Obispo	2,210,000
Pine Avenue Streetscape	<u>4,310,000</u>
Total Streets and Pedestrian Rights-of-Way	\$8,255,000
Libraries	
North Library	<u>5,200,000</u>

FY 14 Capital Improvement Program (CIP)

Total Libraries	5,200,000
Public Safety	
East Police Station	<u>3,370,000</u>
Total Public Safety	3,370,000
Others	
Deukmejian Courthouse	<u>250,000</u>
Total Others	250,000
Total Successor Agency	\$19,325,000

Water Department Projects

Planned capital improvements to the City's water and sewer system encompass a wide range of projects. The Water Department will continue replacing aging infrastructure that is approaching the end of their useful life including, but not limited to, water pipelines, valves and meters. In addition, the Department is continuing with its well and water tank rehabilitation projects.

The Sewer CIP budget reflects a significantly increased investment in infrastructure, as the Department moves forward with a programmatic CIP based on an updated Sewer Master Plan.

Project Title	Proposed FY 14
Potable Water	
Water CIP by In-House Workforce	\$2,900,000
Pipeline System Improvements	4,776,300
Reservoir/Treatment Plant Improvements	1,823,000
Water Supply Projects	2,861,000
Facility Improvements	<u>654,666</u>
Total Potable Water	13,014,966
Reclaimed Water	
Reclaimed Water System Expansion	<u>214,000</u>
Total Reclaimed Water	214,000
Total Water Fund	13,228,966
Sewer	
Sewer Rehabilitation	1,532,000
Sewer Replacement	<u>1,651,000</u>
Total Sewer Fund	3,183,000
Total Water Department Projects	\$16,411,966