



Legislation Text

File #: 08-1103, **Version:** 2

Recommendation to adopt list of projects for potential funding with Proposition 1B bond proceeds; authorize staff to apply to the State Department of Finance for release of Proposition 1B funds for these projects; increase appropriations in the Transportation Fund (SR 182) of the Department of Public Works (PW) by up to \$7,477,345; and amend the FY 09 Capital Improvement Program to reflect this increase of Proposition 1B funds into the Citywide Residential Street Repair Program. (Citywide)

In 2006, California voters approved Proposition 1 B (Transportation Bond) authorizing the sale of over \$1 billion in bonds for infrastructure improvements. Proposition 1 B specified that a portion of the bond proceeds be allocated directly to cities for infrastructure repairs. The City of Long Beach's share of this allocation will amount to \$15,425,294. Under Assembly Bills 193 and 196, cities were entitled to apply for a portion of these funds in 2008 and the remainder in 2010. The amount available to the City of Long Beach in the 2008 allocation was \$7,947,949. With the recent passage of AB 88, \$250 million more in Proposition 1 B funds will be released in 2009, (one year earlier than anticipated), including \$187 million for cities. These funds will be released on a first come-first served basis and requires that cities encumber the new funds by July 1, 2009. There is also language that restricts the amount of funds cities may receive if they have unencumbered Prop 1 B funds from the prior release. As a result, cities with unencumbered Prop 1 B funds may not receive full funding in this release. The Department of Public Works was aggressive in receiving and utilizing the first round of funding and has no unencumbered Prop 1 B funds, making the City eligible to apply for its total remaining allocation of \$7,477,345 in this new release of funds.

In order to apply for the funds, the City Council must adopt a preliminary list of projects (Attached), and amend the adopted Capital Improvement Program to reflect the inclusion of Proposition 1 B funding. -The attached preliminary list reflects projects in all Council Districts. Once the applications have been accepted and funding is released, and with further guidance regarding Council District priorities, future modifications can be made as deemed appropriate.

Staff is anticipating that the State Department of Finance (DOF) will be accepting applications within the next few months. Once the applications have been accepted and the funding is released, City staff will proceed with the design and construction of certain projects listed in the attachment. The number of projects that will actually be designed and constructed with this allocation will be dependent upon the final project costs. Construction contracts will be awarded when the actual funding is received from the DOF.

This matter was reviewed by Deputy City Attorney Linda Trang on October 2, 2008, and by Budget Management Officer Victoria Bell on October 6, 2008.

SUSTAINABILITY

All streets rehabilitated with Proposition 1 B funds will require that old asphalt material removed

under these contracts be recycled into new asphalt or utilized as base material on other street projects. In addition, these streets will be resurfaced with asphalt containing up to 15 percent recycled material as well as recycled rubber from old tires. Finally, all projects will require the road base be made from recycled concrete, rock, sand, and asphalt and that all concrete work include recycled waste ash, diverting these materials from our landfills.

City Council action on this matter is requested on November 11, 2008, in order to authorize staff to apply for the final allocation of Proposition 18 funds as soon as the State Department of Finance begins accepting applications.

The action requested will amend the approved FY 09 Adopted Capital Improvement Program and increase appropriations for residential street repair by up to \$7,477,345 in the Transportation Fund (SR 182) in the Department of Public Works (PW). No contracts will be awarded until the actual funding is received from the DOF.

Approve recommendation.

MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER