



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

R-11

August 18, 2009

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to increase appropriations in the Tidelands Operating Fund (TF) in the Department of Community Development (CD) by \$3,232,977 and decrease appropriations in the Capital Projects Fund (CP) by \$3,142,976 and Tidelands Operating Fund (TF) by \$30,000 in the Department of Parks, Recreation and Marine (PRM) in order to commence construction of the Colorado Lagoon Restoration Project. (District 3)

DISCUSSION

On May 12, 2009, the City Council authorized the City Manager to enter into a Financial Assistance Agreement with the State Water Resources Control Board (SWRCB) and to execute all documents necessary to restart the Colorado Lagoon Restoration Project with funding support from the American Recovery and Reinvestment Act (ARRA) of 2009.

As outlined in the May 12, 2009, staff report, the ARRA funds will replace a previously awarded Proposition 40 grant by the SWRCB. The original grant project is currently budgeted in the Department of Parks, Recreation and Marine (PRM) and needs to be un-appropriated since these funds will no longer be available. The recently secured ARRA funding will be budgeted to the Department of Community Development (CD). CD is conducting the project management for the Colorado Lagoon project on behalf of PRM, and will be responsible for ensuring full compliance with ARRA funding guidelines.

On June 24, 2009, the ARRA Financing Agreement was fully executed by the SWRCB. The majority of these funds will be used for the construction of a low-flow sewer diversion system, bioswale (a landscape element designed to remove silt and pollution from surface runoff water), and the cleaning of the culvert. Funds will also be used to complete the engineering design and environmental permitting effort.

Under the executed Agreement with the SWRCB, construction of the bioswale will begin by September 1, 2009. Construction of the low-flow diversion system and the culvert cleaning must begin by April 2010. If these two milestones are not met, then funding will be lost and the City will be required to repay the SWRCB for any disbursed funds.

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This report was reviewed by Deputy City Attorney, Richard F. Anthony, on July 29, 2009 and Budget and Performance Management Bureau Manager David Wodynski on July 30, 2009.

TIMING CONSIDERATIONS

City Council action on this matter is requested on August 18, 2009, in order to properly budget the ARRA funding and proceed with project implementation.

FISCAL IMPACT

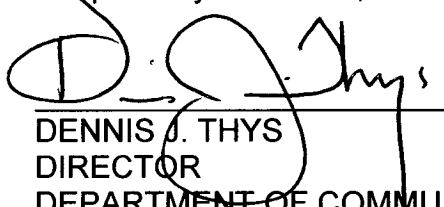
The final award amount from the SWRCB is \$3,202,977, which will be combined with \$30,000 in Tidelands Fund monies already set aside for this project. As CD will be responsible for project implementation, an appropriation increase of \$3,232,977 is requested in the Tidelands Operating Fund (TF) in the Department of Community Development (CD).

Prior budget for this project from the originally anticipated grant and the Tidelands Fund in PRM is no longer needed. Therefore, an appropriation reduction of \$3,142,976 in the Capital Projects Fund (CP) and \$30,000 from the Tidelands Fund (TF), both in the Department of Parks, Recreation and Marine (PR) is requested as part of the recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


DENNIS J. THYS
DIRECTOR
DEPARTMENT OF COMMUNITY DEVELOPMENT


PHIL T. HESTER
DIRECTOR OF PARKS,
RECREATION AND MARINE

PHW:DJT:VSG:EOL
08-18-09 COLGN ARRA Financing Agreement v5.doc

Attachment: Exhibit A - Location Map

APPROVED:


PATRICK H. WEST
CITY MANAGER

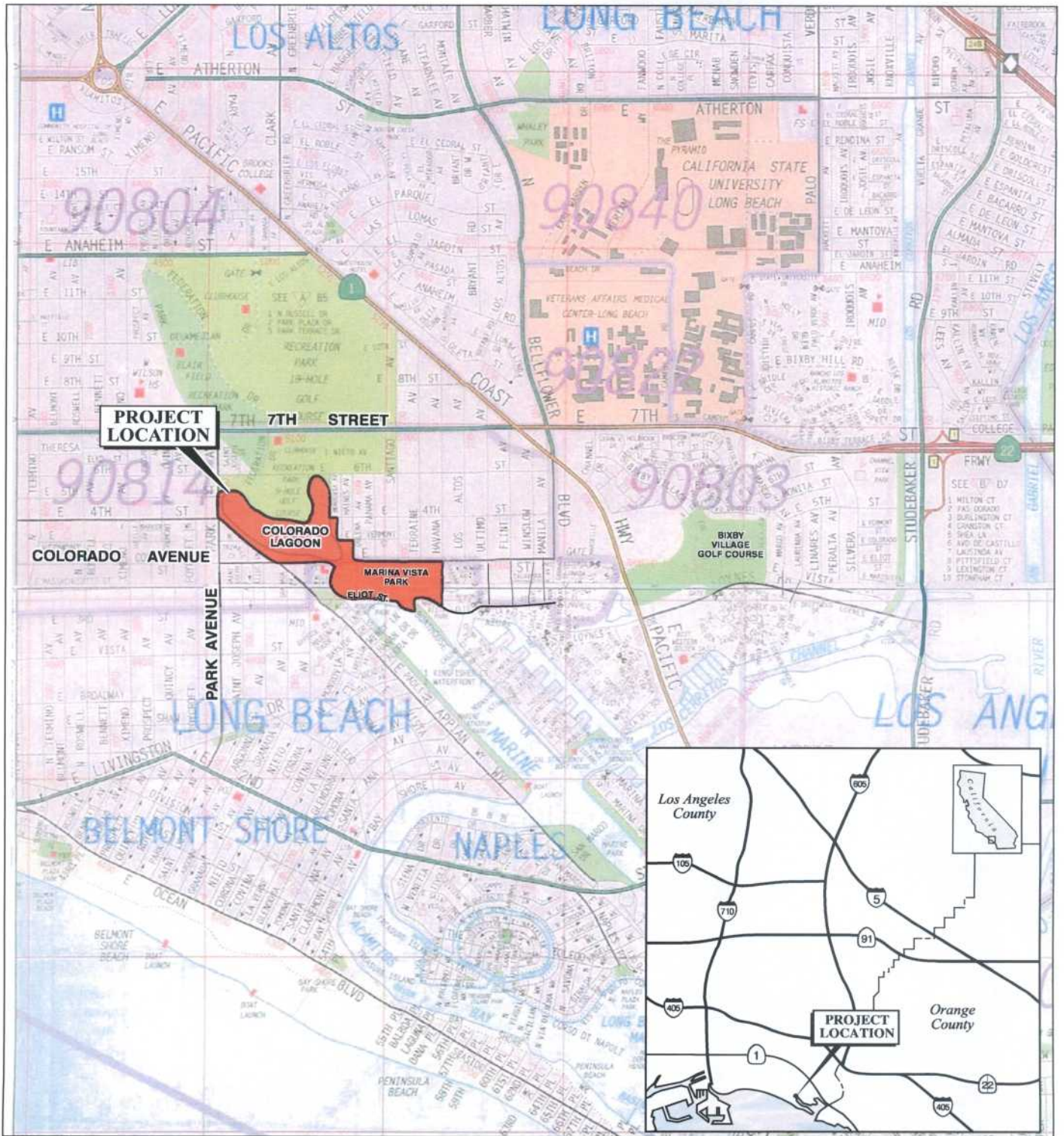


FIGURE 3.1

LSA



0 1000 2000
FEET

 PROJECT AREA

SOURCE: Thomas Guide, 2007

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Colorado Lagoon Restoration Project
Project Location