**CITY OF LONG BEACH**

DEPARTMENT OF FINANCIAL MANAGEMENT

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

September 6, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive supporting documentation into the record, conclude the public hearing and take the actions necessary to adopt the Fiscal Year 2012 budget as listed in Attachment A of this letter. (Citywide)

DISCUSSION

On August 2, 2011, the City Manager's Proposed Budget for Fiscal Year 2012 (FY 12) was delivered by the Mayor to the City Council and community with recommended amendments for consideration. Subsequent hearings were set for August 2, August 16, August 23, August 30, and September 6, along with approximately three Budget Oversight Committee (BOC) meetings and 11 community meetings at which the FY 12 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 19 separate opportunities for public feedback, deliberation and input.

At the conclusion of the hearings, the City Council will be asked to amend the proposed budget as it deems appropriate, and to adopt the proposed budget as amended. Since the publication of the FY 12 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 12 budget and authorizes expenditures in conformance with the adopted budget. To become effective October 1, 2011, this Ordinance must include a finding of emergency. Specific resolutions provide for approval of the budgets for the Harbor, Sewer and Water funds, and certain fee adjustments. Requests for approval include the FY 12 Capital Improvement Program; the Mayor's Recommendations; and the Budget Oversight Committee's Recommendations to the FY 12 Proposed Budget.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on August 19, 2011.

TIMING CONSIDERATIONS

In accordance with the Long Beach City Charter, the FY 12 budget must be adopted by September 15, 2011, following at least one public hearing. Should the City Council fail to adopt the budget on or by that date, the City Manager's FY 12 Proposed Budget shall be deemed the budget for the 2012 fiscal year. The Mayor then 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, 2011, 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 12 budget for all departments and funds is \$4,057,654,963 which comprises \$2,779,631,046 in new appropriation and \$1,278,023,917 in estimated carry-over from FY 11 for multi-year grants and projects.

The Appropriations Ordinance, included as Attachment A-18 to this letter, totals \$2,480,775,505 for all funds except Harbor, Water and Sewer, and \$2,484,086,963 for all departments except Harbor and Water. The \$3,311,458 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 ordinances included as Attachment A-1 and A-4 to this letter, respectively, and total \$949,227,699. The budget for the Harbor Department was adopted by the Board of Harbor Commissioners by minute order on June 20, 2011. The budget for the Water Department was adopted by the Board of Water Commissioners by resolution on June 23, 2011.

All 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 projected increase in the City's cost from FY 11 to FY 12, 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 12 that has been incorporated as Exhibit C to the Master Fee and Charges Resolution.

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Other requested City Council actions include approval of the FY 12 One-Year Capital Improvement Program (CIP) budget, which is contained in the Appropriations Ordinance. The Planning Commission, at its meeting of August 18, 2011, approved the CIP for FY 12 for conformance with the General Plan. Any projects that are not in conformance with the Plan will be highlighted by Development Services staff and steps to secure conformance will be outlined.

Motions approving the budgets of the Redevelopment Agency's (RDA) Project Area Committees (PACs) for the Central Long Beach, the West Long Beach Industrial and the North Long Beach Project Areas and the Long Beach Housing Development Company (HDC) are requested. The PAC budgets are included in the budget of the Development Services Department. In addition, a motion to find that the contribution of North Redevelopment Project Area funds to Central Redevelopment Project Area low-and-moderate-income housing efforts will benefit the North Redevelopment Project Area is requested. The Redevelopment Agency adopted its FY 12 budget on June 20, 2011, premised on no changes to California Redevelopment Law (Health and Safety Code Section 33000 *et seq.*). Approximately one week later, AB 1X 26 and AB 1X 27, which respectively eliminated and recreated redevelopment agencies on a voluntary basis, were enacted. In August 2011, the City Council approved an ordinance pursuant to AB 1X 27 to participate in the voluntary redevelopment program at a cost of approximately \$34 million. AB 1X 26 and AB 1X 27 have been stayed by the California Supreme Court; however, the Agency may continue to pay its existing obligations, which are well within the proposed budget. If AB 1X 27 is upheld, the Agency's overall budget will not change but funds will need to be reallocated to make the payment.

A motion to amend the Departmental Organization Ordinance is also being requested. This amendment incorporates changes to departments, bureaus, and divisions for Fiscal Year 2012. These organizational changes are necessary to implement changes reflected in the Proposed FY 12 budget. The Salary Resolution is also included for adoption.

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 39.36 percent of the 2011-2012 Appropriations Limit and, therefore, does not exceed the Limit. This calculation is reviewed by the City Auditor for conformance to the law.

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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 2012 Budget Adoption Actions

1. Adopt the Resolution approving the FY 12 budget for the Long Beach Harbor Department as adopted by the Board of Harbor Commissioners on June 20, 2011. (A-1)
2. Declare an emergency to exist. (A-2)
3. Declare the Ordinance approving the Resolution No. WD-1285 establishing the rates and charges for water and sewer service to all customers, as adopted by the Board of Water Commissioners on June 23, 2011, 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 12 budget of the Long Beach Water Department as adopted by the Board of Water Commissioners on June 23, 2011. (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 12 One-Year Capital Improvement Program. (A-6)
7. Adopt a motion approving the budgets for the Redevelopment Agency's Project Area Committees in the amounts of \$50,000 for Central Long Beach, \$80,000 for West Long Beach Industrial, and \$50,000 for North Long Beach. (A-7)
8. Adopt the Resolution finding that the use of taxes allocated to the North Redevelopment Project on behalf of the Central Redevelopment Project for the purpose of increasing, improving and preserving the community's supply of low- and moderate-income housing will be of benefit to the North Redevelopment Project. (A-8)
9. Adopt a motion approving the budget for the Long Beach Housing Development Company in the amount of \$20,193,989. (A-9)
10. Adopt a motion approving the transfer of \$16,920,700 from the Harbor Revenue Fund to the Tidelands Operating Fund. (A-10)
11. Declare the Ordinance amending the Departmental Organization Ordinance read the first time and laid over to the next regular meeting of the City Council for final reading. (A-11)
12. Adopt the amended Salary Resolution for FY 12. (A-12)
13. Adopt the Resolution adopting an appropriations limit (Gann) for FY 12 pursuant to Article XIII (B) of the California Constitution. (A-13)
14. Adopt the Mayor's proposed funding recommendations, as amended, to the FY 12 Proposed Budget. (A-14)

List of Requested Fiscal Year 2012 Budget Adoption Actions

15. Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the FY 12 Proposed Budget. (A-15)
16. Adopt a motion amending the proposed FY 12 budget. (A-16)
17. Declare an emergency to exist. (A-17)
18. Declare the Appropriations Ordinance for FY 12, 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-18)

FISCAL YEAR 2012 APPROPRIATIONS ORDINANCE BY FUND

FUND	FY 12		FY 11 ESTIMATED CARRYOVER*	FY 12 APPROPRIATION
	PROPOSED EXPENDITURES	CHANGES		
GENERAL FUND	392,919,799	(915,198)	-	392,004,602
GENERAL GRANTS FUND	6,316,419	52,502	11,051,337	17,420,258
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	3,133,760	1,544	-	3,135,304
HEALTH FUND	38,775,090	381,108	27,986,543	67,142,740
PARKING & BUSINESS AREA IMPROVEMENT FUND	6,178,583	53,286	-	6,231,869
SPECIAL ADVERTISING & PROMOTION FUND	5,251,736	(3,493)	-	5,248,243
UPLAND OIL FUND	18,348,325	1,302,532	-	19,650,857
HOUSING DEVELOPMENT FUND	28,191,550	(14,190)	55,104,629	83,281,989
BELMONT SHORE PARKING METER FUND	674,147	(212,275)	-	461,872
DEVELOPMENT SERVICES FUND	12,299,709	(400,662)	-	11,899,047
BUSINESS ASSISTANCE FUND	724,197	(909)	1,340,574	2,063,862
COMMUNITY DEVELOPMENT GRANTS FUND	31,126,960	(2,966,776)	29,985,248	58,145,432
PARK DEVELOPMENT FUND	3,735	(3,735)	-	-
GASOLINE TAX STREET IMPROVEMENT FUND	16,662,565	(8,636)	21,805,942	38,459,871
TRANSPORTATION FUND	15,882,549	(3,017)	18,448,967	34,328,498
CAPITAL PROJECTS FUND	4,875,477	4,532	159,084,775	163,964,784
DEBT SERVICE FUND	-	10,813,439	-	10,813,439
CIVIC CENTER FUND	1,293,530	15,982	724,955	2,034,467
GENERAL SERVICES FUND	38,804,422	53,484	189,233	39,047,139
FLEET SERVICES FUND	31,193,217	108,061	(577,111)	30,724,167
INSURANCE FUND	38,733,582	131,318	295,483	39,160,383
EMPLOYEE BENEFITS FUND	222,796,558	11,441,636	-	234,238,194
TIDELANDS FUNDS	133,556,857	(1,776,921)	60,733,543	192,513,479
TIDELAND OIL REVENUE FUND	242,170,966	(100,997)	-	242,069,969
RESERVE FOR SUBSIDENCE	-	-	-	-
GAS FUND	103,502,278	24,779	12,564,139	116,091,196
GAS PREPAY FUND	20,871,645	(855,628)	-	20,016,018
AIRPORT FUND	39,960,231	49,022	64,837,870	104,847,123
REFUSE/RECYCLING FUND	42,088,611	1,602,091	122,138	43,812,840
SERRF FUND	46,714,501	1,280,788	-	47,995,289
SERRF JPA FUND	11,369,810	-	-	11,369,810
TOWING FUND	8,349,681	(53,764)	-	8,295,917
PARKING AUTHORITY FUND	-	-	-	-
HOUSING AUTHORITY FUND	73,226,330	41,804	658,353	73,926,487
REDEVELOPMENT FUND	170,171,437	806,440	188,160,508	359,138,385
CUPA FUND	1,261,418	(19,440)	-	1,241,978
TOTAL	1,807,429,676	20,828,706	652,517,124	2,480,775,505

*Carryover of multi-year grants and CIP funds.

FISCAL YEAR 2012 APPROPRIATIONS ORDINANCE BY DEPARTMENT

<u>DEPARTMENT</u>	<u>FY 12 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 11 ESTIMATED CARRYOVER*</u>	<u>FY 12 APPROPRIATION</u>
MAYOR AND COUNCIL	4,839,203	(20,229)	-	4,818,974
CITY ATTORNEY	8,585,107	(2,747)	-	8,582,360
CITY AUDITOR	2,638,210	(9,826)	-	2,628,384
CITY CLERK	4,982,164	(12,693)	-	4,969,471
CITY MANAGER	8,536,494	18,542,066	(196)	27,078,364
CITY PROSECUTOR	4,824,978	19,987	91,946	4,936,911
CIVIL SERVICE	2,160,085	(19,310)	-	2,140,775
COMMUNITY DEVELOPMENT	-	-	92,742,471	92,742,471
AIRPORT	39,376,533	22,750	64,717,064	104,116,347
DEVELOPMENT SERVICES	231,075,221	(4,246,249)	289,718,208	516,547,180
FINANCIAL MANAGEMENT**	380,252,817	21,147,305	19,266,064	420,666,186
FIRE	94,356,153	(308,938)	1,980,096	96,027,311
HEALTH AND HUMAN SERVICES	115,886,603	(3,896,233)	28,111,036	140,101,407
HUMAN RESOURCES	22,094,035	1,732,604	-	23,826,639
LIBRARY SERVICES	13,002,844	(32,787)	-	12,970,057
LONG BEACH GAS AND OIL	401,289,908	2,589,775	12,564,139	416,443,821
PARKS, RECREATION AND MARINE	59,966,893	(8,760,104)	38,555,096	89,761,884
POLICE	200,238,669	(964,643)	6,535,800	205,809,827
PUBLIC WORKS	179,347,493	(4,743,302)	98,069,200	272,673,391
TECHNOLOGY SERVICES	37,073,759	5,245	166,200	37,245,203
TOTAL	1,810,527,168	21,042,672	652,517,124	2,484,086,963

*Carryover of multi-year grants and CIP funds.

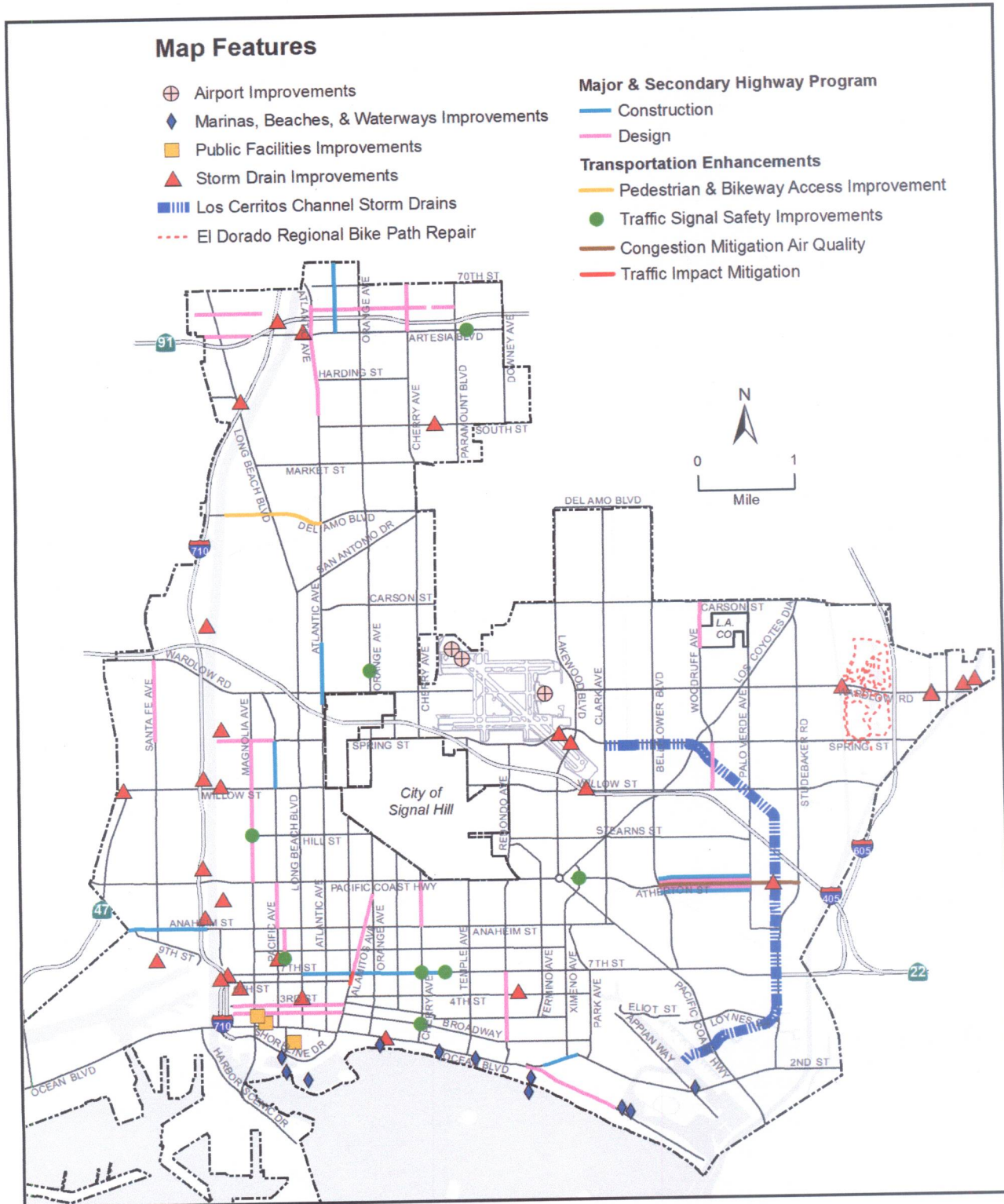
**Department of Financial Management includes internal service charges that are contained in the resolutions of the Water, Sewer and Harbor funds for accounting, budgeting and treasury functions, and other citywide activities such as debt service.

A-6
BH-25-6

**Capital Improvement
Program (CIP)**

FY 12 Capital Improvement Program (CIP)

Capital Program Overview



FY 12 Capital Improvement Program (CIP)

PURPOSE:

To provide a comprehensive program of planning, design, construction, maintenance, and repair of City facilities and infrastructure.

BUDGET HIGHLIGHTS

The Fiscal Year 2012 (FY12) Capital Improvement Program (CIP) was organized by a CIP Committee comprising representatives from various Departments. The Committee worked together to carefully review the City's capital needs and to prioritize project submittals based on the following criteria:

- Meets health, safety and legal concerns and mandates
- Prolongs the life of City assets or avoids/minimizes future repair costs
- Complies with the goals of the Financial Strategic Plan
- Generates operating savings or increases productivity
- Secures future funds through program planning
- Urgency

The CIP identifies and provides for two types of expenditures. The first covers strategic capital investment in the City's infrastructure including major enhancements and repairs to the Airport, parks, City buildings, marinas, beaches, traffic signals, storm drains, sidewalks, bus stops, fuel storage facilities, bridges and roadways, and Americans with Disabilities Act (ADA) upgrades. The second type involves one-time projects designed to address important community needs.

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. Following is a summary of each category with a dollar amount that represents "new" funding for FY12.

FY 12 Capital Improvement Program (CIP)

ALLOCATION PLAN

	FY 11 Estimated	Proposed FY 12
Sources: *		
Airport Fund	\$51,905,837	\$3,800,000
Capital Projects Fund	9,990,450	4,408,032
Civic Center Fund	0	600,000
Fleet Services Fund	668,750	0
Gas Fund	17,617,087	8,050,000
Gasoline Tax Street Improvement Fund	12,946,114	9,510,886
Marina Fund	1,610,940	0
Queen Mary Fund	10,000	0
Special Revenue General Grants Fund	472,000	0
Tidelands Operations Fund	11,482,057	18,550,000
Transportation Fund	7,236,453	8,900,000
Subtotal	\$113,939,688	\$53,818,918
Harbor Redevelopment Agency	\$425,513,973 \$25,739,794	\$631,768,700 39,892,431
Water Utility Sewer Subtotal	7,762,054 2,965,000 \$10,727,054	19,457,000 6,587,000 \$26,044,000
Grand Total	\$575,920,509	\$751,524,049
Uses:		
Airport	\$52,930,993	\$3,800,000
Long Beach Gas and Oil	17,617,087	8,050,000
Marinas, Beaches and Waterways	9,322,495	16,050,000
Parks and Recreation	2,249,424	100,000
Public Facilities	5,715,165	2,600,000
Storm Drains	461,215	1,500,000
Street Rehabilitation	18,312,436	16,408,032
Transportation Enhancements	7,330,873	5,310,886
Subtotal	\$113,939,688	\$53,818,918
Harbor Redevelopment Agency	\$425,513,973 \$25,739,794	\$631,768,700 39,892,431
Water Utility Sewer Subtotal	7,762,054 2,965,000 \$10,727,054	19,457,000 6,587,000 \$26,044,000
Grand Total	\$575,920,509	\$751,524,049

* Each fund draws from various sources such as 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	RDA Projects
State Grants	Traffic Mitigation Program	Transportation Development Act-SB821	

FY 12 Capital Improvement Program (CIP)

Airport Projects

Long Beach Airport serves 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 facility charges, 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.

Planned projects in FY12 include airport terminal area improvements and airfield pavement rehabilitation for Taxiway D North of Runway 7L-25R. Phase I terminal area improvements including permanent hold rooms, consolidated passenger screening checkpoint and enhanced concessions will already be under construction in FY 12. For FY12, Phase II terminal improvements will include the design and construction of office space for airline tenants. Funding for Phase I of the terminal project comes from General Airport Revenue Bonds (GARBs), a portion of whose debt service is paid for with PFCs. Future projects will be funded by Airport Capital.

Project Title	Proposed FY 12
Airport Terminal Development	\$2,000,000
Airfield Pavement Rehabilitation	\$1,800,000
Total Airport Projects	\$3,800,000

Long Beach Gas and Oil Department Projects

Infrastructure:

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 customers. All operations are conducted in strict compliance of 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. Since 2004, approximately 500,000 feet of pre-1950s pipe has been upgraded, improving system integrity. LBGO also takes a system-wide approach when designing CIP projects, helping to improve the delivery of gas to its customers. As an example, LBGO is in the process of establishing a 40-pound pressure standard throughout the system, which will replace the original 12 pressure sectors. The integrated plan of pressure-consistency, along with replacement of aging infrastructure and corrosion control practices will enhance system integrity, improve system reliability, increase gas storage within the distribution system, and reduce potential flow constraints.

Operations:

The LBGO is in the process to consolidate operations, which includes three components. The first is the physical relocation of the Traffic Signals, Street Signs and Parking Meters Division from Public Works San Francisco Yard to the LBGO offices at 2400 Spring Street. Facility improvements are close to completion to accommodate these operational changes. The second part realigns the utilities call center from the Department of Financial Management in City Hall to LBGO. Oversight and administrative support has already occurred and the final move should occur in Fall 2011. The third element of the consolidation efforts relates to moving Oil Operations from leased office space downtown to 2400 Spring Street to LBGO. This will help reduce the costly leasing of private office space and better align management and administrative resources.

FY 12 Capital Improvement Program (CIP)

Project Title	Proposed FY 12
Main Pipeline Replacement	\$5,500,000
Service Pipeline Replacement	\$1,100,000
Gas Meter Replacement Program	\$700,000
Gas Control/Cathodic Protection	\$50,000
Facility Work	\$700,000
Total Long Beach Gas and 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 tourists. In FY11, a number of infrastructure improvements were made. Two waterfront restrooms were rebuilt, including the installation of more secure single-stall facilities; one at 72nd Street at the end of the Peninsula, and one at Marina Park, commonly called Mother's Beach. The Mother's Beach restroom project includes a new concession stand and additional storage for the Lifeguard Operation. Progress has been made on the permitting for the rebuild of the Alamitos Bay Marina, as the State Coastal Commission Development Permit and the Federal Army Corps Dredging Permit were both finalized. In addition, the City was able to secure an additional \$10 million of State loan funds from the Department of Boating and Waterways. Finally, the project commenced with the first phase late in the year.

In FY12, projects involve replacing a public dock in the downtown area, installation of a pedestrian path along the beach, rebuild of the Leeway Sailing Center, additional beach restroom remodels, replacement of the public restrooms in Queensway Bay and rails and curbs on the Belmont Pier, additional improvements in the Rainbow Harbor area, including enhanced lighting and a decorative entrance sign, and additional erosion repair for the bluff. The rebuild of the Alamitos Bay Marina will continue in phases as funds are identified and secured.

Project Title	Proposed FY 12
Beach Bike Path Replacement	\$5,000,000
Beach Restroom Replacement	\$2,000,000
Leeway Sailing Center Building Renovation	\$3,000,000
Belmont Pier Improvements	\$250,000
Rainbow Harbor Docks (Parkers Guest Dock)	\$2,000,000
Rainbow Harbor – Queensway Bay Restroom	\$500,000
Rainbow Harbor – Sign & Lighting	\$300,000
Bluff Erosion Control Construction	\$3,000,000
Total Marinas, Beaches, & Waterways Projects	\$16,050,000

FY 12 Capital Improvement Program (CIP)

Parks and 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 facilities throughout the City.

During this past year, construction commenced on the completion of Phase II at Admiral Kidd Park, a new theatre was completed at Homeland Cultural Center, a new park was built at Seaside Park, and new bike and walking trails were finished along the Pacific Electric Right of Way. Construction continues at the new Teen Center at Ernest McBride (formerly Cal Rec) Park, and Orizaba Community Center. Additional projects were completed, including the new Wrigley Dog Park, and Rosa Parks Park. In FY 12, repair, replacement, and improvement to park bike paths will be performed, as well as beginning construction on the Baker Street Mini-Park.

Project Title	Proposed FY 12
Park Bike Path Replacement	\$100,000
Total Parks and 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 FY07 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. However, due to limited availability of funds in the CIP, no new one-time General Fund money has been allocated in this category. Boiler replacements at City Hall and Public Safety Building will be performed to meet Air Quality Management District (AQMD) standards.

The Convention Center's FY12 capital improvements include the conversion of the arena into a ballroom facility, including seating, a fly-up superstructure, roll-up carpeting and drapes. Additional improvements will include directional signage, replacement of drapes, renovation of food and beverage facilities, and other improvements including kitchen equipment, plumbing, electrical and central plant upgrades. These improvements will increase the Center's marketability while maintaining this important City asset. Improvements will be funded by the Tidelands Operating Fund, Measure D – Oil Revenue.

Project Title	Proposed FY 12
Civic Center Complex Improvements	\$600,000
Convention Center Complex Refurbishment	\$2,000,000
Total Public Facilities Projects	\$2,600,000

FY 12 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 these undersized storm drains as funding becomes available.

The Long Beach Stormwater Management Program (LBSWMP) is now beginning its 12th 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, 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, and Los Cerritos Channel water quality improvements.

Project Title	Proposed FY 12
Storm Drain Pump Station Repair & Certification	\$450,000
Storm Drain Refurbishment - Telemetry	100,000
Storm Drain System & Water Quality Improvements	950,000
Total Storm Drains Projects	\$1,500,000

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, but not limited to, reconstruction and resurfacing of major, secondary, and residential streets; replacement of street signs; repair of neighborhood sidewalks, curbs, and gutters; and rehabilitation of bridges to repair deficiencies identified by the annual Los Angeles County bridge inspection report.

Project Title	Proposed FY 12
Major and Secondary Highway Program	\$7,800,000
Bridge Rehabilitation & Seismic Retrofit	1,000,000
Citywide Residential Street Repair	4,108,032
Citywide Infrastructure Improvements (Sidewalks)	3,000,000
ADA Response Program	500,000
Total Street Rehabilitation Projects	\$16,408,032

FY 12 Capital Improvement Program (CIP)

Transportation Enhancement Projects

This category contains programs designed to meet increased needs for mobility resulting from economic growth utilizing a combination of funds. These funds include Measure R, Proposition C, Gas Tax Street Improvement Capital, General Capital Projects, 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 12
Pedestrian Safety	\$575,000
Sustainable Transportation Improvements	2,910,886
Traffic Mitigation Program	400,000
Traffic Signals - New Installations and Enhancements	1,425,000
Total Transportation Enhancements Projects	\$5,310,886

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.

In FY12, substantial capital expenditures will continue to be invested in environmental and security projects. More than \$103 million is being allocated to environmental expenditures which include such capital projects as the development of cold-ironing infrastructure on Piers A, G, J and T. When the comprehensive Middle Harbor Redevelopment Project is complete, the enhanced 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 \$44 million is being allocated to security expenditures including such capital projects as the completion of the Fiber Optic Network (FON) project and installation of bridge and rail cameras, which provide a high-speed security communication system and enhanced physical security for the entire Port complex.

Project Title	Proposed FY 12
Major Projects	
Terminal Expansion and Development	
Pier D/E/F (Middle Harbor)	\$231,267,000
Pier G	66,396,000
Pier S	27,744,000
Black Channel Navigation	2,550,000
Total Terminals Expansion and Development	\$327,957,000
Streets, Bridges, and Railways	
Rail Projects	24,500,000
Gerald Desmond Bridge Replacement	108,848,000
Other Streets and Bridges	10,576,000
Total Streets, Bridges, and Railways	\$143,924,000

FY 12 Capital Improvement Program (CIP)

Total Major Projects	\$471,881,000
Miscellaneous	
Environmental & Engineering Miscellaneous Projects	\$156,626,700
Fire Station Relocations	1,447,000
Furniture, Fixtures, and Equipment	1,814,000
Total Miscellaneous Project	\$159,887,700
Total Land Acquisitions/Mitigation	\$0
Total Harbor Department Expenditures	\$631,768,700

Redevelopment Projects

The RDA (Agency) implements public improvement projects to improve the quality of Long Beach neighborhoods. Capital Improvement projects located in the seven redevelopment project areas total \$39.9 million 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 Department of Parks, Recreation and Marine to create open space and recreational opportunities in underserved areas of the North and Central Project Areas. Improvements to Pine Avenue and the Promenade will help create a residential community in the Downtown Project Area as well as draw visitors. In the North Long Beach Project Area, the Agency is funding design and construction of the new Fire Station 12 and East Police Station to ensure that residents and businesses continue to receive effective safety protection. The Agency is also focusing on the city's industrial areas with upgrades of West Long Beach Industrial Project Area. The Agency is also enhancing streets in other project areas with median improvements to Atlantic Avenue and Artesia Boulevard in North Long Beach and streetscape improvements in the Central project area's Orizaba Design District. Finally, the Agency will support the construction of the Deukmejian Courthouse in the Central Project Area by funding off-site improvements.

Project Type	Proposed FY 12
Parks	\$11,554,500
Streets and Pedestrian Rights-of-Way	13,063,944
Libraries	4,350,000
Public Safety	4,966,000
Others	5,957,987
Total Redevelopment Expenditures	\$39,892,431

FY 12 Capital Improvement Program (CIP)

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 cast iron water mains, as some are approaching the end of their useful life, with more durable ductile iron pipes at a rate of 32,000 feet annually. In addition, the Department is continuing with its reclaimed water system expansion, conjunctive use projects, and ocean desalination research and development.

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

Project Title	Proposed FY 12
Potable Water	
Facility Upgrade	\$1,430,000
Cast Iron Main Replacement – Water Department	3,925,000
Cast Iron Main Replacement – Contractors	1,890,000
Preventive Maintenance	495,000
Water Distribution System Improvements	1,202,000
Water Resources/Facility Improvements - Regular	6,795,000
Water Resources/ Facility Improvements - Desalination	1,600,000
Total Potable Water	17,337,000
Reclaimed Water	
Reclaimed Water System Expansion	2,120,000
Total Reclaimed Water	2,120,000
Total Water Fund	19,457,000
Sanitary Sewer	
Sewer Collection System	6,587,000
Total Sewer Fund	6,587,000
Total Water Department Projects	\$26,044,000