

BH-19

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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

September 9, 2008

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 2009 budget as listed in Attachment A of this letter. (Citywide)

DISCUSSION

On August 1, 2008, the City Manager's Proposed Budget for Fiscal Year 2009 (FY 09) was delivered by the Mayor to the City Council and community with recommended amendments for consideration. Subsequent workshops and hearings were set for August 5, August 12, August 19, August 26, September 2, September 4 and September 9, 2008 along with approximately three Budget Oversight Committee (BOC) meetings and ten community meetings at which the FY 09 Proposed Budget was discussed. We are pleased to report that through the scheduled workshops, hearings, BOC and community meetings, presentations have been made by multiple City departments resulting in 23 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 09 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 09 budget and authorizes expenditures in conformance with the adopted budget. To become effective October 1, 2008, 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 09 Capital Improvement Program; acknowledgment of the updated Financial Strategic Plan; the Mayor's Recommendations; and the Budget Oversight Committee's Recommendations to the FY 09 Proposed Budget.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on August 21, 2008.

TIMING CONSIDERATIONS

In accordance with the Long Beach City Charter, the FY 09 budget must be adopted by September 15, 2008, 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 09 Proposed Budget shall be deemed the budget for the 2009 fiscal year. The Mayor then has five calendar days from City Council adoption of the budget to use a line-item veto to reduce or eliminate expenditures. The City Council would then have until September 30, 2008, to override any line-item veto 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 09 budget for all departments and funds is \$3,468,910,455, which comprises \$3,096,273,192 in new appropriation and \$372,637,263 in estimated carry-over from FY 08 for multi-year grants and projects.

The Appropriations Ordinance, included as Attachment A-17 to this letter, totals \$2,343,846,799 for all funds except Harbor, Water and Sewer, and \$2,348,005,027 for all departments except Harbor and Water. The \$4,158,228 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 Appropriation 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 \$1,125,063,656. The budget for the Harbor Department was adopted by the Board of Harbor Commissioners by minute order on June 16, 2008. The budget for the Water Department was adopted by the Board of Water Commissioners by resolution on July 10, 2008.

The City Council is also requested to bring the Municipal Code into uniformity with the FY 09 budget by amending Municipal Code (section 15.20.060) establishing the maintenance for all sewer laterals to be the sole responsibility of the property owner. The Memorandum of Understanding with the Water Department to provide sewer lateral repair services related to tree root damage has been eliminated. This action will bring Long Beach's sewer lateral policy in-line with other local jurisdictions, including the City of Los Angeles.

The recommendations in this letter include various fee adjustments, as highlighted in the FY 09 Proposed Budget book, and are included in the attached Master Fee Resolution. The fee changes are necessary for full cost recovery and are summarized in Attachment A-6, Exhibit A to this letter.

Other requested City Council actions include approval of the FY 09 One-Year Capital Improvement Program (CIP) budget, which is contained in the Appropriations Ordinance. The Planning Commission, at its meeting of August 15, 2008, approved the CIP for FY 09 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.

Further, 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, while the budget of the HDC is included in the budget of the Community Development Department.

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 41.05 percent of the 2008-2009 Appropriations Limit and, therefore, does not exceed the Limit. This calculation is reviewed by the City Auditor for conformance to the law.

SUGGESTED ACTON:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

APPROVED:



PATRICK H. WEST
CITY MANAGER

List of Requested Fiscal Year 2008 Budget Adoption Actions

1. Adopt the Resolution approving the FY 09 budget for the Long Beach Harbor Department as adopted by the Board of Harbor Commissioners on June 16, 2008 (A-1).
2. Declare an emergency to exist (A-2).
3. Declare the Ordinance approving the Resolution establishing the rates and charges for water and sewer service to all customers, as adopted by the Board of Water Commissioners on July 24, 2008, 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 09 budget of the Long Beach Water Department as adopted by the Board of Water Commissioners on July 10, 2008 (A-4).
5. Declare the Ordinance to amend the Long Beach Municipal Code by amending section 15.20.060 relating to maintenance of sewers, read the first time and laid over to the next regular City Council meeting for final reading (A-5).
6. Adopt the Resolution establishing a master fee and charges schedule for specified city services for the Departments of Airport, City Clerk, City Prosecutor, Community Development – Code Enforcement, Development Services, Financial Management, Fire, Gas & Oil, Health and Human Services, Library Services, Parks, Recreation and Marine, Police, and Public Works. (A-6).
7. Approve the FY 09 One-Year Capital Improvement Program (A-7).
8. 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 \$44,558 for North Long Beach (A-8).
9. Adopt a motion approving the budget for the Long Beach Housing Development Company in the amount of \$30,424,612, which is included in the budget of the Department of Community Development (A-9).
10. Adopt a motion approving the transfer of \$16,059,464 from the Harbor Revenue Fund to the Tidelands Operating Fund (A-10).
11. Adopt the Resolution adopting an appropriations limit (Gann) for FY 09 pursuant to Article XIII(B) of the California Constitution (A-11).
12. Adopt the Mayor's proposed funding recommendations, as amended, to the FY 09 Proposed Budget (A-12).
13. Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the FY 09 Proposed Budget (A-13).
14. Acknowledge the updated Financial Strategic Plan (A-14).
15. Adopt a motion amending the proposed budget (A-15).
16. Declare an emergency to exist (A-16).
17. Declare the Appropriations Ordinance for FY 09, 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-17).

FISCAL YEAR 2009 APPROPRIATIONS ORDINANCE BY FUND

<u>FUND</u>	<u>FY 09 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 08 ESTIMATED CARRYOVER*</u>	<u>FY 09 APPROPRIATION</u>
GENERAL FUND	404,223,243	(329,134)	-	403,894,110
GENERAL GRANTS FUND	6,657,583	-	10,880,124	17,537,707
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	4,756,444	-	-	4,756,444
HEALTH FUND	44,706,112	212,069	36,281,335	81,199,515
PARKING & BUSINESS AREA IMPROVEMENT FUND	7,031,088	-	-	7,031,088
SPECIAL ADVERTISING & PROMOTION FUND	6,930,787	7,502	-	6,938,289
UPLAND OIL FUND	28,650,709	-	-	28,650,709
HOUSING DEVELOPMENT FUND	26,684,889	19,826	66,657,962	93,362,677
BELMONT SHORE PARKING METER FUND	669,532	-	-	669,532
DEVELOPMENT SERVICES FUND	13,917,848	(78,020)	-	13,839,827
BUSINESS ASSISTANCE FUND	1,473,381	(258,849)	(48,155)	1,166,377
COMMUNITY DEVELOPMENT GRANTS FUND	26,598,907	60,751	32,256,190	58,915,849
PARK DEVELOPMENT FUND	1,056,174	1,479	-	1,057,653
GASOLINE TAX STREET IMPROVEMENT FUND	17,354,032	-	16,292,095	33,646,127
TRANSPORTATION FUND	16,920,015	2,659	17,318,712	34,241,387
CAPITAL PROJECTS FUND	10,790,141	-	53,652,719	64,442,860
CIVIC CENTER FUND	1,635,040	9,546	2,962,504	4,607,090
GENERAL SERVICES FUND	36,842,828	33,973	2,138,513	39,015,315
FLEET SERVICES FUND	36,311,834	27,523	359,703	36,699,059
INSURANCE FUND	36,290,954	80,631	-	36,371,584
EMPLOYEE BENEFITS FUND	226,004,478	1,093,568	-	227,098,045
TIDELANDS FUNDS	131,033,622	3,640,255	19,850,396	154,524,273
TIDELAND OIL REVENUE FUND	363,131,614	57,348	-	363,188,961
RESERVE FOR SUBSIDENCE	-	-	-	-
GAS FUND	144,771,416	63,086	3,736,684	148,571,186
AIRPORT FUND	34,789,571	149,081	48,127,643	83,046,295
REFUSE/RECYCLING FUND	49,529,322	22,713	(127,537)	49,424,498
SERRF FUND	53,701,873	1,511,097	-	55,212,970
SERRF JPA FUND	11,394,998	-	-	11,394,998
TOWING FUND	9,821,496	4,120	-	9,825,615
PARKING AUTHORITY FUND	-	-	-	-
HOUSING AUTHORITY FUND	67,445,005	12,613	792,013	68,249,631
REDEVELOPMENT FUND	142,414,052	51,934	61,506,361	203,972,347
CUPA FUND	1,289,158	5,621	-	1,294,779
TOTAL	1,964,808,145	6,401,391	372,637,263	2,343,846,799

* Carryover of multi-year grants and CIP funds.

FISCAL YEAR 2009 APPROPRIATIONS ORDINANCE BY DEPARTMENT

<u>DEPARTMENT</u>	<u>FY 09 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 08 ESTIMATED CARRYOVER*</u>	<u>FY 09 APPROPRIATION</u>
MAYOR AND COUNCIL	\$ 5,215,817	\$ (151,354)	\$ -	\$ 5,064,463
CITY ATTORNEY	9,708,745	0	-	9,708,745
CITY AUDITOR	2,682,333	137,717	-	2,820,050
CITY CLERK	3,911,718	-57,978	-	3,853,740
CITY MANAGER	8,087,496	33,935	-	8,121,430
CITY PROSECUTOR	5,492,110	0	(16,989)	5,475,121
CIVIL SERVICE	2,224,506	0	-	2,224,505
AIRPORT	27,384,959	149,081	3,384,161	30,918,201
COMMUNITY DEVELOPMENT	145,578,033	5,337,385	98,559,410	249,474,828
DEVELOPMENT SERVICES	160,342,492	83,912	63,039,954	223,466,358
FINANCIAL MANAGEMENT**	367,300,622	539,998	(1,752,019)	366,088,602
FIRE	93,793,784	113,754	3,174,090	97,081,628
HEALTH AND HUMAN SERVICES	50,832,388	242,579	38,853,555	89,928,522
HUMAN RESOURCES	8,123,010	38,189	-	8,161,199
LIBRARY SERVICES	13,271,115	30,592	-	13,301,707
LONG BEACH GAS AND OIL	579,572,123	1,631,531	3,736,684	584,940,339
PARKS, RECREATION AND MARINE	57,997,862	193,840	19,437,940	77,629,642
POLICE	207,431,124	-465,867	5,098,889	212,064,147
PUBLIC WORKS	184,574,235	-1,876,419	137,183,074	319,880,890
TECHNOLOGY SERVICES	35,441,901	420,497	1,938,513	37,800,911
TOTAL	\$ 1,968,966,373	\$ 6,401,391	\$ 372,637,263	\$ 2,348,005,027

* Carryover of multi-year grants and CIP funds.

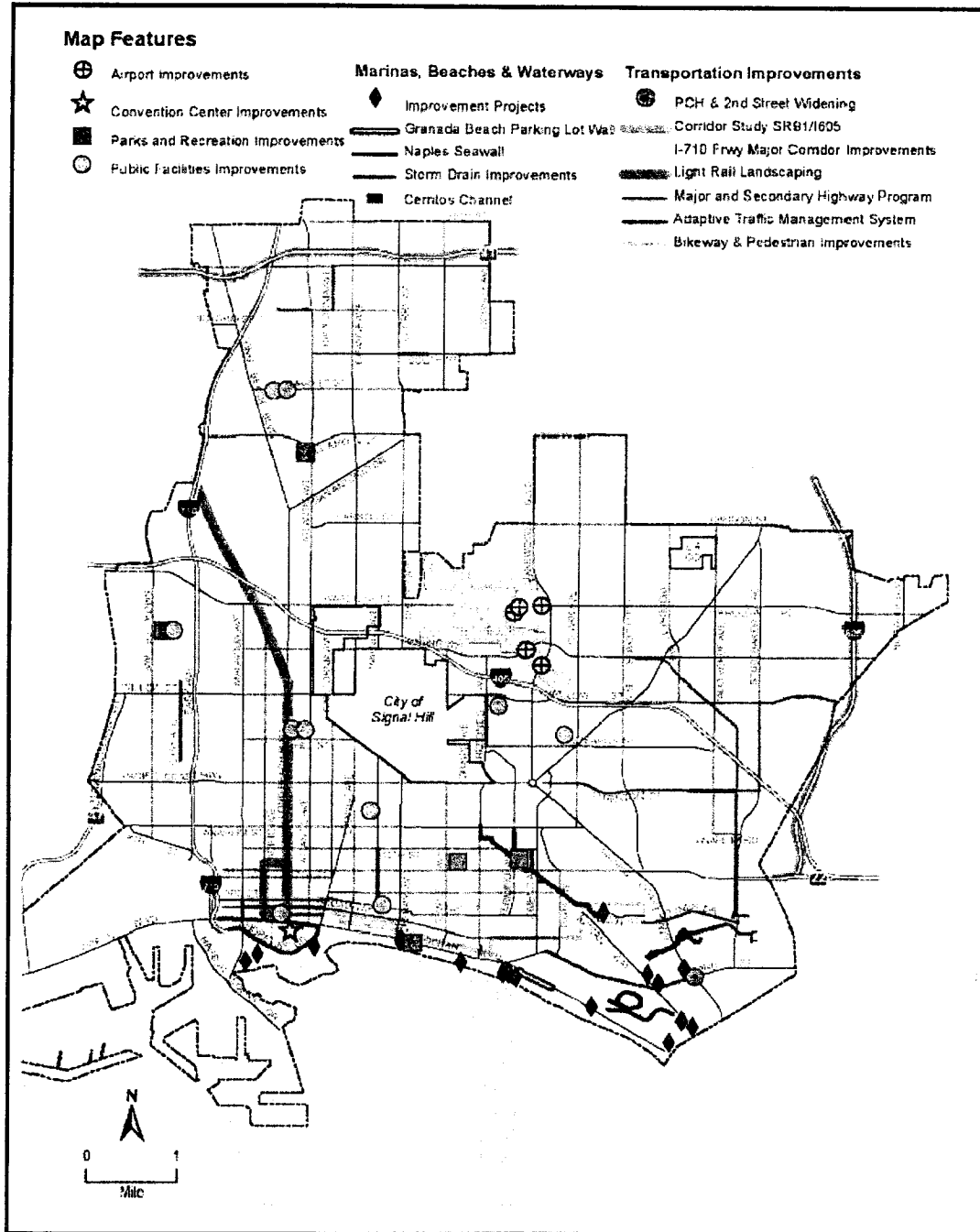
** Department of Financial Management includes internal service charges that are contained in the resolutions of the Water, Sewer and Harbor funds for accounting, budgeting and treasury functions, and other citywide activities such as debt service.

**Capital Improvement
Program (CIP)**

FY 09 Capital Improvement Program (CIP)

Fiscal Year 2009 Capital Improvement Program

Capital Program Overview



FY 09 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 2009 (FY 09) Capital Improvement Program (CIP) was organized by a CIP Committee comprised of 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
- Benefits the community and supports the goals of the Strategic Plan 2010
- Generates operating savings or increases productivity
- Secures future funds through program planning
- Identified in a previous year's CIP document
- 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, street lights, 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. Examples of one-time projects include the completion of the Scherer Park Renovation, Basin 8 Soundwall and Fire Station Roof Repairs (Stations 2,7 and 11).

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 CIP is divided into major categories according to the type of capital investment. Following is a summary of each category with a dollar amount that represents "new" funding for FY 09.

FY 09 Capital Improvement Program (CIP)

ALLOCATION PLAN

Uses:	FY 08 Estimated	Proposed FY 09
Airport	\$28,119,017	\$6,800,000
Community Development	177,806	3,215,000
Long Beach Gas and Oil	13,048,606	7,350,000
Marinas, Beaches and Waterways	6,268,325	10,200,000
Parks and Recreation	3,401,151	1,056,916
Public Facilities	2,490,573	2,090,000
Storm Drains	794,898	848,963
Street Rehabilitation	24,768,839	16,858,135
Transportation Enhancements	3,825,638	2,946,974
Subtotal	\$82,894,853	\$51,365,988
Harbor	\$202,191,861	\$416,507,000
Water Utility	11,910,984	12,589,940
Sewer	2,472,000	5,000,000
Grand Total	\$299,469,698	\$485,462,928

Sources: *

Airport Fund	\$28,119,394	\$6,800,000
Civic Center Fund	1,148,336	730,000
Fleet Services Fund	0	1,300,000
Gas Fund	13,048,606	7,350,000
Gasoline Tax Street Improvement Fund	7,011,738	8,595,059
Capital Projects Fund	11,291,550	5,501,309
Marina Fund	1,272,765	0
Rainbow Harbor Area Fund	352,701	0
Special Assessment District Capital Projects Fund	99	0
Tidelands Operations Fund	3,981,239	14,240,000
Transportation Fund	16,668,425	6,849,620
Subtotal	\$82,894,853	\$51,365,988
Harbor	\$202,191,861	\$416,507,000
Water Utility	11,910,984	12,589,940
Sewer	2,472,000	5,000,000
Grand Total	\$299,469,698	\$485,462,928

* Each fund may include various sources such as fees and grants. Funding sources for the Capital Projects Fund include but are not limited to:

County Park Bonds	County Grants	Developer Fees
General Fund	Park Impact Fees	State Grants
Traffic Mitigation Program Monies	Transportation Development Act-SB821	Federal Grants
Public Safety Facilities Capital Improvements	Lease Revenue Bonds	RDA Bond Fund

FY 09 Capital Improvement Program (CIP)

Airport Projects

Long Beach Airport offers a variety of services required by commercial and general aviation users, as well as the general public, and provides direct and indirect economic benefits to the region. Funding for Airport CIPs can come from several sources including Federal Aviation Administration grants, Passenger Facility Charges, Airport fees and facility charges, commercial paper and bonds. Improvements will be implemented as needed to accommodate 41 commercial airline flights and 25 commuter airline flights per day and over 3 million passengers annually. Airport user and general public safety and security, compliance with federal mandates, and operational needs of the Airport provide the basis for capital projects. Planned projects include airfield pavement rehabilitation, airfield signage replacements, existing terminal building utility infrastructure enhancements, air carrier ramp reconstruction, pedestrian and vehicular traffic way-finding signage and signals installation, Lakewood and Spring Street airfield tunnels component upgrades, and design phases for the airport terminal improvements and new parking structure.

Project Title	Proposed FY 09
Airfield Pavement Rehabilitation	\$1,000,000
Airport Terminal Improvement	1,000,000
Lakewood and Spring Tunnels	500,000
Air Carrier Ramp Reconstruction	2,300,000
Terminal Area Signage and Signals	2,000,000
Total Airport Projects	\$6,800,000

Community Development Projects

In recent years, the primary focus of Community Development projects has been to implement the City's Transition Plan to comply with the Americans with Disabilities Act (ADA). The City has made significant progress in completing projects based on the priorities established in the Transition Plan and is in the close out process.

Project for FY 09 focus on rehabilitation and repair of facilities at the Long Beach Convention and Entertainment Center.

Project Title	Proposed FY 09
Convention Center Complex Refurbishment	
Arena Refurbishment	\$2,000,000
Arena Boiler Replacement	100,000
Ballroom Carpeting Replacement	130,000
Plant Chiller Replacement	400,000
Lighting Retrofit	300,000
Parking Equipment	150,000
Promenade Carpeting Replacement	135,000
Total Community Development Projects	\$3,215,000

FY 09 Capital Improvement Program (CIP)

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 FY 09, substantial capital expenditures will continue to be invested in environmental and security projects. More than \$149 million is being allocated to environmental projects, which includes the development of cold-ironing infrastructure on Piers C, G, T and Middle Harbor. 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 \$25 million is being allocated to security projects, including the completion of the Fiber Optic Network (FON) project, which will provide a high-speed, interface free, security communication system for the entire Port complex.

Project Title	Proposed FY 09
Major Projects	
Terminals Expansion and Development	
Pier A	\$400,000
Pier B	10,000,000
Pier C	1,000,000
Pier D/E/F (Middle Harbor)	45,488,000
Pier G	70,758,000
Pier S	2,768,000
Pier T	19,058,000
Back Channel Navigation	0
Other Construction	3,501,000
Total Terminals Expansion and Development	\$152,973,000
Streets, Bridges, and Railways	
Ocean Blvd / TI Freeway	\$0
Gerald Desmond Bridge Replacement	20,747,000
Other Streets and Bridges	27,584,000
Total Streets, Bridges, and Railways	\$48,331,000
Total Major Projects	\$201,304,000
Total Land Acquisitions/Mitigation	\$1,000,000
Miscellaneous	
Environmental and Engineering Miscellaneous Projects	\$208,288,000
Fire Station Relocations	3,496,000
Furniture, Fixtures, and Equipment	2,419,000
Total Miscellaneous Project	\$214,203,000
Total Harbor Department Expenditures	\$416,507,000

FY 09 Capital Improvement Program (CIP)

Long Beach Gas and Oil Department Projects

Long Beach Gas and Oil (LBGO) is the largest of the three municipally-owned natural gas utilities in California and the fifth largest such utility in the country. One of the primary goals of Long Beach Gas and Oil is to supply its customers with a dependable source of natural gas at a reasonable price via a safe and reliable pipeline distribution system.

LBGO's 1,800 miles of natural gas pipeline is a City asset with a \$700 million replacement value. A primary objective of the Department is to maintain the integrity of this pipeline system to ensure safe delivery of natural gas to its 145,000 customers, in accordance with the U.S. Department of Transportation's (DOT) pipeline regulations. The Department is also committed to the preservation of its assets by continuing to maintain and enhance the usefulness of its facilities through various capital improvement projects, such as Pipeline Replacement Project, Geographic Information System (GIS) and Meter Replacement Project.

As part of LBGO's Pipeline Replacement Program, the Department has replaced over 300,000 feet of main pipeline over the past five years. The program was geared to replace the majority of pre-1930s and part of the pre-1940s aging pipeline within a six-year period, and has been on track to date. The Department has been expending approximately \$8.3 million annually to achieve this goal.

Over the past two years, the Department has been also implementing a GIS project. The GIS project should be fully operational in FY 08, and will provide a host of work process and cost efficiencies. Unfortunately, the GIS project was extremely draining on staff resources, and a backlog of completed work reconciliations and future project designs have accumulated. As a result, the scope of the FY 09 Pipeline Replacement Project has been reduced by over 50 percent to provide a catch up period to reduce the backlog that was created. The FY 10 Pipeline Replacement Program should return to previous levels, thereby extending the completion date of the Pipeline Replacement Program. Other capital replacement projects, which will not exacerbate the backlog of reconciliations and design work will be completed in FY 09. These projects include several pipeline system upgrades, as well as a few facility repairs and improvement projects. The Department is also continuing with its Meter Replacement Project to replace approximately 16,500 aged residential meters during a three-year period.

LBGO's CIP Program will ensure that LBGO customers have a safer and more reliable gas pipeline infrastructure for years to follow.

Project Titles	Proposed FY 09
Base Facility Improvements	\$700,000
Pipeline Integrity	5,750,000
Gas Meter and Regulator Replacement	900,000
Total Long Beach Gas and Oil Projects	\$7,350,000

FY 09 Capital Improvement Program (CIP)

Marinas, Beaches and Waterways Projects

Two assets that make Long Beach unique are its beaches and marinas. These City-maintained resources provide recreational enjoyment to both residents and tourists. In FY 08, construction was completed on the 12th Place bluff stabilization project, the repaving of the Belmont Veterans Memorial Pier, the installation of the first phase of mooring buoys at Belmont Veterans Memorial Pier and the Dock 8 and 9 improvements in Rainbow Harbor. Several projects expected to begin in FY 08 have extended into FY 09 including the first phase of the Alamitos Bay Marina rebuilding and the bluff stabilization below Bixby Park. In FY 09, construction will also begin on the AquaLink Docks at Alamitos Bay Landing and Belmont Pier, the lowering of the Granada Beach Parking Lot wall, as well as upgrades to fuel facilities, beach restrooms replacement, and continued seawall repairs.

Project Title	Proposed FY 09
Tidelands Fuel Sites	\$1,000,000
Beach Restroom Replacement:	
Beach Restroom Replacement Program	1,400,000
Pier/Pool Beach Restroom Installation	700,000
Marina Park Restroom Expansion	300,000
Belmont Pool Parking Lot Machines	400,000
Mother's Beach Playground	250,000
Alamitos Bay Dredging Study	300,000
Rainbow Harbor Docks	1,500,000
Leeway Sailing Center	450,000
Marine Stadium Area Improvements:	
Basin 8 Soundwall	150,000
Marina Vista Transformer	250,000
Naples Seawall Maintenance and Repair	1,000,000
Los Cerritos Channel	170,000
Fire Station 21 Restrooms	150,000
Portable Lifeguard Towers	200,000
Belmont Pier Improvements:	
Pier Point Lift Station	100,000
Belmont Pool Conceptual Design	600,000
Bluff Landscaping	900,000
Beach Maintenance Yard Pad Expansion and Enclosure	150,000
Granada Beach Parking Lot Wall	230,000
Total Marinas, Beaches and Waterway Projects	\$10,200,000

FY 09 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.

New projects in FY 09 include renovation of the game courts at Silverado Park, renovation of Rose Park, miscellaneous bike path repairs, and replacement of functionally obsolete offices at Scherer Park with a new Community Center and other park amenities.

Project Title	Proposed FY 09
Park Bike Path Replacement	\$100,000
Beach Bike Path Design	150,000
Scherer Park Renovation	450,000
Silverado Park Game Courts	156,916
Rose Park	200,000
Total Parks and Recreation Projects	\$1,056,916

Public Facilities Projects

Long-deferred critical repairs are needed to maintain and protect the facility integrity at various libraries, health facilities, parks, police stations, and fire stations. A facility assessment conducted in FY 07 examined the condition of 130 structures totaling 1,861,769 square feet. This assessment cataloged deficiencies in each facility, while providing cost estimates for corrections to return each facility to reliable operating condition. Due to the limited funding available for costly renovation projects, work efforts will continue to target only critical life safety deficiencies and accelerated deterioration affecting the safety of the structure's occupants.

Project Title	Proposed FY 09
Critical Facility Repairs	
Fire Station Roof Repairs (Stations 2, 7, 11)	\$200,000
Main Health Facility – New Roof	280,000
Silverado Park Public Shelter Emergency Generator	250,000
Downtown Bikestation Operation	60,000
Underground Storage Tank Program	1,300,000
Total Public Facilities Projects	\$2,090,000

FY 09 Capital Improvement Program (CIP)

Storm Drain Projects

Rainwater and storm water, also known as urban runoff, is removed from city streets through a vast network of curbside inlets, underground pipes, and open channels collectively known as the storm drain system. Designed to prevent flooding, the storm drain system carries this water, untreated directly to the ocean. The Department of Public Works is responsible for the storm drain capital projects and storm drain maintenance for City facilities except for the pump stations. Under a Memorandum of Understanding, the Water Department operates and maintains the City-owned pump stations and transfers related expenses to Public Works. Projects to be initiated in FY 09 include modifications to 86 City-owned and 65 County-owned catch basins.

Project Title	Proposed FY 09
Storm Drain System Improvements	\$173,963
Termino Avenue Storm Drain	275,000
Beach Outfall Catch Basin Modification	400,000
Total Storm Drain Projects	\$848,963

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 under the ADA Response Program; repair of neighborhood alleys, 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 09
Major and Secondary Highway Program	\$7,962,039
Bridge Rehabilitation and Seismic Retrofit	150,000
Citywide Residential Street Repair	5,146,096
Citywide Infrastructure Improvements (Sidewalks)	3,000,000
ADA Response Program	600,000
Total Street Rehabilitation Projects	\$16,858,135

FY 09 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 Proposition "A", "1B", and "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 09
Light Rail Landscaping	\$441,837
Traffic Mitigation Program	120,000
Bikeway and Pedestrian Improvements	194,393
Congestion Management Program Compliance	34,000
Opticom Installation	25,000
Citywide Signage Program	200,000
Traffic Signals - New Installations and Enhancements	1,014,244
Adaptive Traffic Management System	880,000
I-710 Freeway Major Corridor Improvements	37,500
Total Transportation Enhancements Projects	\$2,946,974

FY 09 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 09
Potable Water	
Facility Upgrades	\$0
Cast Iron Main Replacement – Water Department	2,762,940
Cast Iron Main Replacement – Contractors	3,720,000
Preventative Maintenance	480,000
Facility Improvement	170,000
Water Distribution System Improvements	1,710,000
Water Resources/Facility Improvements - Regular	1,803,000
Water Resources/Facility Improvements - Conjunctive Use	0
Water Resources/ Facility Improvements - Desalination	1,644,000
Total Potable Water	12,289,940
Reclaimed Water	
Reclaimed Water System Expansion	300,000
Total Reclaimed Water	300,000
Total Water Fund	12,589,940
Sanitary Sewer	
Sewer Collection System	5,000,000
Total Sewer Fund	5,000,000
Total Water Department Projects	\$17,589,940