

# Agenda Report

**TO:** City Council

July 28, 2003

**THROUGH:** Finance Committee

**FROM:** City Manager

**SUBJECT:** Adoption of the FY 2004 - 2008 Capital Improvement Program Budget and Approval of New Criteria for Utility Undergrounding Priorities

## RECOMMENDATIONS

It is recommended that the City Council:

1. Adopt by resolution the FY 2004 - 2008 Capital Improvement Program as amended by the Finance Committee;
2. Approve a journal voucher amending the FY 2003 CIP budget resulting in a decrease of \$2,302,902, as detailed in Attachment III of this report;
3. Adopt the proposed criteria for establishing priority of streets for undergrounding of overhead utilities and the partial listing in priority order of Category 1 streets, as explained in Attachment IV of this report; and
4. Approve the addition of a new project in the *Municipal Buildings and Facilities* section -- "Regulatory Repairs of Four Fuel Sites" with a total estimated cost of \$300,000.

## COMMISSION RECOMMENDATIONS

The Recommended FY 2004 – 2008 Capital Improvement Program was presented to and received the support of the following commissions: Recreation and Parks, Transportation Advisory (TAC), Northwest, Old Pasadena Parking Meter Zone Advisory Commission and Planning.

- Recreation and Parks Commission – Recommended approval of the *Parks and Landscaping* and the *Arroyo Projects* sections.

- Transportation Advisory Commission (TAC) – Recommended approval of the *Streets and Streetscape*, and *Traffic Control and Facilities* sections.
- Northwest Commission – Recommended approval of all projects located in Northwest Pasadena.
- Old Pasadena Parking Meter Zone Advisory Commission – Recommended approval of the three projects under their purview in the *Traffic Control and Facilities* section.
- Planning Commission - Found all new projects in the Recommended FY 2004 – 2008 CIP to be in compliance with the General Plan.

## BACKGROUND

On July 14, 2003, a public hearing on the Recommended FY 2004 – 2008 CIP budget was open. Concurrently, copies of the recommended appropriations for the Recommended FY 2004 – 2008 CIP were placed in all public libraries.

The Finance Committee began discussions of the Recommended FY 2004 – 2008 Capital Improvement Program budget on July 14, 2003 and continued these discussions on July 21<sup>st</sup>, and July 28<sup>th</sup>. The Finance Committee has completed its review of the thirteen categories of the Capital Improvement Program and the budget is now ready for adoption by the City Council.

Attachment I contains a summary of each project category showing the total dollars funded in the Recommended FY 2004 – 2008 CIP and recommended appropriations by project for FY 2004. The following adjustments in the printed Recommended FY 2004 – 2008 CIP, have been made and are included in Attachment I.

1. **Washington Park – Implement Master Plan (78529)** - The City has been awarded a \$331,544 grant from the San Gabriel Rivers and Mountains Conservancy to assist with the development and restoration of Washington Park facilities. Staff recommends this grant be appropriated to this project.
2. **Centralized Athletic Field Lighting Equipment - Villa Parke, Allendale, Jefferson, and Robinson Parks** - The total estimated cost of this project was increased from \$45,000 to \$326,000 because the scope was expanded to include the cost of replacing light poles at Villa Parke and Allendale Park and the replacement of equipment cabinets at Allendale and Robinson parks. The following appropriations totaling \$175,660 have been added to this project: \$128,092 of Residential Impact Fees; \$24,668 from a Proposition A (1996) grant; \$5,900 from the Recreation and Parks Foundation; \$5,000 from an American Youth Soccer Organization; \$5,000 from the Power Fund; \$4,000 from a Villa Adult Soccer League; and \$3,000 from the Southwest Pasadena Little League.
3. **Replacement of Athletic Field Lighting Poles – Villa Park, Allendale** - This project has been consolidated into the *Centralized Athletic Field Lighting Equipment* project.
4. **Brookside Park – Upgrade Lighting** - An appropriation of \$5,000 from the Los Angeles Dodgers and an appropriation of \$4,100 from the Recreation and Parks Foundation have

been added to this project, and the original recommended appropriation of \$7,000 of Residential Impact Fees has been removed. This project will provide for the installation of a centralized lighting control system at the Brookside play fields.

5. **Old Pasadena Parking Structures - Improvements (71664)** - An appropriation of \$122,000 from the Old Pasadena Parking Fund has been added to this project. This project will provide for maintenance of the Schoolhouse, Delacey, and Mariott parking structures.
6. **Old Pasadena Parking Structures – Energy Efficient Improvements (71722)** - An appropriation of \$100,000 from the Old Pasadena Parking Fund has been added to this project. This project will provide for the installation of energy efficient lighting systems at the Delacey and Schoolhouse parking structures.
7. **Purchase Seven Alternative Fuel, Medium Duty Transit Vehicles (75058)** - The City has been awarded an \$85,000 Carl Moyer Program Grant from the South Coast Air Quality Management District and \$396,000 from the Federal Transportation Administration to aide in the purchase of alternative fuel transit vehicles that will support the Pasadena Area Rapid Transit System (ARTS) expanded service plan. Staff recommends this funding be appropriated to this project.
8. **Gold Line Pedestrian Enhancements (75059)** - The City had been approved by the MTA to receive a grant for \$399,000 for pedestrian enhancements to the Gold Line. Due to State budget issues, the MTA has put this money on-hold and the city will not receive the funding this fiscal year. As a result, this funding will not be recommended for appropriation to this project as part of the FY 2004 CIP budget.
9. **Distribution System Life Cycle Management (3034)** – At the Finance Committee’s request, this project, which originally included the development of a Power Distribution Master Plan, has been split into two projects. The “Power Distribution System Master Plan” project, which provides for the development of a master plan, has a total estimated cost of \$750,000 with a recommended appropriation of \$550,000 in FY 2004. The “Distribution System Life Cycle Management” project, which provides for the implementation of the master plan, has a total estimated project cost of \$5,569,000 with a recommended appropriation of \$629,000 in FY 2004.
10. **Street Lighting and Electrical System Undergrounding** section of the CIP, which was not completed at the time the Recommended FY 2004 – 2008 CIP budget was printed, has now been included for adoption. This section will now contain eight projects with a recommended appropriation for FY 2004 of \$5,914,789 in Underground Surtax Funds.

The resolution contains Exhibit B which sets the specific spending limits for each capital project for FY 2004. This process of adopting a formal resolution complies with City Ordinances.

Attachment II contains the transmittal letter from the City Manager that highlights the FY 2004 – 2008 Capital Improvement Program budget.

Attachment III represents changes made to the prior years' appropriations. The budgetary changes listed below must be recognized through the journal voucher process so that they can be incorporated and reflected in the FY 2004 CIP budget.

1. **Gold Line Pedestrian Enhancements (75059)** – This project was created in FY 2002 with a total estimated project cost of \$1,000,000. The project was fully funded with MTA funds totaling \$900,000 and \$100,000 in Light Rail Reserve Funds. The city was going to receive the MTA grant for \$900,000 to fund the installation of four-quadrant railroad crossing gates and various pedestrian enhancements. The Blue Line Construction Authority decided to fund the installation of the quad gates during the construction of the Gold Line. As a result, the city no longer will receive the \$900,000 grant from the MTA. Staff request the appropriation of \$900,000 in MTA funding be removed from the project.
2. **Arroyo Parkway Enhancement (73201)** – In FY 2002, the State of California relinquished Arroyo Parkway to the City of Pasadena. As a part of the relinquishment, the city received \$6,440,000 from Caltrans to pay for improvements needed to bring it up to the standards of a major arterial street. The improvements will include modifications to the median islands to add/lengthen left turn pockets and to widen through traffic lanes, parkway and median landscaping, pedestrian and street lighting, crosswalk treatments, pedestrian amenities, miscellaneous sidewalk, curb and gutter reconstruction and information kiosks (pods). This project is also within the area of the SR710 mitigation program funded by the federal government. Staff requests that \$1,402,902 of the Caltrans funds be removed from this project and reappropriated in the FY 2004 CIP budget to six SR710 mitigation projects to be used as the City's match for the federal money. This recommendation was reviewed and supported by the DAG.
3. **Walnut Street Improvements – Foothill Blvd to Altadena Drive, and Daisy Avenue to Sunnyslope Avenue (NEW)** – This was a part of the **East Pasadena Specific Plan** Project and includes street improvements on Walnut Street from Foothill Boulevard to Altadena and Daisy Avenue to Sunnyslope Avenue. In FY 2003, \$800,000 from the sale of land was appropriated to the **East Pasadena Specific Plan** project to complete this work. Due to the complexity and cost of this project, and for tracking purposes, staff recommends that a separate stand-alone project be created. The \$800,000 needs to be transferred from the **East Pasadena Specific Plan (75939)** project to the newly created project.
4. **East Pasadena Specific Plan (75939)** – Staff requests \$800,000 of revenue from the sale of land along Walnut Street be removed from this project and transferred to a new CIP project, **Walnut Street Improvements – Foothill Blvd to Altadena Drive, and Daisy Avenue to Sunnyslope Avenue**, as described above.

## **REVISED PRIORITY AND CRITERIA FOR UTILITY UNDERGROUNDING**

The City Council requested that staff reexamine the criteria used for setting the utility undergrounding priority list. The Council was concerned about the increasing number of overhead utility lines being added in neighborhoods and wanted to know if it was possible to redirect the undergrounding priorities to residential streets. However, based on recent information provided by SBC (formerly Pacific Bell), staff does not recommend a redirection of the undergrounding program at this time. According to the California Public Utilities Commission (CPUC), utility companies are given the authorization to set their own tariff rules pertaining to utility undergrounding. SBC classifies residential streets as Category 2 streets, and therefore, SBC is not required to pay for the undergrounding of utilities in these areas. Based on this discovery, staff does not recommend redirecting the City's existing undergrounding priorities to residential streets.

Staff recommends the City Council adopt the proposed criteria and undergrounding priority list as defined in Attachment IV.

## **REGULATORY REPAIRS OF FOUR FUEL SITES**

In February 2003 the Air Quality Management District (AQMD) inspected the City's four fueling sites and issued a Notice of Violation (NOV) for each site because they employ a remote fill design. This design is not certified by the California Air Resources Board and is therefore disallowed by the AQMD. On July 1, 2003 the City was granted a variance allowing the sites to operate in non-compliance for 105 days and fined \$11,640 in remediation fees for excess emissions for operations during the variance period. If the site modifications are not completed during this time, the City will face additional fines of at least \$400,000 and the closure of the fueling sites. It is important to note that prior to this year's annual inspection by the AQMD, the sites passed all required testing and certifications when they were installed and each year thereafter. Attachment V contains a copy of the recommended new CIP project. Because of the urgency of this project it has not yet been reviewed by the Planning Commission for consistency with the General Plan. If the City Council approves this project, it will be submitted to the Planning Commission for their consideration at their August meeting.


The location of the fuel sites are:

- City Yards, 323 W. Mountain Street
- Civil Defense Center, 2783 Eaton Canyon Drive
- Police Department, 207 N. Garfield Avenue
- Fire Station 33, 515 N. Lake Avenue

**FISCAL IMPACT**

The appropriations recommended in the FY 2004 Capital Improvement Program total \$37,644,694. The net decrease to the FY 2003 CIP budget is \$2,302,902.

Respectfully submitted,

  
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