

Agenda Report

TO: CITY COUNCIL **DATE:** JUNE 15, 2009
THROUGH: FINANCE COMMITTEE
FROM: CITY MANAGER
SUBJECT: APPROVAL OF A JOURNAL VOUCHER AMENDING PROJECTS IN THE FISCAL YEAR 2009 CAPITAL IMPROVEMENT PROGRAM BUDGET

RECOMMENDATION:

It is recommended that the City Council approve a journal voucher with a net increase of \$751,958 amending 19 projects in the Fiscal Year 2009 Capital Improvement Program as detailed on Attachment A.

BACKGROUND:

As part of the process to update the Capital Improvement Program (CIP) budget, the Department of Public Works has completed this report detailing necessary budget adjustments that reflect additional revenues, decreased expenses, or appropriations to close out projects. The budgetary changes to the projects are listed below and must be recognized through the City's journal voucher process to formalize the changes. The changes are summarized in Attachment A.

- 1. Arroyo Parkway Corridor Transportation Improvement (75060)** – Staff recommends appropriating \$545,000 in Regional Surface Transportation Program funds to this project and unappropriating \$545,000 in MTA funds from this project. An incorrect funding source was originally appropriated.
- 2. Avenue 64 – La Loma Road – Street Lighting and Electric System Undergrounding, Colorado Blvd to South City Limits and Ave 64 to San Rafael Ave (74999)** - Staff recommends appropriating \$43,557 in Private Capital from Champion Communications, \$300,000 in Underground Surtax – Power, and \$342,000 in Underground Surtax – Lighting to this project and increasing the total estimated project cost from \$2,289,658 to \$2,975,215. Construction costs were higher than originally anticipated and the electrical undergrounding portion of this project needs an additional \$300,000 to complete removal of poles. In addition, the project needs \$342,000 to fund the reimbursement to residents for removal of overhead electrical service. This overage includes the cost of undergrounding other

utilities' overhead lines. Staff is working on receiving reimbursements from AT&T and Charter Communications for this work and will be appropriated to this project when received.

3. **Raymond Avenue – Street Lighting and Electric System Undergrounding, Del Mar to Glenarm Street (74500)** – Staff recommends appropriating \$259,243 in Underground Surtax to this project and increasing the total estimated project cost from \$1,576,683 to \$1,835,926. This project ran over budget due to a larger number of reimbursements than anticipated and the cost of undergrounding other utilities' overhead lines. Staff is working on receiving reimbursements from AT&T and Charter Communications for this work and will be appropriated to this project when received.
4. **Traffic Signal Indication Safety Improvements – Phase II (75709)** – Staff recommends unappropriating \$329,300 in Public Benefit Charge funds from this project. Due to an administrative error, a total of \$1,079,300 in Public Benefit Charge was appropriated to this project when it should have been \$750,000. The project's total estimated cost will be lowered from \$2,767,850 to \$2,438,550.
5. **Preventive Maintenance – Asphalt Streets (73580)** – Staff recommends unappropriating \$271,250 in Sewer Maintenance and Construction Funds from this project and returning it to fund balance. This action is necessary due to declining Sewer Fund revenue. An additional \$4.33 million in Federal stimulus dollars which will be appropriated to this project as part of the FY 2010 budget.
6. **Old Pasadena – Schoolhouse Garage Office Improvement and Trash Compactor (72193)** – Staff recommends appropriating \$13,035 in Old Pasadena Parking funds to this project so it can be closed. Additional epoxy coating was needed on the garage stairwell which was not included in the original estimate.
7. **Palisades Street – New Street Lighting (74102)** – Staff recommends transferring \$14,408 in Rose Bowl EIR/Mitigation funds to this project from the *Westgate Street Lighting Replacement project (74101)*. These projects were both part of the mitigation efforts in the neighborhood adjacent to the Rose Bowl and this transfer will allow both of these completed projects to be closed.
8. **Installation of Permanent Chokers in Bungalow Heaven (75039)** – Staff recommends appropriating \$47,405 in Commercial Development Fees Interest to this project. The first phase of this project exceeded the budget due to increased design costs. The neighborhood voted not to install permanent chokers at the first designed location. As a result, another project location was selected, designed and constructed. The additional design and outreach necessitates the additional funding.
9. **Allendale Park – Install New Playground Equipment (78788)** – Staff recommends appropriating \$800 in Residential Impact Fees Interest so this project can be closed.

- 10. Centralized Athletic Field Lighting Replacement (78037)** – Staff recommends appropriating \$507 in Residential Impact Fees Interest so this project can be closed.
- 11. Replacement of Skate Park at La Pintoresca (78802)** – Staff recommends appropriating \$5,961 in Residential Impact Fees Interest so this project can be closed.
- 12. Customer-Driven Meters and Services - (1003)** – Staff recommends appropriating \$340,000 in Water Fund to this project. This project provides for the installation of mains, meters, and services at customers' request. Project costs are reimbursed by customers/developers to PWP. The additional appropriation is needed since there were more extensive customer projects than projected. In addition, PWP expects to collect approximately \$340,000 from projects already completed.
- 13. Miscellaneous Water System Improvements (1006)** – Staff recommends transferring \$150,000 in Water Fund (CIC Funding) to this project from the *Distribution Mains (1001)* project. This project provides for on-going improvements required to maintain water quality and improve security of plants and reservoirs, and for the miscellaneous materials and supplies for use in various capital infrastructure projects such as valves and regulator stations. Costs associated with materials and supplies purchases in FY 2009 were greater than anticipated. Sufficient funds remain in the *Distribution Mains* project to complete the current workplan.
- 14. Don Benito/Murray Water Main (1042)** – Staff recommends transferring \$140,000 in Water Fund (CIC Funding) to this project from the *Fire Protection System Improvements (1019)* project. Because of the poor condition of the street prior to the project start, PWP incurred additional labor and material costs. In addition, the scope of work was expanded from the initial work plan. Project design was changed to add two regulator stations in order to interconnect with Kinneola Irrigation District for additional level of water supply reliability and fire protection. Sufficient funds remain in the *Fire Protection System Improvements* project to complete the current workplan.
- 15. 4 kV Distribution System Conversion (3191)** – Staff recommends transferring \$2,000,000 in Power Fund (Power Bond) to this project from the *Cable Replacement and Testing (3137)* project. Rather than replacing old cable with the same size cable, PWP is replacing 4 kV cable with 17 kV cable which carries a heavier load than the 4 kV cable can. PWP charges the replacement cost to the 4 kV Distribution System Conversion project. Extensive cable replacement and conversion to 17 kV occurred in the last quarter of the fiscal year to prepare for the increased electrical demand and to accommodate the projected high summer electrical loads.

FISCAL IMPACT:

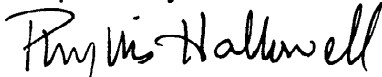
The cumulative impact of these recommendations will increase the FY 2009 CIP budget by \$751,958.

Respectfully submitted,



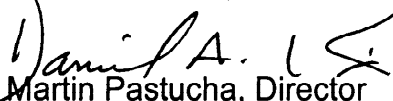
MICHAEL BECK
City Manager

Prepared by:



Phyllis Hallowell
Management Analyst V

Approved by:



Martin Pastucha, Director
Department of Public Works

Attachment A

| Project/Fund Source | Total Estimated Costs | Appropriations Through FY 2009 | Changes | Revised Appropriation |
|---|-----------------------|--------------------------------|------------------|-----------------------|
| 1 Arroyo Parkway Corridor Transportation Improvement (75060) | | | | |
| Regional Surface Transportation Program | 0 | 0 | 545,000 | 545,000 |
| MTA | 545,000 | 545,000 | (545,000) | 0 |
| Private Capital | 192,000 | 192,000 | 0 | 192,000 |
| Total | 737,000 | 737,000 | 0 | 737,000 |
| 2 Avenue 64 - La Loma Road - Street Lighting and Electric System Undergrounding (74999) | | | | |
| Underground Surtax - Power | 6,400,000 | 6,100,000 | 300,000 | 6,400,000 |
| Underground Surtax - Lighting | 1,497,000 | 1,155,000 | 342,000 | 1,497,000 |
| Private Capital | 34,658 | 34,658 | 0 | 34,658 |
| Private Capital - Champion | 43,557 | 0 | 43,557 | 43,557 |
| Total | 7,975,215 | 7,289,658 | 685,557 | 7,975,215 |
| 3 Raymond Avenue - Street Lighting and Electrical System Undergrounding, Del Mar to Glenarm Street (74500) | | | | |
| Underground Surtax | 1,835,926 | 1,576,683 | 259,243 | 1,835,926 |
| Total | 1,835,926 | 1,576,683 | 259,243 | 1,835,926 |
| 4 Traffic Signal Indication Improvements - Phase II (75709) | | | | |
| Public Benefit Funds | 750,000 | 1,079,300 | (329,300) | 750,000 |
| General Fund | 929,997 | 929,997 | 0 | 929,997 |
| Traffic Congestion Relief Program | 750,000 | 750,000 | 0 | 750,000 |
| 1987 CIP COP - Unspent Interest Earnings | 5,290 | 5,290 | 0 | 5,290 |
| 1992 Refunding and CIP - Unspent Interest Earnings | 3,263 | 3,263 | 0 | 3,263 |
| Total | 2,438,550 | 2,767,850 | (329,300) | 2,438,550 |
| 5 Preventative Maintenance - Asphalt Streets 2005 - 2010 (73580) | | | | |
| Federal Surface Transportation (STP) Funds | 1,033,945 | 1,033,945 | 0 | 1,033,945 |
| Proposition 1B | 2,000,000 | 2,000,000 | 0 | 2,000,000 |
| Traffic Congestion Relief Program | 2,170,325 | 2,170,325 | 0 | 2,170,325 |
| Rubberized Asphalt Concrete Use Grant | 89,200 | 89,200 | 0 | 89,200 |
| Gas Tax | 3,788,250 | 3,788,250 | 0 | 3,788,250 |
| Private Capital | 149,524 | 149,524 | 0 | 149,524 |
| Residential Impact Fees | 11,240 | 11,240 | 0 | 11,240 |
| Sales Tax Proposition C | 1,700,000 | 1,700,000 | 0 | 1,700,000 |
| Sewer Maintenance and Construction Fund | 1,085,000 | 1,085,000 | (271,250) | 813,750 |
| Street Occupation Fees | 200,000 | 200,000 | 0 | 200,000 |
| Total | 12,227,484 | 12,227,484 | (271,250) | 11,956,234 |
| 6 Old Pasadena - Schoolhouse Garage Office Improvement and Trash Compactor (72193) | | | | |
| Old Pasadena Parking Fund | 120,535 | 107,500 | 13,035 | 120,535 |
| Total | 120,535 | 107,500 | 13,035 | 120,535 |
| 7 Palisades Street - New Street Lighting (74102) | | | | |
| Street Occupation Rental Fees | 71,000 | 71,000 | 0 | 71,000 |
| Rose Bowl EIR/Mitigation Funds | 81,986 | 67,578 | 14,408 | 81,986 |
| Total | 152,986 | 138,578 | 14,408 | 152,986 |
| Westgate Street Lighting Replacement (74101) | | | | |
| Rose Bowl EIR/Mitigation Funds | 94,500 | 94,500 | (14,408) | 80,092 |
| Total | 94,500 | 94,500 | (14,408) | 80,092 |
| 8 Installation of Permanent Chokers in Bungalow Heaven (75039) | | | | |
| Street Occupation Rental Fees | 22,000 | 22,000 | 0 | 22,000 |
| Gas Tax | 164,000 | 164,000 | 0 | 164,000 |
| Commercial Development Fees | 15,000 | 15,000 | 0 | 15,000 |
| Commercial Development Fee Interest | 82,405 | 35,000 | 47,405 | 82,405 |
| Unfunded | 765,000 | 0 | 0 | 0 |
| Total | 1,048,405 | 236,000 | 47,405 | 261,405 |
| 9 Allendale Park - Install New Playground Equipment (78788) | | | | |
| Proposition 40 | 29,575 | 29,575 | 0 | 29,575 |
| Residential Impact Fees | 272,810 | 272,810 | 0 | 272,810 |
| Residential Impact Fee Interest | 800 | 0 | 800 | 800 |
| Total | 303,185 | 302,385 | 800 | 303,185 |
| 10 Centralized Athletic Fielding Lighting Replacement (78037) | | | | |
| Proposition A | 24,668 | 24,668 | 0 | 24,668 |
| Light and Power Fund | 5,000 | 5,000 | 0 | 5,000 |
| Private Capital | 17,900 | 17,900 | 0 | 17,900 |
| Residential Impact Fees | 513,872 | 513,872 | 0 | 513,872 |
| Residential Impact Fee Interest | 507 | 0 | 507 | 507 |
| Total | 561,947 | 561,440 | 507 | 561,947 |
| 11 Replacement of Skate Park at La Pintoresca (78802) | | | | |
| Residential Impact Fees | 150,000 | 150,000 | 0 | 150,000 |
| Residential Impact Fee Interest | 5,961 | 0 | 5,961 | 5,961 |
| Total | 155,961 | 0 | 5,961 | 155,961 |
| 12 Customer Driven Meters and Services (1003) | | | | |
| Water Fund | 8,100,000 | 3,100,000 | 340,000 | 3,440,000 |
| Total | 8,100,000 | 3,100,000 | 340,000 | 3,440,000 |
| 13 Miscellaneous Water System Improvements (1006) | | | | |
| CIC Funding | 5,364,000 | 2,864,000 | 150,000 | 3,014,000 |
| Water Fund | 2,052,000 | 2,052,000 | 0 | 2,052,000 |
| Total | 7,416,000 | 4,916,000 | 150,000 | 5,066,000 |
| Distribution Mains (1001) | | | | |
| Aid to Construction (Water) | 2,784,440 | 2,784,440 | 0 | 2,784,440 |
| CIC Funding | 32,554,580 | 16,354,580 | (150,000) | 16,204,580 |

Attachment A

| Project/Fund Source | | Total Estimated Costs | Appropriations Through FY 2009 | Changes | Revised Appropriation |
|---------------------|---|-----------------------|--------------------------------|--------------------|-----------------------|
| | Water Fund | 8,664,980 | 8,664,980 | 0 | 8,664,980 |
| | Total | 44,004,000 | 27,804,000 | (150,000) | 27,654,000 |
| 14 | Don Benito/Murray Water Main (1042) | | | | |
| | Water Fund | 400,000 | 400,000 | 140,000 | 540,000 |
| | Total | 400,000 | 400,000 | 140,000 | 540,000 |
| | Fire Protection System Improvements (1019) | | | | |
| | CIC Funding | 28,500,000 | 13,300,000 | (140,000) | 13,160,000 |
| | Fire Protection Surcharge | 100,000 | 100,000 | 0 | 100,000 |
| | Water Fund | 7,550,000 | 7,550,000 | 0 | 7,550,000 |
| | Total | 36,150,000 | 20,950,000 | (140,000) | 20,810,000 |
| 15 | 4KV Distribution System Conversion (3191) | | | | |
| | Power Bond | 41,380,000 | 10,500,000 | 2,000,000 | 12,500,000 |
| | Total | 41,380,000 | 10,500,000 | 2,000,000 | 12,500,000 |
| | Cable Replacement and Testing (3137) | | | | |
| | Power Bond | 27,338,000 | 5,640,000 | (2,000,000) | 3,640,000 |
| | Power Fund | 5,403,000 | 5,403,000 | 0 | 5,403,000 |
| | Total | 32,741,000 | 11,043,000 | (2,000,000) | 9,043,000 |
| Net Change | | | | 751,958 | |