

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Matthew Fertal	From:	Keith G. Jones
Dept:	City Manager	Dept:	Public Works
Subject:	SUBMITTAL OF PROJECT LIST FOR PROP 1B FUNDING FY08/09	Date:	January 27, 2009

OBJECTIVE

For City Council to approve the submittal of six projects for funding under Prop1B-Local Street and Roads (LSR) Improvement for Fiscal Year 2008-09.

BACKGROUND

Proposition 1B (Prop1B) provided \$19.925 billion in bond funds for a variety of transportation priorities, including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities. The 2008 Budget Act appropriated \$63 million available to counties in set allocations and \$187 million to cities available on a first-come, first-served basis. Garden Grove's second allocation (\$2,568,621) is determined by the State Controllers Office (SCO), based on population. The first allocation of \$2.7M was received in July 2008 and has been awarded. In order to receive the second allocation of \$2.5M, cities must first submit a plan to the Department of Finance. These funds are currently frozen by the State; however, once funds are available, the city will have projects ready to award.

Cities are required to provide a list of projects expected to be funded with bond funds before an allocation is made. The lists of projects must include the following:

- Description and location of the proposed project
- Schedule for project completion
- Estimated useful life of the capital improvement

DISCUSSION

As part of the economic stimulus plan, the State is requiring these funds to be awarded by July 1, 2009. Based on project readiness, staff is proposing to fund new street rehabilitation projects. The proposed projects have no funding and will be awarded within the deadline. Six improvement projects have been identified and are listed below:

PROJECT	ESTIMATED PROJECT COST
1) Bushard: Hazard to Westminster	\$200,000
2) Orangewood: Brookhurst to Euclid	\$878,621
3) Dale: Lampson to Twana	\$290,000
4) Dale: Orangewood to Katella	\$395,000
5) Newhope: Trask to Garden Grove	\$380,000
6) West: Garden Grove to Lampson	\$425,000
TOTAL	\$ 2,568,621

With the limited availability of \$2.5M from the State and the requirement to award the projects before July 1, 2009, staff must add these new projects to the current capital improvement plan. Therefore, this action will also amend the FY08/09 capital improvement budget so that funds can be encumbered before July 1, 2009.

FINANCIAL IMPACT

There is no impact to the General Fund. No matching funds are required.

COMMUNITY VISION IMPLEMENTATION

This project is consistent with the community vision for maintaining and improving the transportation system to ensure the safe and efficient flow of traffic.

RECOMMENDATION

It is recommended that the City Council:

- Approve the submittal of the six improvement projects identified above to the California Department of Finance for funding under Prop1 B - Local Street and Roads (LSR) Improvement for FY08/09.
- Amend the FY08/09 capital improvement budget to include the above-mentioned projects so that funds can be encumbered before July 1, 2009.


KEITH G. JONES
Public Works Director


By: Chau Vu
Sr. Administrative Analyst

Recommended for Approval


Matthew Fertal
City Manager