



Information Item

Date: January 12, 2009

To: Mayor and City Council

From: Carol Swindell, Director of Finance
Lee Swain, Director of Public Works

Subject: Update on Measure V Financing Plan

Introduction

This is to update the City Council on the progress of capital and financial planning for projects to be funded by the Clean Beaches and Ocean Parcel Tax (Measure V).

Background

On September 25, 2007, staff presented Council with a list of priority capital projects to be undertaken in accordance with the City's Watershed Management Plan, which Council affirmed. Staff has prepared cost estimates and recommended priorities for these projects as indicated in the following table:

Priority	Project	Total Cost	Completion
1	Pier Storm Drain System Upgrades	\$ 2,000,000	2009
2	Bicknell Green Street	400,000	2009
3	Wet Weather Pier Storm Drain	4,500,000	2011
4	Pier Water Quality Improvements	300,000	2010
5	Pico-Kenter Storm Drain Upgrades	3,000,000	2011
6	SMURRF Upgrades	4,500,000	2013
7	Reservoir at Memorial Park	6,000,000	2011
8	Ocean Park Blvd Green Street	1,000,000	2014

Not included in this list is a 1,500-acre joint project at Marine Park and the Penmar Golf Course, contemplated as part of a Memorandum of Agreement (MOA) with the City of Los Angeles. Staff examined the appropriate level of funding for this project pursuant to the MOA, and is contemplating payments ranging from \$2 million to \$12 million. Timely completion of these projects will allow the City to meet water quality standards established by Los Angeles Regional Water Quality Control Board (LARQCB) for 2013.

Staff has contemplated both pay-go and debt financing options, and these options were presented to the Measure V Oversight Committee on December 17, 2008. The Oversight Committee favored a debt financing option, since that allowed the City to maximize near term projects to meet water quality goals, but requested further information on the proposed capital projects before making a recommendation to Council. Staff will return to the Oversight Committee with the requested information on February 11, 2009 and will bring the proposed projects and financing plan before Council on February 24, 2009.

Project Status

- *Pier Storm Drain System Upgrades* – Preliminary design work is complete and the project was advertised for construction. Bids are due on January 13 and it is anticipated that a construction contract will be awarded by Council on January 27.
- *Bicknell Street Greening* – Bids for construction of this project were received on December 30 and staff anticipates that a construction contract will be awarded on January 27.
- *Ocean Park Boulevard Green Street* – Community meetings have been conducted and two preliminary concept designs are under review by City staff. Concept design options will be presented to Council in early 2009.
- *Penmar Project* – Final construction plans are being prepared by the City of Los Angeles and construction is expected to commence in Summer, 2009.
- *Other Projects* – All other project are in the preliminary phases.

Prepared By: Chuck McBride, Assistant Director of Finance