

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Yugal K. Lall, City Engineer/Public Works Director
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DATE: February 6, 2009 (CC Meeting of 02/18/08)

SUBJECT: Consider Re-Submittal of Application for Proposition 1B State Funds

**BACKGROUND**

On December 17, 2008, the City Council approved the submittal of an application for Proposition 1B (Prop 1B) state funds, in the amount of \$537,418. The proposal was to fund a Slurry Seal/ARAM Project on certain streets to be determined during the final development of the plans and specifications in Fiscal Year 2009/10. After submitting the application, the California Department of Finance reported that projects must begin prior to the end of Fiscal Year 2008/09. Staff is returning to City Council to consider re-submitting the Prop 1B application for FY 2008/09.

DISCUSSION

The City is currently preparing the Campus Park Drive area Slurry Seal/ARAM Project for Spring 2009 as part of the Capital Improvement Program (CIP) project number 8002. This project calls for a bi-annual Slurry Seal/ARAM of city streets. The next Slurry Seal/ARAM Project would not be scheduled until FY 2010/11. Staff had originally recommended performing an additional Slurry Seal/ARAM Project in FY 2009/10 due to the availability of Prop 1B funds. However, due to the new project start date requirement, staff is proposing to change the project to the Arroyo Drive Pavement Rehabilitation Project which will be considered by the Council as well. If approved, the project is expected to begin prior to the end of FY 2008/09.

On December 17, 2008, the Pooled Money Investment Board (PMIB) acted to suspend disbursements from the Pooled Money Investment Account (PMIA). The California Department of Transportation, which relies upon the PMIA disbursements for all bond-funded projects, has been temporarily halted in disbursing Prop 1B Funds. At this time,

there is no specific anticipated date of when Prop 1B disbursements will resume. Consequently, the portion of the Arroyo Drive Pavement Rehabilitation Project that would be funded by Prop 1B will be required to wait until disbursements begin again. If delays occur for too long, the state will be required to update its Prop 1B legislation to permit projects to either begin prior to actual funding disbursements, (becoming reimbursement based payments) or, will permit projects to begin after the end of FY 2008/09.

FISCAL IMPACT

FY 2008/09 Fund 2611 (Prop 1B – Local Streets and Roads) will increase \$537,418 if approved. A Budget Amendment was already performed on December 17, 2008, to reflect the funding update.

STAFF RECOMMENDATION

Authorize staff to submit an application for Proposition 1B funding for the Arroyo Drive Pavement Rehabilitation Project.