



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Fahey and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Neil Miller, Director of Public Works
Bruce Moe, Director of Finance
Lindy Coe-Juell, Senior Management Analyst (Acting)

DATE: October 4, 2005

SUBJECT: Consideration for Funding Additional Projects from the Unfunded List in the FY2005-06 Capital Improvement Plan (CIP)

RECOMMENDATION:

Staff recommends that City Council review the prioritized Unfunded CIP Projects list, identify any projects for funding for the current (2005/2006) budget year, and establish priorities for future budget years. Staff considers the first four projects in the Short Term unfunded list to be highest priority and recommends proceeding with these projects along with the projects prioritized by the City Council. If so directed, staff will return in the near future with a revised 2005-2006 Capital Improvement Budget for final adoption.

FISCAL IMPACT:

The Finance Department estimates that the General Fund and Capital Improvement Fund will have combined unreserved fund balances of approximately \$3.5 million at the end of the current fiscal year. This estimate does not include any anticipated savings from the Police/Fire Facility Project. These funds are available for use at City Council's discretion and may be used to fund projects currently on the Unfunded Projects List. It should also be noted that staff resources for completing additional projects are limited. The current number of projects in design and construction is considerable for the staff available. Once the City Council prioritizes the projects staff will report back a timeline of the feasibility of completing projects recommended for funding.

A portion of these funds (\$1.4 mil) are General Fund discretionary funds not restricted for CIP use. They may also be used for other City Council priorities such as unbudgeted operating needs.

BACKGROUND:

Each year the Public Works Department prepares the CIP, which represents the City's current and anticipated capital infrastructure needs over a five-year planning period. The FY2005-10

CIP was adopted by City Council on June 7, 2005 (attached). However, at the City Council Budget Study Session held on May 24, 2005, the Finance Department communicated that the CIP fund was performing well and is now expected to have an unreserved fund balance of approximately \$2.1 million at the end of FY 2006 (largely due to continued dedicated revenues with no funded projects planned¹). Additionally, Finance has projected an unreserved General Fund balance of approximately \$1.4 million by June 30, 2006, resulting in available funds totaling \$3.5 million. As such, the City Council discussed prioritizing projects on the CIP Unfunded List and directed staff to prepare materials for the Council's Work Plan Session that was held on June 24, 2005. On July 5, 2005, City Council adopted the FY 2005-06 Work Plan, which includes an item to develop a prioritized list of projects from the Unfunded List for short-term funding.

It should also be noted that the \$1.4 mil of General Fund surplus could be used for other City Council priorities. For example five positions were recommended in the 2005/2006 budget request to address various service level needs throughout the City.

DISCUSSION :

Unfunded Projects List

Each of the projects shown on the Unfunded Projects List in the FY 2005-10 Adopted CIP was reviewed by a staff committee prior to placement in the new Unfunded Projects List (attached). As a result, some projects were consolidated and new projects were added to the list for prioritization. The Unfunded Project List was then developed and presented to the City Council at the June 24, 2005 Work Plan Session. The Unfunded Projects list is now organized to indicate projects which are:

- Short term – lower cost projects able to be completed within a few years of approval
- Long term – projects not feasible without additional funding
- Facilities Strategic Plan (FSP) – projects that need to be considered as a group in the FSP

The Unfunded Project List will continue to be part of the annual CIP development process in future years. Projects will be added to the List during the CIP development process and those selected for funding will be removed and added to the CIP. At this time, staff presents the Unfunded Projects List for City Council to consider funding any of the listed projects.

Strand Stairway Improvements

It should be noted that the Strand Stairway Project has been listed as a two-phased project. The first phase is shown in the Short Term Unfunded list. This Phase is for the amount of \$1.8 million which encompasses the \$1.5 million Federal Grant and the required 20% local match (\$300,000) for a total of \$1.8 million. Phase I would include:

- The design of the entire project and completion of first phase construction.

¹ It is important to note that the CIP fund is nearly fully encumbered with debt service payments for the foreseeable future. Unless further dedicated revenues are created for capital projects, we will rely mainly upon year-end General Fund surpluses to fund future projects.

- The design would include a prioritization of the stairway access areas based on severity of condition
- Address any American Disability Act (ADA) issues
- Provide an engineer's cost estimate for all stairways.

The grant funds need to be expended within 8 years of funding approval by CALTRANS (the agency responsible for administering the program). We broke the project into two phases to allow the City Council the option to consider Phase II stairway improvements along with the Long Term projects. Of course, the City Council could elect to prioritize the entire \$4 million stairway improvement project (\$1.5 mil Grant and \$2.5 mil CIP Funds) as a Short Term project which would still leave \$1,000,000 of CIP Funds for other Short Term projects from the current year's available funds.

Facilities Strategic Plan

Also, during the City Council's work plan meeting it was agreed that several projects and project concepts need to be considered in a Facilities Strategic Plan (FSP). For example, there has been discussion for many years of the need for a performing arts facility in the City. There are a number of possibilities of ways of accomplishing this such as acquiring surplus School District property for this purpose. There have also been numerous other community needs for facilities expressed before the City Council over the years. Some of these include: dedicated senior activities facilities; boys and girls scout facilities; expanded recreation needs at the two major park centers – Joslyn Center and Manhattan Heights Community Center; City Swimming pool; City gymnasium; a skate board park; and others.

It was determined at the work plan meeting that a Facilities Strategic Plan for these community needs should be conducted. This plan would include a community needs assessment survey, several community workshops or visioning sessions, an evaluation of available properties and facilities, development of alternative scenarios, and development of preliminary cost estimates for the various scenarios.

Funding for the Facilities Strategic Plan is shown in the Short Term CIP projects unfunded list.

CONCLUSION:

Staff recommends that City Council review the Unfunded CIP Projects Lists, identify any projects for funding, direct staff to prepare a revised 2005-2010 Capital Improvement Budget and return to the City Council in the near future for final approval. At that time staff will indicate feasibility of how many projects can be initiated each budget year.

- Attachments:
1. List of Short Term Unfunded Projects
 2. List of Long Term Unfunded Projects
 3. List of Projects Proposed for the Facilities Master Plan
 4. Project Descriptions for Unfunded List
 5. List of CIP Projects Currently Approved and in Progress or Not Yet Started

Exhibit 1
List of Short Term Unfunded Projects

	Short Term	Cost
1	City Hall Fire Alarm	\$150,000
2	Facilities Strategic Plan	\$250,000
3	Council Chambers Remodel	\$206,000
4	City Hall Interior Paint and Carpet	\$57,000
5	Creative Art Center Sound Baffling	\$40,000
6	Strand Stairs (Phase I) w/ \$1.5 mil Fed Grant + 20% Match	\$1,800,000
7	Marine Ave. Play Equipment	\$450,000
8	Manhattan Heights Tot Lot	\$200,000
9	Manhattan Village Play Equipment	\$175,000
10	Polliwog Park Tot Lot	\$260,000
11	Polliwog Exercise Equip and Mats	\$60,000
12	Live Oak Park Fence Replacement	\$280,000
13	Manhattan Village Artificial Turf	\$750,000
14	Begg Pool Renovation	\$500,000
15	Live Oak Park Retaining Wall	\$75,000
16	Manhattan Heights Protective Net	\$65,000
	Total	\$5,318,000

Exhibit 2
List of Long Term Unfunded Projects

	Long Term	Cost
1	Strand Stairs Phase II	\$2,200,000
2	Polliwog Park Improvements Ph. 2	\$3,800,000
3	Downtown Streetscape Improvements	\$2,500,000
4	Pier Plaza and Entrance	\$1,400,000
5	Sepulveda Blvd. Trees	\$1,600,000
6	Fire Station 2 Remodel	TBD
	Total	\$11,500,000+

Exhibit 3
List of Projects Proposed for the Facilities Master Plan

	Facilities Strategic Plan	Cost
1	Skateboard Park	\$550,000
2	Scout House Reconstruction	\$2,000,000
3	Scout House Modular (if not reconstructed)	\$250,000
4	MBUSD Maint. Facility Acquisition	TBD
5	Begg Pool Reconstruction	\$10,000,000
6	Joslyn Hall Reconstruction	TBD
7	Live Oak Park Hall Reconstruction	\$3,500,000
8	Manhattan Heights Comm. Center	TBD
9	Live Oak Park Basketball Courts	\$250,000
10	School Basket Ball Courts Lighted	\$900,000
11	Library Land and Building Purchase	TBD
12	City Yard Improvements	\$2,000,000
13	City Hall Replacement	TBD
	Total	\$19,450,000+

Exhibit 4
Project Descriptions for Unfunded List

Unfunded Project Descriptions
FY 2005-06

		SHORT TERM	
	PROJECT TITLE	CURRENT DESCRIPTION	COST ESTIMATE
1	City Hall Fire Alarm	Installation of a new fire alarm system for City Hall. The existing system was installed when City Hall was first constructed. It has become inoperable and repairs to the current system are not available from the manufacturer. An operating fire alarm system is required for this building under the current fire code and quick detection and notification of any fire is important to the protection of life and property within a structure.	\$150,000
2	Facilities Strategic Plan	A comprehensive study including a community process to evaluate unmet City facility needs. Study will include a needs assessment, evaluation of existing facilities, evaluation of other agency properties which may become available (School District and County Library), cost estimates and recommendations for a facilities improvement program.	\$250,000
3	Council Chambers Remodel	In 2001 a study was commissioned that recommended a number of design elements that would improve the Council Chamber space and its function. Modifications include relocating the audience areas, relocating the dais space, reshaping the dais, lightening the space, providing enhanced staff and press areas, installing proper lighting, providing a suitable lectern to be ADA compliant, and install well-integrated presentation tools. These modifications will increase the efficiency and effectiveness of the Council meetings.	\$206,000
4	City Hall Interior Paint and Carpet	Provide paint and new carpet to the balance of City Hall.	\$57,000
5	Creative Arts Center Sound Baffling	Install sound attenuators in air ducts, on condenser fans, and exhaust fan discharge air. Insulate inside walls and ceiling of Mechanical fan room. These improvements will correct uncomfortable background noise present since the system was installed.	\$40,000
6	Strand stairways (Phase I)	Improvements to multiple stairwells along The Strand. The City's grant application (\$1.5 million) was approved in the latest Federal Transportation Act. There is a 20% local match requirement and the earliest the grant funds would be available is October 2006. This project will repair damaged stairs and bring them into ADA compliance. The project will be designed to be completed in phases as funds become available.	\$1,800,000

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7	Marine Avenue Park Play Equipment	Replace existing Tot Lot & 6 to 12 year old play equipment to include new theme-related equipment (Avation/Space Travel etc)..and landing surface material. Enlarge areas, new landscaping and signs. These improvements will bring the play equipment up to current code.	\$450,000
8	Manhattan Heights Tot Lot	Removal and replacement of play equipment. Creative Space Exploration Theme etc. This work will bring the play equipment to current code requirements.	\$200,000
9	Manhattan Village Play Equipment	Removal and replacement of play equipment to bring the equipment up to current code requirements.	\$175,000
10	Polliwog Park East Tot Lot	Removal of existing east play equipment and replace with new equipment complementary to use by visitors to the Park (Water Play Theme, etc.) to meet current code.	\$260,000
11	Polliwog Park Exercise Equipment & Matting	Removal and replacement of exercise area equipment and matting. This will include weather-suitable material for equipment and surface such as stainless steel columns and wood chips to replace rubberized surface. The current equipment is weather beaten and worn.	\$60,000
12	Park Fence Replacements (Manhattan Heights and Live Oak South)	Replace fencing with new heavy-duty vinyl covered fabric at Manhattan Heights Park and Live Oak South Backstop/Bull Pens. The current fencing is rusted, sagging and requires frequent maintenance.	\$280,000
13	Manhattan Village Soccer Field Artificial Turf	Removal and replacement of field surface with synthetic material and drainage system to allow for year round play. Parks and Rec estimates a 9-10 year payback with additions the removal and replacement generates by soccer clubs.	\$750,000
14	Begg Pool Renovation	Will include cosmetic and hardware replacement (i.e. locker replacements, new showers, flooring, restrooms)	\$500,000
15	Live Oak Park Retaining Wall	Raise existing wall 1-2 feet along the west and north sides of tennis court #4 and stairway. Landscape hillside of the same area with plants that will help reduce erosion.	\$75,000
16	Manhattan Heights Baseball Field Protective Netting	Install support poles and netting along the outfield fence at Manhattan Heights Baseball Field to prevent errant balls from Manhattan Beach Blvd. and the tennis courts.	\$65,000
Total Cost Estimate for Short Term Projects			\$5,318,000

LONG TERM			
	PROJECT TITLE	CURRENT DESCRIPTION	COST ESTIMATE
1	Strand stairways (Phase II)	Improvements to multiple stairwells along The Strand. The City's grant application (\$1.5 million) was approved in the latest Federal Transportation Act. There is a 20% local match requirement and the earliest the grant funds would be available is October 2006. This project will repair damaged stairs	\$2,200,000

		and bring them into ADA compliance. The project will be designed to be completed in phases as funds become available.	
2	Polliwog Park Improvements - Unfunded Portion	Phase II of Masterplan which includes the Southeast portion of the park's picnic pads, play equipment, sidewalks, irrigation and signage. The Masterplan identified infrastructure needs for the successful operation of the park.	\$3,800,000
3	Downtown Streetscape Improvements	Replace all of the blue tile sidewalks in the downtown area with stamped concrete; replace blue tile crosswalks with stamped concrete crosswalks; replace existing directories with kiosk style; and complete landscaping enhancements.	\$2,500,000
4	Pier Plaza and Entrance	The base of the pier, including the pier parking lot area is an underutilized area that could be modified to create an inviting community space that would create an anchor for the downtown. Options include moving the lower pier parking lots under the upper pier parking lots (creating a two-level structure) and perhaps relocating the bike path/Strand in that area. Hardscape, landscape and art could work together to create an enhanced environment for the community.	\$1,400,000
5	Sepulveda Blvd. Trees	Plant trees and install irrigation system for uniform tree scape on Sepulveda Blvd. from Rosecrans Avenue to Artesia Blvd.	\$1,600,000
6	Fire Station 2 Remodel	Remodel and enlargement of apparatus bays and living quarters at Fire Station 2 (1400 Manhattan Beach Blvd.). Fire Station 2 is over 50 years old. Our Fire Engines, which are equipped with aerial ladders, are unable to fit into the apparatus bays. Also, there are no living facilities for female firefighters. Expansion of the bays and living quarters is also needed for an ambulance or rescue unit to be placed in service at Fire Station 2.	\$TBD
Total Cost Estimate for Long Term Projects			\$11,500,000+

FACILITIES PLANNING STUDY			
	PROJECT TITLE	CURRENT DESCRIPTION	COST ESTIMATE
1	Skateboard Park	Construction of a skate park at Marine Avenue Park or suitable location to meet the demand for a skateboard facility.	\$550,000
2	Scout House Reconstruction	Demolish and rebuild the existing scout house. This is included in the 1996 Joslyn Space Study Masterplan.	\$2,000,000 (recon)
3	Scout House Modular (if not reconstructed)		\$250,000 (modular)
4	School Maintenance Facility Acquisition	The school district maintenance yard is underutilized and in a prime location at the corner of Peck & Manhattan Beach Blvd. Options for utilization of that site include a recreation/community center, a performing arts center, or other use that would be synergistic with Polliwog Park and the Botanical Garden.	\$TBD
5	Begg Pool Reconstruction	Will provide a new state of the art aquatic facility with a 50 meter zero depth pool, teaching pool, play equipment and water features.	\$10,000,000

6	Joslyn Hall Reconstruction	Reconstruction of the Joslyn Community Center. This is based on the 1996 Space Study Masterplan. Facility needs have changed since then. This plan needs to be revised to reflect growth in needs for facilities.	\$4,000,000
7	Live Oak Park Hall Reconstruction	Demolish existing building and construct a larger two story structure. Proposed facility would include two (2) meeting rooms, restrooms, youth sports concession stand, storage areas, dance & martial arts studio with mirrored walls, and partitions to separate rooms. Small kitchen with sinks and all amenities, A/C , heating and sound equipment. To include storage cabinets for activity supplies; approximate size is 80 feet by 50 feet.	\$3,500,000
8	Manhattan Heights Community Center Improvements	Reconstruction of the facility at the Manhattan Heights Community Center. The facility would include a full service kitchen, seven separate classrooms, a "Senior Club" area, a two room complex dedicated to teenage citizens, a large playground room, restrooms, a lobby and staff offices. New play area equipment, two volleyball and basketball outdoor lighted courts, climbing wall and rope course. This is based on the 1996 Space Study. Facility needs and new design concepts have changed. This plan would need to be updated.	\$3,400,000
9	Live Oak Park Basketball Courts	Remove existing blacktop (asphalt) of entire basketball courts and replace with concrete. New basketball poles , rims and pads. These improvements will result in a more durable surface requiring less preventive maintenance.	\$250,000
10	School Basketball Courts Lighted	Complete renovation of existing Begg Basketball courts (4) and addition of canvas roof covering. With court and security lighting. Install court lighting and adjustable basketball hoops for outdoor basketball courts at the following school facilities: MBMS, Pennekamp and Robinson. Former Parks and Recreation Commission recommendation to address shortage of youth basketball courts.	\$900,000
11	Library Land and Building Purchase	Purchase the Library building and land from Los Angeles County. The exact cost is not know at this time, however, when the cost is known, excess library tax revenue will be used for the purchase. Once purchased, the City may want to renovate or completely rebuild the existing library.	\$TBD
12	City Yard Improvements	Design and rebuild administrative offices and computer center; improve remaining outdoor materials storage areas behind General Services and utilities buildings; create permanent location for disaster/emergency operations supplies; ensure compliance with all applicable environmental and safety regulations.	\$2,000,000
13	City Hall Replacement	Reconstruct City Hall to address space needs, new systems, and modern architecture.	\$TBD
Total Cost Estimate for Facilities Planning Study			\$26,850,000+

Exhibit 5
List of CIP Projects Currently Approved and in Progress or Not Yet Started
as of 9/28/05

Projects Under Construction

Expected Completion Timeframe

- | | |
|--|---------------|
| 1. El Porto Retaining Wall | October 2005 |
| 2. Strand Improvement | December 2006 |
| 3. Utilities Undergrounding Districts 1,3,5 | February 2006 |
| 4. Signal Modifications at Valley and 15 th | November 2005 |
| 5. 2001/02 Water Main Replacement | December 2005 |
| 6. 2002/03 Sewer Main Replacement | December 2005 |
| 7. 15 th Street and Highland Storm Drain | January 2006 |
| 8. 13 th Street Extension | December 2005 |
| 9. Civic Center Street Improvements | December 2005 |

Projects In Design

1. Stair Replacement at 19th Street and Highland
2. Tree Section Street Improvements
3. 2003/04 Sewer Line Replacement
4. 2004/05 Water Main Replacement
5. Utilities Undergrounding Districts 2,4,6
6. Manhattan Beach Blvd Improvements
7. Highland Ave Overlay Project
8. Water/Sewer System Controls
9. Peck Reservoir Blending Line
10. Sepulveda Utility Undergrounding
11. Rosecrans Utility Undergrounding

Projects Not Yet Started

1. 11th Place Resurfacing
2. Annual Slurry Seal Project
3. South Side Pier Utilities
4. Tree Section Street Improvements
5. Peck Reservoir Joint Sealant
6. 2005/06 Water Main Replacement
7. Peck Reservoir Vault
8. Yard Cover
9. 2005/06 Sewer Line Replacement