

## City of Garden Grove

## INTER-DEPARTMENT MEMORANDUM

To: Matt Fertal  
From: Keith G. Jones  
Dept: City Manager  
Dept: Public Works  
Subject: AGREEMENT WITH COUNTY OF ORANGE FOR PROP 1B FUNDING  
Date: June 10, 2008

OBJECTIVE

For City Council to approve the Agreement with the County of Orange for the submittal of three projects for funding under Prop1B-Local Street and Roads (LSR) Improvement for Fiscal Year 2007-08.

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 County anticipates receipt of approximately \$61.6 million in LSR funds over the next ten years. The share that the County of Orange is allocated in the first year (\$24,683,910) is determined by the State Controllers Office (SCO), based on population. In order to receive these funds, the County must first submit a plan to the Department of Finance.

The County is 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

The agreement allows the disbursement of a portion (\$900,000) of the County's Prop1 B funds to the City of Garden Grove without the requirement of City submitting an invoice requesting Prop 1B funds. Prop 1B has a "use it or lose it" provision that requires the funds to be expended within three fiscal years after the FY in which the Controller makes the allocation. This means that all Prop 1B LSR monies appropriated in FY 2007/08 must be expended by June 30, 2011. Three improvement projects have been identified by the County and are listed below:

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PROJECT	PROP 1B FUNDS
1) Bolsa Avenue Utility Undergrounding and Traffic Safety Improvements	\$500,000
2) Garden Grove Median Modifications Between Beach Blvd. & Brookhurst	\$100,000
3) Harbor Blvd. Intelligent Traffic Systems (ITS) Project-Traffic Light Synchronization	\$300,000
TOTAL	\$900,000

FINANCIAL IMPACT

There is no impact to the General Fund.

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 Agreement with the County of Orange for the submittal of the three improvement projects identified above to the California Department of Finance for funding under Prop1 B - Local Street and Roads (LSR) Improvement.
- Authorize the Mayor and City Clerk to execute the Agreement on behalf of the City.

  
KEITH G. JONES  
Public Works Director

  
By: William E. Murray, Jr.  
City Engineer

Recommended for Approval

  
Matthew Ferial  
City Manager

Attachment: County Agreement