

CITY COUNCIL

For City Clerk's Use:

☐

APPROVED

☐

DENIED

Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.:

7

Date: May 4, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Director of Engineering Services
Robert Zaino, Deputy Director of Engineering Services

SUBJECT: Revisions to Capital Improvement Program

RECOMMENDATION:

1. Approve a budget adjustment in the amount of \$1,129,070 to establish the Bear Valley/East Valley Parkway project in the County TransNet Street Project fund by transferring TransNet funds budgeted for the Center City/Highway 78 to Mission Road project.
2. Approve a budget adjustment to move the remaining balance of \$1,168,017 from the Bear Valley/East Valley Parkway project budgeted in the Proposition 1B fund to the Street Maintenance project within the same fund.

FISCAL ANALYSIS:

There is no fiscal impact in transferring budget between the Transnet Program and Proposition 1B funds. The City has been in contact with SANDAG to verify that such a transfer is allowable.

PREVIOUS ACTION:

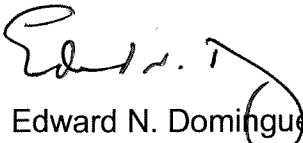
On June 20, 2007, during the approval of Five-Year Capital Improvement Program for Fiscal Years 2007/08 - 2011/12 and the Project Budgets for Fiscal Year 2007/08, the City Council approved Proposition 1B funding in the amount of \$2,000,000 for the Felicita and Juniper Street Project and TransNet funding of \$1,500,000 for the Center City/Highway 78 to Mission Road project. On March 12, 2008, Council approved a budget adjustment in the amount of \$1,500,000 to create a new capital project necessary for right-of-way acquisitions for the Bear Valley/East Valley Parkway Project by transferring Proposition 1B funds budgeted for the Felicita and Juniper Street Project to this new project.

BACKGROUND:

In fiscal year 2007/08, the City spent \$1,129,070 in Proposition 1B funds on the Bear Valley/East Valley Parkway project for right-of-way acquisitions. However, these expenditures were spent before authorization by the State; therefore they will be considered as ineligible for Proposition 1B funding.

In order to correct this problem, City staff is proposing the use of TransNet funding from the Center City/Highway 78 to Mission Road project to cover the \$1,129,070 costs. Once the new Bear Valley/East Valley Parkway project is established in the County TransNet Street Project fund, City Staff will move the prior year expenditures that are ineligible for Proposition 1B funding from the capital project in the Proposition 1B fund to the new capital project established in the TransNet Street Project fund. This will result in a restatement of the financial statements for these fund entities. Once this transfer has occurred, this will free up unspent Proposition 1B funding that will be transferred to the Street Maintenance project in the Proposition 1B fund. Refer to **schedule A** for additional background information.

Respectfully submitted,



Edward N. Domingue, P.E.
Director of Engineering Services



Robert Zelino
Deputy Director of Engineering



CITY OF ESCONDIDO
BUDGET ADJUSTMENT REQUEST

Date of Request: April 13, 2011
Department: Engineering Services
Division: _____
Project/Budget Manager: Robert Zaino 4001
Name Extension
Council Date (if applicable): May 4, 2011
(attach copy of staff report)

For Finance Use Only
Log # _____
Fiscal Year _____
____ Budget Balances
____ General Fund Accts
____ Revenue
____ Interfund Transfers
____ Fund Balance

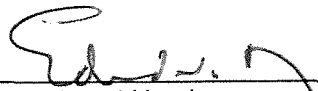
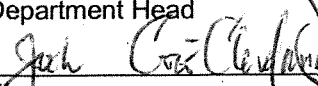
EM	Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
	Bear & East Valley Pkwy & Valley Center Road- Transnet	230-NEW	1,129,070	
	Centre City/Hwy 78 to Mission- Transnet	230-690029		1,129,070
	Bear & East Valley Pkwy & Valley Center Road- Prop 1b	103-622804		1,168,017
	Street Maintenance- Prop 1b	103-627101	1,168,017	

Explanation of Request:

Transfer available Transnet funds from Project 690029 to a new Transnet Project for expenditures incurred in FY 2007-2008 for the Bear & East Valley Pkwy & Valley Center Road.

Transfer Proposition 1b Funds from Bear & East Valley Pkwy & Valley Center Road to Street Maintenance Proposition 1b Project.

APPROVALS

 4/13/11
Department Head Date
 4/13/11
Finance Date

City Manager Date

City Clerk Date

Distribution (after approval):

Original: Finance

Schedule A

Proposition 1B Fund

TransNet Fund

①	Felicita & Juniper Project 622803		③	Centre City/Hwy 78 - Mission Project 690029	
	Budget	Expenditures		Budget	Expenditures
	2,000,000 (1,500,000)			1,500,000 (1,129,070)	
⑤	Bear & E Valley Pkwy Project 622804		④	Bear & E Valley Pkwy (New Project #)	
	Budget	Expenditures		Budget	Expenditures
	1,500,000 (1,168,017)	② 1,129,070		1,129,070	(1,129,070)
⑤	Street Maintenance Project 627101				
	Budget	Expenditures			
	2,922,215 1,168,017				

- ① In Fiscal Year 2007/08 the City Council approved Proposition 1B funding for the Felicita and Juniper Project in the amount of \$2,000,000. On March 12, 2008, Council approved a budget adjustment in the amount of \$1,500,000 to create a new capital project necessary for right-of-way acquisitions for the Bear Valley/East Valley Parkway Project by transferring Proposition 1B funds budgeted for the Felicita and Juniper Street Project to this new project.
- ② In fiscal year 2007/08, the City spent \$1,129,070 in Proposition 1B funds on the Bear Valley/East Valley Parkway project for right-of-way acquisitions. However, these expenditures were spent before authorization by the State; therefore they will be considered ineligible for Proposition 1B funding.
- ③ City staff is proposing the use of TransNet funding from the Center City/Highway 78 to Mission Road project to cover the \$1,129,070 costs.
- ④ Once the new Bear Valley/East Valley Parkway project is established in the County TransNet Street Project Fund, City Staff will move the prior year expenditures that are ineligible for Proposition 1B funding from the Proposition 1B capital project fund to the new capital project established in the TransNet Street Project Fund.
- ⑤ Budget adjustment to move the remaining balance of \$1,168,104 from the Bear Valley/East Valley Parkway project budgeted in the Proposition 1B fund to the Street Maintenance project within the same fund.