Meeting Date: 2/15/2011

ACTION	TYPE OF ITEM
☐ Approved Recommendation	x Info/Consent
☐ Ord. No(s). _____	☐ Report
☐ Res. No(s). _____	☐ Public Hearing (Info/consent)
☐ Other _____	☐ Other _____

Prepared By: Cynthia Daniels _____ Agenda Item No. I-5

Reviewed By: City Manager _____ City Attorney _____ Finance _____ Other *(Specify)*

DATE: February 7, 2011

TO: City Council

FROM: Cynthia Daniels, Project Manager
Development Services Department

SUBJECT: **Special Budget Appropriation for Rice Avenue/Santa Clara Avenue Interchange Improvements at U.S. Highway 101**

RECOMMENDATION

That City Council:

1. Approve the special budget appropriation to decrease by $9,246,871 the project budget in Fund 210 for "Highway 101—Rice Interchange" for the Rice Avenue/Santa Clara Avenue interchange improvements at U.S. Highway 101.

2. Approve the special budget appropriation to increase by $1,600,000 the project budget in Fund 354 for "Highway 101—Rice Interchange" for the Rice Avenue/Santa Clara Avenue interchange improvements at U.S. Highway 101.

DISCUSSION

Background. The capital improvement project to reconstruct the Rice/Highway 101 interchange was established in 1987. City Council Resolution 10,311 adopted on January 14, 1992 declared the City's intent to reimburse City funds used for certain capital costs of the project from proceeds of tax-exempt or taxable indebtedness. On February 26, 2002 the City Council adopted Resolution 12,099 adopting a mitigated negative declaration and mitigation monitoring program, and approving the project to improve the Rice Avenue/Santa Clara Avenue interchange at U.S. Highway 101. The City Council adopted four resolutions of necessity to condemn properties within the project area. City Council approved Agreement No. A-7061 on June 17, 2008 with the California Transportation Commission (CTC) to establish the conditions for funding from the Trade Corridors Improvement Fund (TCIF). City Council Resolution 13,490 adopted on June 17, 2008 declared the City will secure the funds for any additional costs of the project above the $30,449,000 provided from the TCIF. The CTC allocated $30,449,000 from TCIF to the City's project on May 14, 2009. City Council approved the Project

Specification PW03-19 on June 2, 2009. The project is under construction, and the expected completion date is summer 2012.

Project Budget. The current project budget of $83,507,717 provided funding for environmental review and mitigation, right of way acquisition, residential and business relocations, design, utility relocations, and construction. TCIF pays 50 percent of the costs for construction. Since the winning bid was lower than the construction estimate, the extra TCIF funds must be de-obligated, in essence, released back to the CTC for their use on other projects in the state. The TCIF budget of $30,449,000 must be reduced by $9,246,871. The de-obligation of funds from TCIF is required by the terms of the original grant and rules of the CTC.

The Ventura County Transportation Commission (VCTC) staff recently informed the city staff that the expenses for relocating Southern California Edison, Southern California Gas, and Verizon facilities were not eligible for reimbursement from construction funding. An appropriation of $1,600,000 will replace the federal and state grant funds used for the utility relocations with circulation system improvement fees. Any funds recovered from a settlement with the Southern California Gas Company related to utility relocations (described in Agreement Nos. A-6844 and A-6897) will be repaid to the circulation system improvement fees first (Fund No. 354).

FINANCIAL IMPACT

The special budget appropriation reduces the project budget for "Highway 101—Rice Interchange" by $7,646,871 to a total of $75,860,836. Funds in the amount of $1,600,000 are recommended for allocation from the fund balance in Fund 354 to Project No. 873114.

CD

Attachment #1–Special Budget Appropriation

CITY OF OXNARD

REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager: February 15, 2011

Request is hereby made for an appropriation of total . . . . . . $ (7,646,871)

Reason for appropriation: To appropriate $1,600,000 from Circulation System Improvement Fees Fund 354 and de-obligation $9,246,871 of TCIF funds-Fund 210 from "Highway 101—Rice Interchange" P

FUND	DESCRIPTION/ACCOUNT	AMOUNT
Transportation Grant-State 210	**210-9718 (Project No. 873114)**	
	826-8261 Utility Exp-Electric	(1,279,500)
	826-8262 Utility Exp-Gas	(126,391)
	826-8261 Utility Exp-Phone	(293,812)
	826-8604 Improvements Not Building--New	(2,225,875)
	826-8802 For Contingencies	(5,321,293)
	Net Estimated Change to Transportation Grant-State Fund	**(9,246,871)**
Circulation System Improvement Fees 354	**354-9718 (Project No. 873114)**	
	826-8261Utility Exp-Electric	1,383,561
	826-8262 Utility Exp-Gas	19,367
	826-8261 Utility Exp-Phone	197,072
	Net Estimated Change to Circulation System Improvement Fees Fund	**1,600,000**
	Net Estimated Change to HWY 101-RICE INTERCHANGE Project	**(7,646,871)**

Manager

CHIEF FINANCIAL OFFICER

James Cameron

REQUIRES CITY COUNCIL APPROVAL

Disposition

Approved _____

Rejected _____

Transfer by Journal Voucher _____

City Manager

ATTACHMENT 1

PAGE 1 OF 1