

Council Meeting of  
February 7, 2012

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

Members of the Council:

**SUBJECT: Public Works – Appropriate funds to the Residential Street Rehabilitation, I-94. Expenditure: \$116,659.04**

### **RECOMMENDATION**

Recommendation of the Public Works Director that City Council appropriate \$116,659.04 of Prop 42 funds from the City's unappropriated fund balance to the Residential Street Rehabilitation, I-94.

### **Funding**

\$116,659.04 of Prop 42 funds is available from the City's unappropriated Prop 42 fund balance.

### **BACKGROUND AND ANALYSIS**

The Residential Street Rehabilitation is included in the adopted Capital Budget as the I-94 project ("I-94 Project"). It will provide for the repair of damaged curbs, gutters, sidewalks, the installation of ADA-compliant curb ramps and pavement reconstruction and overlay in residential areas.

On September 13, 2011, the City awarded a contract for design services for the I-94 Project. Public Works has been proactively monitoring the project's overall financial budget and based on the current engineering cost estimate, there is a potential deficit. However, confirmation of a budget deficit, and an actual deficit amount, cannot be determined until construction bids are opened in fall 2012.

### **Appropriation of Prop 42 Funds**

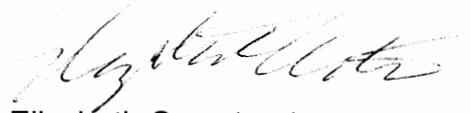
There is an additional available amount of \$116,659.04 in the unappropriated Prop 42 fund balance. Prop 42, Traffic Congestion Improvement Act, funds can only be used for street and highway maintenance, rehabilitation, reconstruction and storm damage repair. Also, there is a requirement that Prop 42 funds be expended within 2 fiscal years from the time of receipt. The I-94 Project previously qualified for the use of Prop 42 funds and can timely expend them within the 2 year timeframe. Therefore, it is

recommended that the available \$116,659.04 of Prop 42 funds now be appropriated to the I-94 Project to help offset any potential future budget deficit.

It should be noted that if it ultimately is confirmed that there is no budget deficit for the I-94 Project, then any available surplus funding can be returned to the unappropriated account(s) and made available for future Capital Improvement Projects or other eligible City priorities.

Respectfully submitted,

ROBERT J. BESTE  
Public Works Director



By: Elizabeth Overstreet  
Engineering Manager



Lauren Sablan  
Associate Engineer

CONCUR:



Robert J. Beste  
Public Works Director



LeRoy J. Jackson  
City Manager