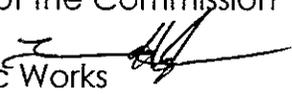




**CITY OF HUNTINGTON BEACH
PUBLIC WORKS COMMISSION
REQUEST FOR ACTION**

Item No. PW 09-29

SUBMITTED TO: Chairman McGovern and Members of the Commission

SUBMITTED BY: Travis K. Hopkins, PE, Director of Public Works 

DATE: August 19, 2009

SUBJECT: Approve Infrastructure Fund Annual Report

Statement of Issue: The City Charter requires an annual review and performance audit of the Infrastructure Fund, and a report of the findings to the City Council.

Funding Source: Infrastructure Fund No. 314

Recommended Action: Motion to recommend to the City Council the Infrastructure Fund Annual Report.

Alternative Action(s): Direct staff to modify the Annual Report.

Analysis: The Infrastructure Fund was established in 2002, by City Charter Section 617. "...(c) The City Council shall by ordinance establish a Citizens Infrastructure Advisory Board to conduct an annual review and performance audit of the Infrastructure Fund and report its findings to the City Council prior to adoption of the following fiscal-year budget."

Currently, the single substantial revenue source to the fund is through General Fund excess fund balance per an adopted Financial Policy:

- o Allocation of the audited General Fund balance in excess of the above reserves (designations) may be as follows:
 - o 25 percent for capital projects (transferred to the Capital Improvement Reserve)
 - o 25 percent for Infrastructure (transferred to the Infrastructure Fund)
 - o 50 percent to increase the 2nd tier reserve.

Revenue

A transfer of \$43,500 was made to the Infrastructure Fund at the close of FY 2007/08. The maintenance agreement for the traffic signal at Beachmont Plaza provides annual revenue of \$9,860, plus Construction Cost Index (CCI) inflation. Additional minor revenue includes interest and the sale of project plans and specifications.

Expenditures

Budgeted projects include matching funds for three water quality grants, and half of the estimated purchase price for the Heil Pump Station property acquisition. These amounts are not anticipated to be expended in the current year.

Completed projects include new roofs on three buildings and the water quality improvements to Greer and Chris Carr Lakes. An initial appropriation for window tinting at City Hall will be incorporated into the overall energy efficiency project scheduled over the next three years.

Attachments: Infrastructure Fund Summary Report FY 2008/09

ATTACHMENT #1

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INFRASTRUCTURE FUND

Summary Report FY 2008/09

	Budget FY 2008/09	Actuals Through	Encumbrance	Projected Fund Balance 9/30/09
00314 - Infrastructure Fund				
Beginning Fund Balance	3,081,299			3,081,299
42965 - Pooled Cash Interest	50,000	69,698		75,000
42966 - Market Adjustments		(2,934)		(2,934)
48270 - Plans and Specs	500	610		610
48550 - Miscellaneous--Beachmont Plaza Traffic Signal	9,860	9,860		9,860
49101 - General Fund Allocation for 9/30/08		43,500		43,500
Revenues	60,360	120,734		126,036
Capital Expenditures				
<i>(continuing from 2007/08)</i>				
Heil Pump Station Property Acquisition	(1,056,000)			
Irby Park Grant Match	(470,000)			
Talbert Lake Phase I Grant Match	(276,200)			
Talbert Lake Phase II Grant Match	(100,000)			
New appropriations FY 2008/09				
City Yard & Main St Library Roofs	(480,000)	(455,000)		(455,000)
City Yard Slope Repairs	(250,000)	(68,786)	(180,000)	(250,000)
Window tinting (moved to energy efficiency project FY 2009/10)	(150,000)			
Sludge removal/water quality improvements @ Greer and Carr Lakes	(150,000)		(55,000)	(55,000)
Total Expenditures	(2,932,200)	(523,786)	(235,000)	(760,000)
Fund Balance	209,459			2,447,335

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