



AGENDA

PUBLIC WORKS COMMISSION CITY OF HUNTINGTON BEACH

Wednesday, February 19, 2014 – 5:00 PM

Utilities Yard

19021 Huntington Street
Huntington Beach, CA 92648

A. PLEDGE OF ALLEGIANCE

ROLL CALL

Berge, Brenden, Carr, Cook, Hart,
McGovern, Thomas

B. PRESENTATIONS-COMMENDATIONS

C. MINUTES

C-1. Minutes of January 15, 2014

D. ORAL COMMUNICATIONS

Public Comments – the Public Works Commission welcomes public comments on all items on this agenda or of community interest. **Three minutes per person**, time may not be donated to others. Commission on this date can take no action on any item not on the agenda. This is the time to address Commission regarding items of interest or agenda items other than public hearings. Communications on agenda items will be scheduled such that public comments may be received as close to 5:00 p.m. as possible.

E. DIRECTOR'S ITEMS

E-1. Commission Business- Reorganization of the Public Works Commission by Election of Chair and Vice Chair.

E-2. Strategic Planning Retreat- Travis Hopkins will provide an overview of the Strategic Planning Retreat held on January 31, 2014, and the strategic objectives. Discuss the Public Works Commission's role in Strategic Plan Action Items.

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F. INFORMATION ITEMS

- F-1. Upcoming City Council Study Sessions - The City Council conducts public Study Sessions on the evenings of City Council meetings, normally beginning at 4:00 p.m., in Room B-8. A tentative listing of upcoming sessions is submitted for the Commission's information.
- F-2. Active Capital Project Report - An update on active capital projects is presented for the Commission's information. Project information, including description, location maps and funding sources can be found in the FY 2012/13 Capital Improvement Program notebook, or on the city's website under Government, Current [Budget](#) information.

G. ADMINISTRATIVE ITEMS

- G-1. Sanitary Sewer Facilities Fund Annual Compliance Report Fiscal Year 2012/13 - In accordance with Section 14.36 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Sanitary Sewer Facilities Fund (Sanitary Sewer Fund) for the City Council. The process provides an opportunity for the Public Works Commission to review planned projects, revenues and expenditures under the program.

Funding Source: No funding is required for this action.

Recommended Action: Motion to recommend to the City Council the approval of the Annual Sanitary Sewer Facilities Fund Compliance Report for Fiscal Year 2012/13.

- G-2. Planned Local Drainage Facilities Fund Annual Compliance Report Fiscal Year 2012/13- In accordance with Section 14.48 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Planned Local Drainage Facility Fund (Drainage Fund) for the City Council. The process provides an opportunity for the Public Works Commission to review planned projects, revenues and expenditures under the program.

Funding Source: No funding is required for this action.

Recommended Action: Motion to recommend to the City Council the approval of the Planned Local Drainage Facility Fund Compliance Report for Fiscal Year 2012/13.

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- G-3. Fair Share Traffic Impact Fee Program Annual Report for Fiscal Year 2012/13- In accordance with Section 17.65.130 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Fair Share Traffic Impact Fee Program for the City Council. The process also provides an opportunity for the Public Works Commission to review revenues and expenditures under the program.

Funding Source: No funding is required for the recommended action. All Traffic Impact Fee funds are maintained in a separate account from other City operation funds.

Recommended Action: Motion to recommend approval of the 2012/13 Traffic Impact Fee Annual Report to the City Council.

- H. **WRITTEN COMMUNICATIONS**
- I. **COMMISSION AND STAFF COMMENTS**
- J. **ADJOURNMENT**

<p>NEXT PUBLIC WORKS COMMISSION MEETING <i>March 19, 2014, 5:00 PM, Utilities Yard</i></p>



MINUTES

CITY OF HUNTINGTON BEACH PUBLIC WORKS COMMISSION JANUARY 15, 2014

**Call to Order/
Pledge of Allegiance:** The meeting was called to order at 5:02 p.m. by Chairperson Thomas, who led Commissioners and the audience in the Pledge of Allegiance to the Flag.

Commissioners Absent: None

Commissioners Present: Commissioners Thomas, McGovern, Hart, Brenden, Berge, Carr, and Cook were in attendance.

Others Present: Travis Hopkins, Director of Public Works
Tom Herbel, City Engineer
Terri Elliott, Principal Civil Engineer
Debbie Debow, Principal Civil Engineer
Ken Dills, Project Manager
Kirsty Wapner, Administrative Assistant

B. PRESENTATIONS-COMMENDATIONS

None.

C. MINUTES

C-1. Motion by Commissioner Cook, seconded by Commissioner Berge to approve the minutes of October 16, 2013 as presented.

VOTE: The motion carried.
AYES: 6
NOES: 0
ABSENT: 0
ABSTENTIONS: 1 (Thomas)

D. ORAL COMMUNICATIONS

None.

E. DIRECTOR'S ITEMS

- E-1. General Plan Update- Travis Hopkins has asked Commissioners McGovern and Thomas to complete the General Plan Update questionnaire.
- E-2. Travis Hopkins reminded the Commissioners that February is the annual reorganization of the Commission and a new Chair and Vice-Chair will then be selected.

F. INFORMATION ITEMS

- F-1. Upcoming City Council Study Sessions – Travis Hopkins noted the Study Session in the agenda packet is old. Ken Dills pulled the 2014 version up on the computer. Hopkins stated the Strategic Planning session will be held Friday, January 31 at the Library. Tom Herbel added that the Senior Center is going to Study Session in mid-March.
- F-2. Active Capital Project Report – Tom Herbel provided updates on the capital project report. The Atlanta Avenue Widening project is currently in the right of way acquisition process. Construction advertisement will go out in 6-8 months. The City has some federal funding for this. Lakeview Drive Sidewalk and Retaining Wall is substantially complete with only slurry seal and striping remaining. 7th Street street light replacement is completed. Mr. Hopkins noted these are LED lights. Meredith Pump Station Expansion will be brought to the Public Works Commission in a couple months. Slater Channel Improvements is complete. Pier Piling, a 5 year program to perform maintenance will begin in a month and should last about 2.5 months. Murdy and Magnolia Fire Station Parking Lot repairs are complete. South Beach Parking Lot kickoff is next Monday. Work will begin after the marathon. The Algonquin/ Boardwalk Lift Station is substantially complete and will be switching to new pump stations soon. This should be complete in a few months. New flyers were distributed to residents last Thursday. Beach Blvd Sewer Replacement was awarded. This is all night construction and will start in three weeks. Water Main Replacement at Sunset Beach Area will start construction in a few weeks and includes upgrading five fire hydrants. Commissioner Cook inquired about the status of the County and Wintersburg project. Tom Herbel stated the sheet piling is in and project should be complete in a few months.
- F-3. OCSD Diversion Program – Terri Elliott presented a PowerPoint on dry weather diversions in Huntington Beach. PowerPoint presentation is attached to these minutes. Commissioner Berge had asked about budget for repairs. Hopkins responded this is in the unfunded list.

G. ADMINISTRATIVE ITEMS

G-1. Arterial Rehabilitation – Tom Herbel reported on the plans and specifications for FY 13/14 arterial rehabilitation project for locations of Argosy Drive, Yorktown Ave, and 6th Street. The projects consist of rehabilitation methods including standard overlay with rubberized asphalt, grinding out failed asphalt, and replacing with fiber reinforced asphalt concrete.

Motion by Commissioner Cook, seconded by Commissioner Berge, to approve that the FY 13/14 Arterial Rehabilitation Project is in general conformance with the approved CIP.

VOTE: The motion carried.
AYES: 7
NOES: 0
ABSENT: 0
ABSTENTIONS: 0

H. WRITTEN COMMUNICATIONS

None.

I. COMMISSION AND STAFF COMMENTS

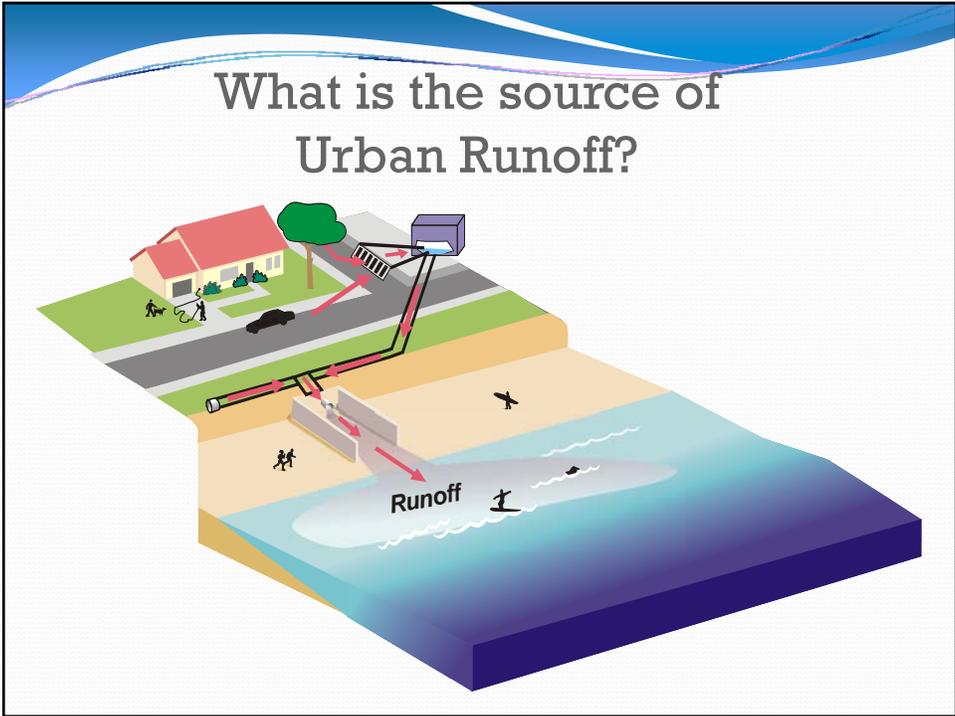
None.

J. ADJOURNMENT

The meeting adjourned at 6:10 PM to February 19, 2014 at 5:00 PM at the Utilities Yard.

Jennifer Thomas
Chairperson

Kirsty Wapner
Administrative Assistant



**HISTORY OF DRY WEATHER
DIVERSION
IN THE
CITY OF HUNTINGTON BEACH**



AB411 Monitoring Program



- Began implementing AB411 regulations on July 26, 1999
- To provide uniform & consistent bacteria monitoring for CA
- Requires 1x/week ocean water monitoring for bacteria
 - From April 1 through October 31
 - For beaches with at least 50,000 visitors per year
 - Adjacent to flowing storm drains
- Each sample is analyzed for three indicator bacteria
- Must notify public if bacteria levels exceed State standards

State Standards for Indicator Bacteria

Single Sample Standards:

- Total Coliforms **10,000** organisms/100 milliliters of sample
- Fecal Coliforms **400** organisms/100 milliliters of sample
- Enterococci **104** organisms/100 milliliters of sample



30-Day Geometric Mean Standards:

- Total Coliforms **1,000** organisms/100 milliliters of sample
- Fecal Coliforms **200** organisms/100 milliliters of sample
- Enterococci **35** organisms/100 milliliters of sample



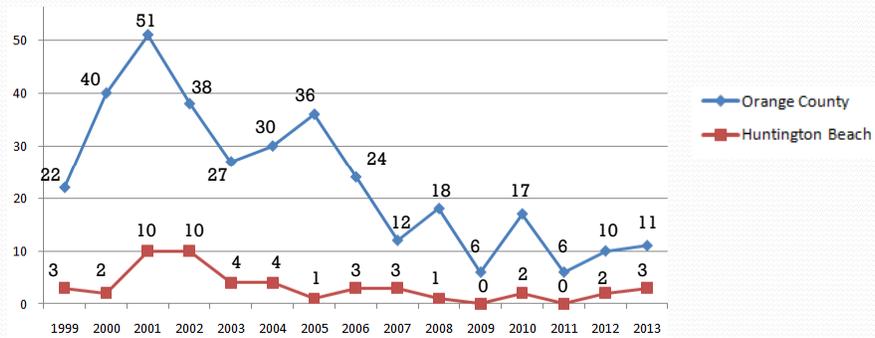
If standards are exceeded – Public Notification is required.

Our Metric: Beach Mile Days (BMD)

- A measurements that takes into account both the length of beach and the amount of time a posted warning is in place.
(Miles of Beach Posted) X (Number of Days Posted) = Beach Mile Days.
- **Example: ½ mile of beach posted closed for 4 days = 2 BMD**
(0.5 mile of beach posted) X (4 days) = 2.0 Beach Mile Days.
- Beach Mile Days represents the public's loss of beneficial use and allows for beach to beach comparisons.



1999 AB 411 Ocean Water Contact Sport Standards Beach Closures 1999 - 2013

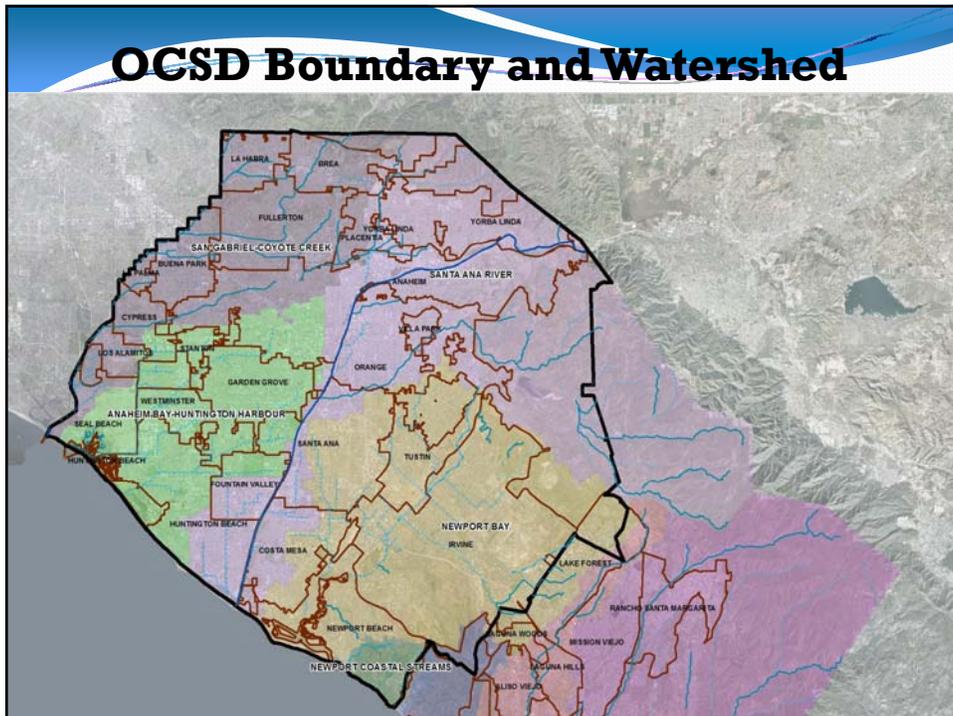


www.ocbeachinfo.com

The screenshot shows the website interface for the Ocean Water Protection Program. At the top, there is a navigation bar with links for Home, Water Quality, Environmental Health, Health Care Agency, County of Orange, and Contact Us. Below this is a banner for the Ocean Water Protection Program. A Google Search bar is present on the left. The main content area includes a map of Orange County with various beach locations marked. A legend above the map explains the status indicators: green for meeting standards, yellow for exceeding standards, and red for being closed due to sewage. A menu bar allows users to view the water quality status for specific beaches like Huntington Beach, Newport Beach, Laguna Beach, Dana Point, and San Clemente.

DRY WEATHER DIVERSION PERMITS WITH ORANGE COUNTY SANITATION DISTRICT

OCSD Boundary and Watershed





**City of Huntington Beach
11
Dry Weather Diversion Permits
with
Orange County Sanitation
District**



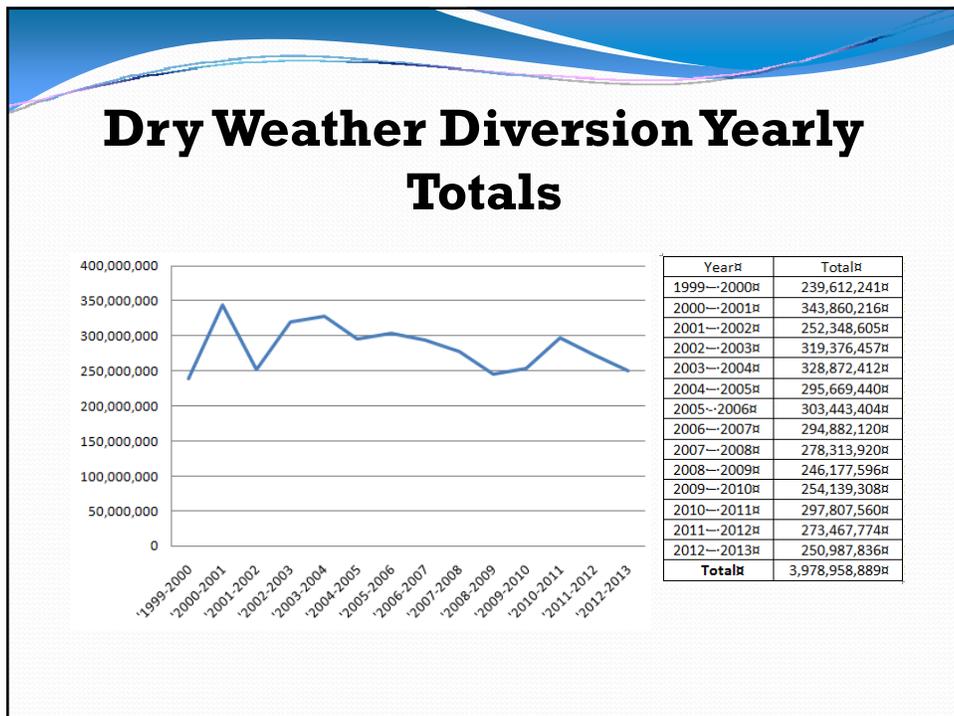
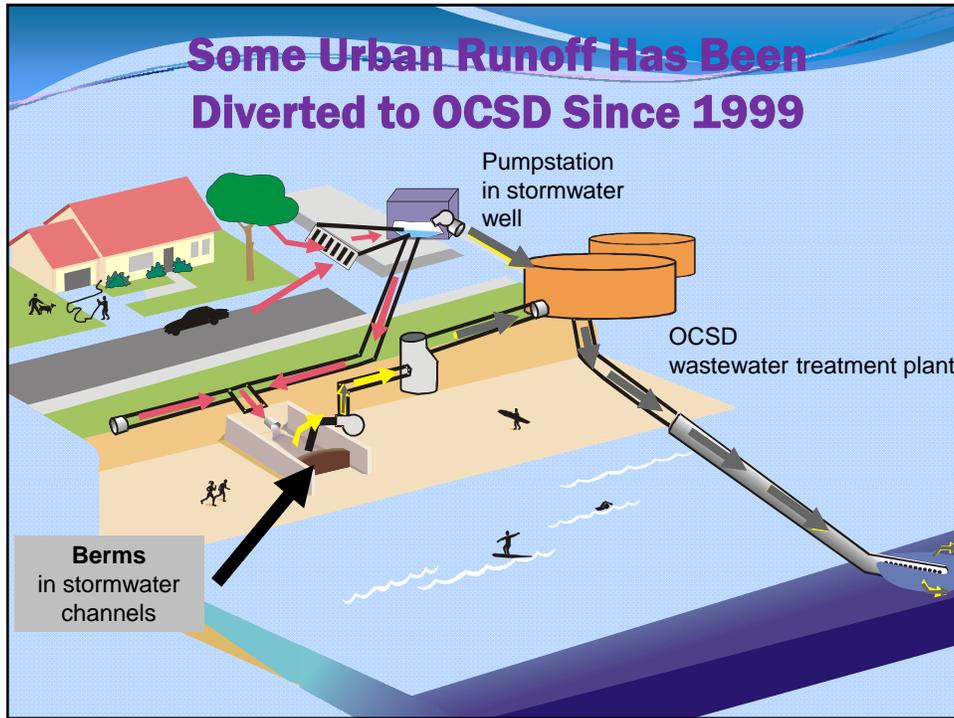
Location of Diversions:

- Adams
- Flounder
- Hamilton
- Indianapolis
- Meredith
- Yorktown
- Newland
- Banning
- Atlanta
- Scenario
- First Street



Diversion Facts:

- November 1999 – 3 pump stations began diversion
- June 2000 – 6 additional pump stations were added
- October 2005 – 1 pump station added
- June 2006 – last diversion permit issued to the City at First Street

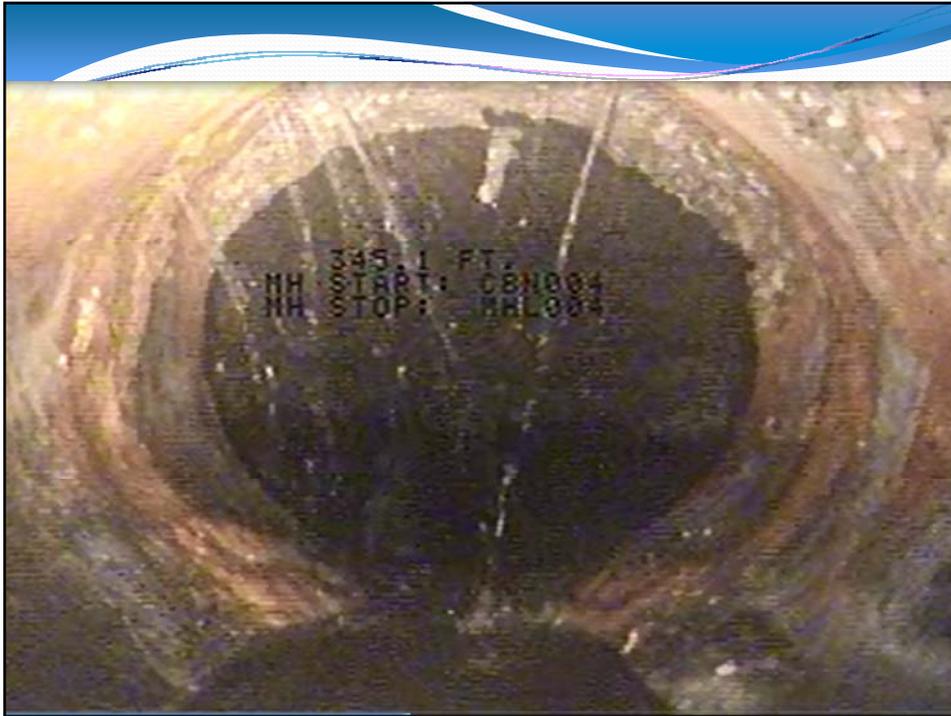


What is Next?

- Reduce the amount of dry weather flow to OCSD
 - CCTV storm drain lines leading to each diversion location
 - Determine if there is infiltration
 - Repair storm drain lines

Hamilton Storm Drain with Infiltration







Pipe Repair



Completed Pipe Repair



Storm Drain Priorities

- Hamilton (38 million gallons/year)
Completed August 2013
- Banning (31 million gallons/year)
- Newland (72 million gallons/year)
- Atlanta (64 million gallons/year)







~2014~ CITY COUNCIL STUDY SESSIONS & SPECIAL SESSIONS

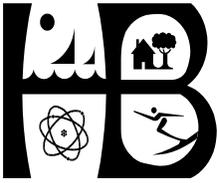
*This information is for agenda scheduling purposes only and is subject to change on a daily basis.
Subjects listed below are not guaranteed to appear on a City Council agenda.*

COUNCIL MEETING	TIME	SUBJECT	DEPT HEAD
2014			
<i>Jan. 21, 2014</i>		<i>Bolsa Chica</i>	<i>Wilson</i>
<i>Feb. 3, 2014</i>		<i>IAB (Investment Advisory Board) Joint Study Session</i>	<i>Cutchen</i>
Feb. 18, 2014		Street Light Update	Wilson
March 3, 2014		Harbor Dredging Study Results	Hopkins
March 17, 2014		OC Plan to End Homelessness (tentative)	Wilson
April 7, 2014			
April 21, 2014			
May 5, 2014			
May 19, 2014			
June 2, 2014		Joint meeting of the Citizen Participation Advisory Board (CPAB) and City Council to review recommendations for the 2014/2015 Action Plan for the Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME)	Slifman/Fritzal
June 16, 2014			
July 7, 2014			
July 21, 2014			
Aug. 4, 2014			
Aug. 18, 2014			
Sept. 2, 2014			
Sept. 18, 2014			
Oct. 6, 2014			
Oct. 20, 2014			
Nov. 3, 2014			
Nov. 17, 2014			
Dec. 1, 2014			
Dec. 15, 2014			

**City of Huntington Beach
Capital Improvement Program Master Schedule**

Thu 2/13/14

ID	Task Name	Duration	Start	Finish	Budget	Comments	2014																
							J	F	M	A	M	J	J	A	S	O	N	D	J				
248	Environmental	103 days	Wed 9/4/13	Fri 1/24/14																			
249	Permits	205 days	Tue 8/13/13	Mon 5/26/14																			
250	Design	171 days	Wed 9/25/13	Wed 5/21/14																			
251	Bid & Construction (Under County's Harbour Dredging Project)	170 days	Mon 6/2/14	Fri 1/23/15																			
252	WATER MAIN EXTENSION	274 days?	Tue 10/1/13	Fri 10/17/14																			
253	CC1389 Water Main Extension @ Bolsa Chica by Graham	269 days	Tue 10/1/13	Fri 10/10/14	\$600,000	Under Design																	
254	Permits	59 days	Mon 2/3/14	Thu 4/24/14																			
255	Design	88 days	Tue 10/1/13	Thu 1/30/14																			
256	Bidding/Award (3 Months)	64 days	Mon 5/12/14	Thu 8/7/14																			
257	Construction	45 days	Mon 8/11/14	Fri 10/10/14																			
258	CC1406 Water Main Extension @ Beach Blvd by Warner	258 days?	Tue 10/1/13	Thu 9/25/14		Under Design																	
259	Permits	59 days	Mon 2/3/14	Thu 4/24/14																			
260	Design	88 days	Tue 10/1/13	Thu 1/30/14																			
261	Bidding/Award (3 Months)	64 days	Mon 4/28/14	Thu 7/24/14																			
262	Construction	44 days?	Mon 7/28/14	Thu 9/25/14																			
263	CC1399 Water Main Extension @ Beach Blvd by Holt	274 days	Tue 10/1/13	Fri 10/17/14		Under Design																	
264	Permits	59 days	Mon 2/3/14	Thu 4/24/14																			
265	Design	88 days	Tue 10/1/13	Thu 1/30/14																			
266	Bidding/Award (3 Months)	64 days	Mon 4/28/14	Thu 7/24/14																			
267	Construction	60 days	Mon 7/28/14	Fri 10/17/14																			
268																							
269	WATER SYSTEM RELIABILITY STUDIES	1105 days	Mon 12/7/09	Fri 2/28/14																			
270	Study Elimination of Potential Choke Points Near Overmyer Reservoir	1105 days	Mon 12/7/09	Fri 2/28/14	\$75,000	Study underway																	
271	Study	1105 days	Mon 12/7/09	Fri 2/28/14																			
272	Study to Create Potential Redundancy of the Northern End of the 36" Main OC-35	1085 days	Mon 1/4/10	Fri 2/28/14	\$75,000	Study underway. Need field testing during Summer																	
273	Study	1085 days	Mon 1/4/10	Fri 2/28/14																			
274	Groundwater Master Plan	214 days	Mon 2/3/14	Thu 11/27/14		Not Started																	
275	Design	214 days	Mon 2/3/14	Thu 11/27/14																			



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

Item No. PW 14-03

SUBMITTED TO: Chairperson and Members of the Commission

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

DATE: February 19, 2014

SUBJECT: Sanitary Sewer Facilities Fund Annual Compliance Report
Fiscal Year 2012/13

Statement of Issue: In accordance with Section 14.36 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Sanitary Sewer Facilities Fund (Sanitary Sewer Fund) for the City Council. The process provides an opportunity for the Public Works Commission to review planned projects, revenues and expenditures under the program.

Funding Source: No funding is required for this action.

Impact on Future Maintenance Costs: Not applicable.

Recommended Action: Motion to recommend to the City Council the approval of the Annual Sanitary Sewer Facilities Fund Compliance Report for Fiscal Year 2012/13.

Alternative Action(s): Recommend revisions to the report.

Analysis: The Sanitary Sewer Fund is a development fee that is restricted to use for sewer capacity enhancements. The fee is unrelated to the monthly Sewer Service Charge used for operations and maintenance of the existing sewer system.

Section 14.36.070 (d) requires the City Council to review the status of compliance with this Chapter, including the revenues collected and the funds expended. The following information conforms to the requirements of the HBMC regarding revenues and expenditures of the Sanitary Sewer Fund. Although this requirement became effective with the adoption of the revised ordinance in

July 2003, the Sewer Facilities Fund has existed since 1988. The following information covers Fiscal Year 2012/13.

Fiscal Status

Revenues and expenditures are summarized below for the past fiscal year. The fund balance as of September 30, 2013 was \$4,524,555.

Not included in this figure are monies owed the Sanitary Sewer Facilities Fund by the Huntington Beach Redevelopment Agency. The original advance was \$131,000. With interest accrual of \$318,853, the debt amount for the fiscal year end was \$449,853.

On June, 29, 2011, the State of California enacted AB1X26, which dissolves redevelopment agencies and designates Successor Agencies to “wind-down” activities of the former redevelopment agencies under supervision of newly created Oversight Boards. On January, 31, 2012, the City’s Redevelopment Agency presented an initial draft Recognized Obligation Payment Schedule (ROPS) to the Successor Agency. In this case, the City has elected to become the Successor Agency. The debt noted above is included in the list of obligations; however, no payments are scheduled to the Sanitary Sewer Facilities Fund within the presented time frame.

Revenues

Total revenue for FY 2012/13 was \$2,727,171. Residential and commercial developer fees contributed \$93,737 and \$2,607,783 respectively. Miscellaneous revenue totaled \$24,620. The fund was credited \$1,031 in interest.

Expenditures

Fiscal Year 2012/13

Expenditures for the fund in FY 12/13 included \$73,359 in salaries charged to the Trinidad Lift Station and Warner Avenue Gravity Sewer projects and \$108,791 in engineering design related to the Trinidad station for a total of \$182,150.

Fiscal Year 2013/14

Budgeted expenditures for the current fiscal year include \$486,960 in encumbrance rollovers and \$400,000 in new funds for lift station design. In addition, \$392,000 for Trinidad Lift Station was carried over from FY 2012/13 to FY 2013/14. Total budgeted expenditures are \$1,278,960.

Conformance with Program Goals and Objectives

The Sanitary Sewer Facilities Fund is intended to implement the goals and objectives of the current Sewer Master Plan. Funds collected and deposited to

the fund may be expended solely for the construction or reimbursement for construction of sanitary sewer facilities. The Fund is in compliance with these requirements.

Environmental Status: Not applicable.

**Summary of Revenue and Expenditures
Sanitary Sewer Facilities Fund**

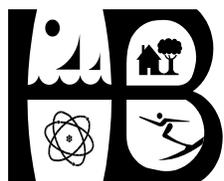
Beginning Balance 10/12	\$1,979,534
Revenue	
Developer fees (residential)	93,737
Developer fees (commercial)	2,607,783
Miscellaneous revenue	24,620
Interest earned	1,031
Total Revenue	\$ 2,727,171
Expenditures	
Salaries and Benefits	(73,359)
Design services	(108,791)
Total Expenditures	(\$182,150)
Beginning Balance 10/13	\$4,524,555
Budgeted revenues	115,000
Budgeted expenditures	(1,278,960)
Estimated Balance 10/14	\$3,360,595

Rate Structure Fiscal Year 2011/12

CITY SEWER CONNECTION FEES		Effective October 1, 2013
Single Family Dwelling Unit	\$	2,256

Multiple Family Dwelling Unit		\$	1,845
Non-Residential (based on water meter size relationship to Equivalent Dwelling Unit, EDU)			
Meter Size & Type	EDU's		Charge
3/4"	1	\$	2,564
1"	2	\$	5,129
1 1/2"	3	\$	7,693
2"	5	\$	12,824
3"	11	\$	28,212
4" Compound	17	\$	43,599
4" Domestic & Turbine	33	\$	84,634
6" Compound	33	\$	84,634
6" Domestic & Turbine	67	\$	171,830
8" Domestic	117	\$	300,061
10" Domestic	183	\$	466,642

Attachments: None



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

Item No. PW 14-04

SUBMITTED TO: Chairperson and Members of the Commission

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

DATE: February 19, 2014

SUBJECT: Planned Local Drainage Facilities Fund Annual Compliance Report *Fiscal Year 2012/13*

Statement of Issue: In accordance with Section 14.48 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Planned Local Drainage Facility Fund (Drainage Fund) for the City Council. The process provides an opportunity for the Public Works Commission to review planned projects, revenues and expenditures under the program.

Funding Source: No funding is required for this action.

Impact on Future Maintenance Costs: Not applicable.

Recommended Action: Motion to recommend to the City Council the approval of the Planned Local Drainage Facility Fund Compliance Report for Fiscal Year 2012/13.

Alternative Action(s): Recommend revisions to the report.

Analysis: The Planned Local Drainage Facilities Fund (Drainage Fund) is a development fee that is restricted to use for drainage system enhancements. Section 14.48.050 (d) requires the City Council to review the status of compliance with this Chapter, including the revenues collected and the funds expended. The following information conforms to the requirements of the HBMC regarding revenues and expenditures of the Drainage Fund. Although the reporting requirement became effective with the adoption of the revised ordinance in September 2006, the Drainage Fund has existed since 1975. The following information covers Fiscal Year 2012/13.

Fiscal Status

The Drainage Fund advanced \$250,000 to the Redevelopment Agency for improvements in 1987. With interest accrual of \$601,854, the debt amount is currently \$851,854. As a result, the Fund maintained a negative balance over the last ten years. In Fiscal Year 2012/13, revenue from developer fees exceeded expectations and the Drainage Fund ended the year with a positive balance of \$40,917.

On June, 29, 2011, the State of California enacted AB1X26, which dissolves redevelopment agencies and designates Successor Agencies to “wind-down” activities of the former redevelopment agencies under supervision of newly created Oversight Boards. On January, 31, 2012, the City’s Redevelopment Agency presented an initial draft Recognized Obligation Payment Schedule (ROPS) to the Successor Agency. In this case, the City has elected to become the Successor Agency. The debt noted above is included in the list of obligations; however, no payments are scheduled to the Drainage Fund within the presented time frame.

Revenues

Revenue for FY 2012/13 from development was \$316,999. Interest to the fund was debited for a reduction of (\$952). Now that the fund is at a positive balance, interest revenue will be credited going forward.

Expenditures

No expenditures were made in FY 2012/13. Staff will monitor the fund as revenue is received and assess the need for future drainage projects.

Conformance with Program Goals and Objectives

The Drainage Fund is intended to implement the goals and objectives of the current Drainage Master Plan. Funds collected and deposited to the fund may be expended solely for the construction or reimbursement for construction of drainage facilities. The Fund is in compliance with these requirements.

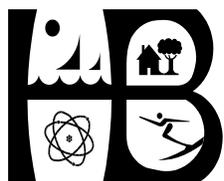
Beginning Balance 10/12	(\$275,130)
Revenue	
Developer fees	316,999
Interest earned	(952)
Total Revenue	\$ 316,047
Expenditures	
Total Expenditures	0
Beginning Balance 10/13	\$40,917
Budgeted revenues	90,000
Budgeted expenditures	0
Estimated Balance 10/14	\$130,917

Rate Schedule Fiscal Year 2012/13

Drainage Fees: \$13,880 per acre.

Environmental Status: Not applicable

Attachments: None



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

Item No. PW 14-05

SUBMITTED TO: Chairman and Members of the Commission

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

DATE: February 19, 2014

SUBJECT: Fair Share Traffic Impact Fee Program Annual Report for Fiscal Year 2012/13

Statement of Issue: In accordance with Section 17.65.130 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Fair Share Traffic Impact Fee Program for the City Council. The process also provides an opportunity for the Public Works Commission to review revenues and expenditures under the program.

Funding Source: No funding is required for the recommended action. All Traffic Impact Fee funds are maintained in a separate account from other City operation funds.

Recommended Action: Motion to recommend approval of the 2012/13 Traffic Impact Fee Annual Report to the City Council.

Alternative Action(s): Recommend revisions to the report elements or request additional information.

Analysis: The Fair Share Traffic Impact Fee (TIF) program is intended to implement the goals and objectives of the General Plan by providing revenue to ensure that the adopted Level of Service standards for arterial roadways and signalized intersections are maintained when new development is constructed within the City limits and that these developments pay their fair share towards short and long term transportation improvements. During the FY 2011/12 fiscal year, the City Council approved an update of the Fair Share Traffic Impact Fee including minor revisions to the Municipal Code and the fee structure.

The following sections comprise the annual report.

Fiscal Status

This report presents the fund information based on the City's preliminary audit for Fiscal Year 2012/13. The balance for the fund at the beginning of the fiscal year was \$266,282. During FY 2012/13, Traffic Impact Fee fund recognized \$1,405,892 in revenues including the following:

▪ Land Sales	\$ 778,978
▪ Impact Fees Paid	\$ 624,525
▪ Interest and Miscellaneous	\$ 1,389

Expenditures from the fund totaled \$165,696 including, \$42,466 in personnel salaries and benefits related to program and project administration, \$15,958 in professional services and \$97,368 in litigation costs related to the Garfield Avenue Widening settlement. The fund balance at the end of the fiscal year was \$1,506,478.

Budgeted projects for FY2012/13 included Atlanta Avenue Widening and Brookhurst/Adams Intersection Improvements, the latter of which was carried over to the current fiscal year's CIP.

Planned Capital Projects, Studies and Expenditures

The City Council approved funding for Fiscal Year 2013/14 in the amount of \$180,000 for a study of the potential reconfiguration of the Beach/Ellis/Main Street intersection to improve traffic flow efficiency and reduce congestion. In addition, Council also approved the carry over of \$88,838 for the aforementioned Brookhurst/Adams Intersection Improvements. Budgeted expenditures for FY 13/14 also include \$40,412 in encumbrances carried over from FY 12/13, bringing the total budget for the year to \$309,250. There are a few projects envisioned in the Traffic Impact Fee program that require substantial funding. Staff has recommended limited project programming is over the past two years to allow the fund balance to increase to a level sufficient to fund larger projects. Staff will continue to look for and prioritize opportunities to obtain grant funds for TIF eligible projects and consider use of TIF funds as local matching funds. Staff anticipates the possibility of funding a portion of the upcoming Atlanta Widening right-of-way and construction phase with Traffic Impact Fee funds. This will be more fully presented in the FY 2014/15 Capital Improvement Program as it develops.

Capital Project Reimbursements

During the FY 2012/13 Fiscal Year, staff worked to dispose of excess real property owned by the Traffic Impact Fee fund. The sale of two properties were finalized during the fiscal year and only one lot remains. The lot is relatively small and no

pending sale is expected in the current fiscal year. The overall assessed value of the real estate asset is between \$100,000 and \$180,000.

2012/13 Fund Balance Including Assets

Final Audited Fund Balance	\$1,506,478
Real Estate Assets (low estimate)	<u>\$ 100,000</u>
Total	\$1,606,478

Conformance with Program Goals and Objectives

The Traffic Impact Fee Program is intended to implement the goals, objectives and policies of the City of Huntington Beach General Plan, as stated in the Municipal Code Chapter 17.65. Completion of the planned projects implements improvements identified in the Circulation Element of the General Plan and is in conformance with the goals and objectives of the Fair Share Traffic Impact Fee program.