



MINUTES

CITY OF HUNTINGTON BEACH PUBLIC WORKS COMMISSION JULY 20, 2011

**Call to Order/
Pledge of Allegiance:** The meeting was called to order at 5:00 p.m. by Chairman Siersema, who led Commissioners and the audience in the Pledge of Allegiance to the Flag.

Commissioners Absent: O'Connell

Commissioners Present: Commissioners Cook, Herbel, McGovern, Siersema, Spencer and Thomas were in attendance.

Others Present: Travis Hopkins, Director of Public Works
Tony Olmos, City Engineer
Brian Ragland, Utilities Manager
Dahle Bulosan, Finance
Ken Dills, Project Manager
Joyce Greene, Administrative Assistant

B. PRESENTATIONS-COMMENDATIONS

None

C. MINUTES

Motion by Commissioner Cook, seconded by Commissioner Thomas to approve the minutes of June 16, 2011 as presented.

VOTE: The motion carried.
AYES: 6
NOES: 0
ABSENT: 1 (O'Connell)
ABSTENTIONS: 0

D. ORAL COMMUNICATIONS

None

E. DIRECTOR'S ITEMS

- E-1. Travis Hopkins informed the Public Works Commissioners of the upcoming AB1234 training July 28, 2011, 6-8:00 pm in City Council Chambers. All Commissioners are required to complete the training every two years and it is offered several times each year. Attendance will fulfill the requirement for 2011/12.

The question was asked if the training can be held with other cities. A request was made for a schedule of all upcoming training sessions, if available, and more lead time be given before an offered training. Travis Hopkins will inquire with the City Attorney on the questions presented.

- E-2. Travis Hopkins provided the Commissioners with a memo that included a list of annual reports to the Public Works Commission and the month in which they are typically presented. Chair Siersema requested the list be provided to the Commissioners each January.
- E-3. Travis Hopkins introduced Dahle Bulosan from Finance who provided information on the Infrastructure Calculation FY 2007/08 to FY 2011/12. Revenues and Expenditures were listed explaining what is included.

Discussion held on the current debt service and how it affects the 15% calculation. For FY 2011/12, an additional \$1.3million was allocated to Public Works for pavement projects to ensure the 15% is met. Commissioner McGovern thanked Finance for their work and the presentation. He expressed concern over the use of debt service in the calculation for infrastructure. Discussion continued.

F. INFORMATION ITEMS

- F-1. Active Capital Project Report – Tony Olmos provided the updates and then asked the Commissioners for any questions.

G. ADMINISTRATIVE ITEMS

- G-1. Sewer Service Charge Adjustment for 2011/12 – A PowerPoint presentation was given by Ken Dills. The Consumer Price Index for all Urban Consumers (CPIU) annual percentage adjustment is used to calculate the recommended Sewer Service Charge. Staff is recommending suspending a rate increase for FY 2011/12 due to the fund balance.

Commissioner Herbel agreed with suspending a rate increase and inquired about the substantial reserve. Travis Hopkins responded several upcoming projects will be funded with the reserve. He also stated staff is looking to create

a Reserve Policy. The city will work with an outside resource to develop the policy. It is anticipated to be prepared next fiscal year.

Commissioner McGovern stated he recalled with last year's report presentation the discussion to defer or initiate the increase. He felt it best to defer any suspension of fee increase until the reserve policy is established. He is opposed to changing from the existing policy of using the CPIU to establish the rate until the reserve policy is established. Discussion held.

Motion by Commissioner Thomas, seconded by Commissioner Cook to recommend to City Council the programmed increase to the sewer service fee be suspended for Fiscal Year 2011/12.

VOTE: The motion carried.
AYES: 5
NOES: 1 (McGovern)
ABSENT: 1 (O'Connell)
ABSTENTIONS: 0

- G-2. Approve Infrastructure Fund Annual Report for Fiscal Year 2010/11 – Ken Dills presented the report. Current fiscal year projects that are incomplete will carry over to Fiscal Year 2011/12.

Commissioner Spencer recalled approximately \$400,000 General Fund revenue is received from Rainbow Disposal for street repairs due to the increase of collection trucks on city streets. As he remembered the discussion, the funding was to be designated for infrastructure repairs and was to be over and above the 15% calculation for infrastructure. Discussion. Travis Hopkins will refer to the minutes of the July 2006 City Council meeting and report back his findings to the Commission.

Motion by Commissioner Herbel, seconded by Commissioner McGovern to recommend to the City Council approval of the Infrastructure Fund Annual Report.

VOTE: The motion carried.
AYES: 6
NOES: 0
ABSENT: 1 (O'Connell)
ABSTENTIONS: 0

- G-3. Approve FY 2011/12 Capital Improvement Program Amendment – Tony Olmos presented the item. At the June 20, 2011 City Council Study Session, the proposed FY 2011/12 Pavement Management Plan was presented. The City Manager discussed the addition of \$1.3 million to meet the 15% Infrastructure

calculation. The additional funding resulted in two streets being added for rehabilitation. Discussion held.

Motion by Commissioner Thomas, seconded by Commissioner Herbel to recommend to the City Council the Fiscal Year 2011/12 Capital Improvement Program as amended.

VOTE: The motion carried.
AYES: 6
NOES: 0
ABSENT: 1 (O'Connell)
ABSTENTIONS: 0

H. WRITTEN COMMUNICATIONS

None

I. COMMISSION AND STAFF COMMENTS

Travis Hopkins addressed the recent Water Conservation Study by the Sierra Club and the City rating of poor. Staff is investigating the criteria the Sierra Club uses and if all rating areas were correctly counted for the City. Travis Hopkins is working with Building and Planning on city standards for rating criteria listed in the report and verifying green code compliance. A summary report on the findings will be provided to City Council and a follow-up report will be provided to the Public Works Commission. Discussion held.

J. ADJOURNMENT

The meeting adjourned at 6:08 pm to August 17, 2011 in City Council Chambers.



Michael Siersema
Chair



Joyce Greene
Administrative Assistant