



AGENDA
CITIZENS INFRASTRUCTURE ADVISORY BOARD
CITY OF HUNTINGTON BEACH

Thursday, April 28, 2016 – 5:00 PM

Utilities Yard

19021 Huntington Street
Huntington Beach, CA 92648

A. PLEDGE OF ALLEGIANCE

ROLL CALL

Bixby, Grant, Jackle, McGovern,
Schlosser, Schuetz, Urashima

B. PRESENTATIONS-COMMENDATIONS

C. MINUTES

C-1. Minutes of August 12, 2015

D. ORAL COMMUNICATIONS

Public Comments – the Citizens Infrastructure Advisory Board welcomes public comments on all items on this agenda or of community interest. **Three minutes per person**, time may not be donated to others. Board on this date can take no action on any item not on the agenda. This is the time to address Board 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. CIAB Duties- A breakdown of specific CIAB duties will be discussed.

F. INFORMATION ITEMS

F-1. Infrastructure Fund Annual Report- The City Charter requires an annual review and performance audit of the Infrastructure Fund, and a report of the findings to the City Council.

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G. ADMINISTRATIVE ITEMS

None.

H. WRITTEN COMMUNICATIONS

I. COMMISSION AND STAFF COMMENTS

J. ADJOURNMENT

<p>NEXT CITIZENS INFRASTRUCTURE ADVISORY BOARD MEETING <i>Thursday, May 26, 2016, 5:00 PM, Utilities Yard</i></p>
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MINUTES

CITY OF HUNTINGTON BEACH CITIZENS INFRASTRUCTURE ADVISORY BOARD AUGUST 12, 2015

Call to Order/ The meeting was called to order at 4:03 P.M. by
Pledge of Allegiance: Tom Herbel, who led Board Members and the audience in
the Pledge of Allegiance to the Flag.

Board Members Absent: none

Board Members Present: Bixby, Grant, Jackle, McGovern, Urashima, Schlosser,
Schuetz were in attendance.

Others Present: Tom Herbel, City Engineer
Ken Dills, Project Manager
Kirsty Wapner, Administrative Assistant
Dahle Bulosan, Accounting Manager

B. PRESENTATIONS-COMMENDATIONS

None.

C. MINUTES

C-1. Motion by Board Member Jackle, seconded by Board Member Grant to
approve the minutes of July 15, 2015 as presented.

VOTE: The motion carried.
AYES: 5
NOES: 0
ABSENT: 0
ABSTENTIONS: 2 (Bixby, Schlosser)

D. ORAL COMMUNICATIONS

None.

E. DIRECTOR'S ITEMS

E-1. Board Business- Motion by Board Member Jackle, seconded by

Board Member Grant to elect Board Member Bixby as Chair and Board Member McGovern as Vice Chair.

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

- E-2. CIAB Duties- Tom Herbel read the expected duties of the CIAB Board Members, as stated in the City Charter Chapter 2.103.040, which states: “[...] conduct an annual review and performance audit of the infrastructure fund and report its findings to the City Council prior to the City Council’s adoption of the ensuing fiscal year budget” and to “perform such other duties or studies as may be directed by the City Council”.
- E-3. CIP Books- Tom Herbel noted all Board Members received CIP Books. He will email a digital copy of the CIP out to the CIAB as well.
- E-4. Form 700 SEIs- Tom Herbel stated the Clerk’s Office has emailed all Board Members regarding the filing of their Form 700 and should direct all questions to the Clerk’s Office.

F. INFORMATION ITEMS

- F-1. Infrastructure Calculation – Dahle Bulosan presented the General Fund infrastructure expenditure calculation, noting that the Proposed FY 15/16 budget shows \$35.1 million in total infrastructure expenditures. The calculation is based on a five year rolling average. Board Member Urashima asked what is included in the Public Works expenditures. Mr. Bulosan stated that this included expenditures on streets, concrete, storm drain, street sweeping, landscape, maintenance, etc. Staff is also included in this expenditure. Board Member Urashima asked for clarification on why the debt service for the Senior Center construction was included in the expenditures. Mr. Bulosan stated that the majority of the City’s debt service expenditures are taken from the General Fund. Vice Chair McGovern stated Measure O, which went to the voters in 2010 and would have eliminated debt service from the infrastructure calculation, failed. He added that the Public Works Commission has reviewed in the past and had always taken issue with the inclusion of the debt service in the calculation. Board Member Urashima asked if the Sr. Center will contribute to pay back the debt service. Mr. Bulosan stated that any revenue received from operations of the Senior Center would be deposited in the General Fund.

Board Member Jackle questioned the elimination of the gas tax transfer to the General Fund. Mr. Bulosan reported that the transfer was being eliminated in

fiscal year 15-16. Ken Dills stated the money will be spent on streets instead. It was suggested that this be footnoted for the public.

Staff is working with the Attorney's Office for a legal definition of infrastructure. Currently it is based on staff policy and Charter Section 6.1.7.

G. ADMINISTRATIVE ITEMS

- G-1. Approve Infrastructure Fund Annual Report for FY 2014/15 – Ken Dills handed out a copy of the PowerPoint presentation and a revised copy of the report due to a minor edit. The PowerPoint has been attached to these minutes. He stated the numbers have not changed from last month's presentation of this item to the CIAB. He reported Heil Pump Station is receiving Hazard Mitigation Grant. The Atlanta Ave Widening project will be paid with infrastructure fund, Measure M2, Prop 42 funds, Traffic Impact, and grant funding. The bids for the Senior Center were favorable, which resulted in an excess of budgeted funds. These funds were then redesignated for the LED lighting retrofits, Zone Maintenance Concrete, and Beach Parking Lot. The Main Street Promenade Parking Rehab project and Worthy Park Phase I project are rolled over to next fiscal year. Chair Bixby asked about the status of the Bella Terra pedestrian crossing and whether it was anticipated the Public Utilities Commission (PUC) would approve an at-grade crossing. In order to install this crossing the City would need to eliminate a crossing at Center or Edinger or build a pedestrian bridge. A bridge was not funded for, nor is there enough room, and there are other issues regarding ADA, elevators, maintenance, etc. This issue is currently with the Planning Department. Board Member Jackle suggested funding be used for park space. Board Member Urashima stated developers may invest in a public art courtyard.

Motion by Board Member Schuetz, seconded by Board Member McGovern, to recommend to City Council approval of the Infrastructure Fund Annual Report.

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

H. WRITTEN COMMUNICATIONS

None.

I. BOARD MEMBERS AND STAFF COMMENTS

Staff and Board Members gave brief introductions for the new Board Members.

Chair Bixby and Travis Hopkins will discuss when the next CIAB meeting will take place.

J. ADJOURNMENT

The meeting adjourned at 4:40 p.m.

Infrastructure Fund Annual Report



Infrastructure Fund – History

- City Charter Section 617 (a)
 - Original anticipated revenue was voter measure which failed
 - Created Separate Fund
 - Defined Infrastructure as:
 - “long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years. They include: storm drains, storm water pump stations, alleys, streets, highways, curbs, gutters, sidewalks, bridges, street trees, landscaped medians, parks, beach facilities, playgrounds, traffic signals, streetlights, block walls along arterial highways and all public buildings and public ways

Infrastructure Fund – History

- City Charter Section 617 (b)
 - Revenues placed in the Infrastructure Fund can't supplant existing infrastructure funding
 - General Fund expenditures for infrastructure improvements and maintenance shall not be reduced below 15% of general fund revenues based on a five-year rolling average

Infrastructure Fund – History

- City Charter Section 617 (c)
 - Establishes Citizen's Infrastructure Advisory Board to conduct an annual review of the Infrastructure Fund and report its findings to the City Council prior to adoption of the following fiscal-year budget.
 - Previously, the Public Works Commission acted in this capacity

Infrastructure Fund – Current Policies

- Main revenue source is a transfer from the General Fund per Financial Policy adopted in 2006/07 and revised in 2009/10
 - Allocation of the audited General Fund unassigned fund balance will be done as follows if, and until, the Economic Uncertainties Reserve is fully funded (i.e two months of General Fund expenditures)

Financial Policy continued

- 50% to Economic Uncertainties commitment
- 25% for Infrastructure Fund
- 25% to Capital Improvement Reserve (CIR) commitment
- Once Economic Uncertainties Reserve attains full funding, unassigned balance is divided:
 - 25% for Infrastructure Fund
 - 25% to Capital Improvement Reserve (CIR) commitment
 - 50% to Equipment Replacement commitment

Infrastructure Fund FY 14-15

- Beginning Fund Balance - \$7.56M
- Revenue – General Fund transfer of \$3M, interest and maintenance agreement payment
- Budgeted Expenditures – projects, encumbrance carry forward and CIP carry over:
 - Heil Pump Station:
 - Infrastructure Fund - \$2.43M
 - Hazard Mitigation Grant - \$2.25M
 - City Yard Building Improvements - \$11,864

Infrastructure Fund FY 14-15 Budgeted Expenditures continued

- Atlanta Avenue Widening:
 - Infrastructure Fund - \$1M
 - Measure M2 - \$600K
 - Prop 42 - \$1.45M
 - Traffic Impact - \$896K
 - Grant Funding - \$2.2M
 - Total - \$6.146M
- Arena Soccer Artificial Turf Replacement - \$170K
- Bella Terra Pedestrian Crossing:
 - Developer Funded - \$263K

Infrastructure Fund FY 14-15 Budgeted Expenditures continued

- Senior Center – \$3.87M - very favorable bids resulted in an excess of budgeted funds in the Infrastructure Fund. Funds were redesignated for:
 - LED Lighting Retrofits - \$305K
 - Zone Maintenance Concrete - \$400K
 - Beach Parking Lot – from Hyatt pedestrian bridge to Huntington Street - \$600K
- Main Street Promenade Parking Rehab - \$1.5M
- Worthy Park Phase I - \$500K

Infrastructure Fund FY 15-16

- New Projects
 - Walnut and 1st Street Lighting – design phase
- Anticipated Project Carry Overs
 - Heil Pump Station – the City was recently awarded a grant. The project can't move forward until land is purchased
 - Atlanta Avenue Widening – the City is in negotiations for the necessary land purchase
 - Senior Center – funds will be carried over for contingencies as construction moves ahead
 - Bella Terra Pedestrian Crossing – developer funded

Infrastructure Fund FY 15-16

- Anticipated Project Carry Overs Continued
 - Main Street Parking Structure
 - Worthy Park Phase 1

INFRASTRUCTURE FUND (314)

Summary Report for FY 2014/15

	Budget 2014/15	Total Projected Revenue and Expenditures	Projected Budget/Carry Over to FY 2015/16
Beginning Fund Balance 9/30/14		\$7,559,644	
Projected Fund Balance 9/30/15			\$9,064,587
Revenue			
Transfer from General Fund	\$3,000,000	\$3,000,000	
Interest and Market Adjustments		\$8,000	\$6,000
Maint. Agreement - Beachmont Plaza		\$10,000	\$10,000
Total Revenue	\$3,000,000	\$3,018,000	\$16,000
Expenditures			
Heil Pump Station Const. and Property	(\$2,426,057)	(\$10,000)	(\$2,323,657)
City Yard Building Improvements	(\$11,864)	(\$11,864)	\$0
Atlanta Avenue Widening	(\$1,000,000)	\$0	(\$1,000,000)
Arena Soccer Artificial Turf Repl.	(\$170,000)	(\$168,715)	\$0
Bella Terra Pedestrian Crossing	(\$263,639)	\$0	(\$263,000)
Senior Center	(\$2,562,475)	\$0	(\$2,562,475)
LED Lighting Retrofit	(\$305,000)	(\$305,000)	\$0
Zone Maintenance Concrete	(\$400,000)	(\$400,000)	\$0
Beach Parking Lot	(\$600,000)	(\$600,000)	\$0
Main Street Parking Structure	(\$1,500,000)	(\$20,000)	(\$1,480,000)
Worthy Park Phase 1	(\$500,000)	\$0	(\$500,000)
Walnut Avenue and 1st Street Lighting			(\$143,000)
Accounting adjustment prior year	\$2,522	\$2,522	
Total Expenditures	(\$9,736,513)	(\$1,513,057)	(\$8,272,132)
Projected Fund Balance 9/30/15		\$9,064,587	
Projected Fund Balance 9/30/16			\$808,455