



AGENDA

PUBLIC WORKS COMMISSION CITY OF HUNTINGTON BEACH

Wednesday, July 17, 2013 – 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 June 19, 2013

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

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.

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- F-3. Updated CIP Summary Sheets- At the June meeting, Commissioners were presented the draft CIP. Since the meeting, some changes have been made to the CIP. Updated sheets will be provided to the Commissioners.
- F-4. Bicycle Master Plan- Staff will present the bicycle master plan for review and comments
- F-5. Infrastructure Calculation- In accordance with City Charter Section 617 Infrastructure Fund, the City budget is required to maintain expenditures for infrastructure not less than 15% of general fund revenues. The Accounting Manager will present information including calculation and methodology.

G. ADMINISTRATIVE ITEMS

- G-1. Infrastructure Fund 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. This review covers the current fiscal year (FY) 2012/13.

Funding Source: Infrastructure Fund No. 314

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

- G-2. Sewer Service User Charge Adjustment for Fiscal Year 2013/14- The Huntington Beach Municipal Code (HBMC) requires an annual adjustment to the Sewer Service User Charge. The Commission's concurrence is requested in recommending the proposed charge for City Council approval.

Funding Source: Estimated service charge revenue for Fiscal Year 2013/14 is \$10,580,000.

Recommended Action: Motion to recommend to City Council the programmed increase to the Sewer Service User Charge be suspended for Fiscal Year 2013/14.

H. WRITTEN COMMUNICATIONS

I. COMMISSION AND STAFF COMMENTS

J. ADJOURNMENT

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NEXT PUBLIC WORKS COMMISSION MEETING
August 21, 2013, 5:00 PM, Utilities Yard



MINUTES

CITY OF HUNTINGTON BEACH PUBLIC WORKS COMMISSION JUNE 19, 2013

**Call to Order/
Pledge of Allegiance:** The meeting was called to order at 3:00 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 McGovern, Berge, Brenden, Carr, Cook, Hart and Thomas were in attendance.

Others Present: Travis Hopkins, Director of Public Works
Tom Herbel, City Engineer
Bob Stachelski, Transportation Manager
Brian Ragland, Utilities Manager
Ken Dills, Project Manager
Jim Wagner, Senior Civil Engineer
Todd Broussard, Principal Civil Engineer
Joe Fuentes, Civil Engineering Assistant
Jo Claudio, Senior Civil Engineer
Kirsty Wapner, Administrative Assistant

B. 3:00 PM- TOUR OF UTILITIES YARD BOOSTER STATION
RECESS MEETING TO 3:35 PM- INTERSECTION OF KEELSON LANE AND SLATER AVENUE

3:35 PM- RECONVENE MEETING AT INTERSECTION OF KEELSON LANE AND SLATER AVENUE
RECESS MEETING TO 4:00 PM AT SLATER FLOOD CONTROL STATION (INTERSECTION OF SLATER AVENUE AND GRAHAM STREET)

3:55 PM- RECONVENE MEETING AT SLATER FLOOD CONTROL STATION
RECESS MEETING TO 5:00 PM AT UTILITIES YARD, 19021 HUNTINGTON STREET

5:00 PM- RECONVENE REGULAR MEETING FOR BUSINESS AT UTILITIES YARD

C. PRESENTATIONS-COMMENDATIONS

None

D. MINUTES

- D-1. Motion by Commissioner Thomas, seconded by Commissioner Carr to approve the minutes of May 15, 2013 as presented.

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

E. ORAL COMMUNICATIONS

None.

F. DIRECTOR'S ITEMS

Travis Hopkins reported the water conservation rates were brought to Study Session on Monday night. The goal is to continue moving forward. This is about a 1.5 – 2 year process. Council has been asked to allow for funding to work with IS and Finance Departments. Over the next year, staff can define Council requests and bring to PWC, potentially before the CIP is brought forward next year. Hopkins noted the methodology needs to be determined first, along with funding, and getting the financial systems ready. The new financial system can accommodate any tiered rate system.

G. INFORMATION ITEMS

- G-1. Upcoming City Council Study Sessions – Travis Hopkins presented the schedule of upcoming City Council Study Sessions. The Senior Center Study Session item will be presented on July 1. The Beach Edinger Corridor Specific Plan is going July 1. The CIP Budget and Infrastructure Discussion will be brought to Study Session on August 5. Bob Stachelski added that the Bicycle Master Plan may be presented at the second meeting in August or first meeting September. This item will be presented at the next Public Works Commission.

- G-2. Active Capital Project Report – Tom Herbel provided updates on the capital project report. He noted that the Goldenwest and Garfield project has been awarded and construction will begin within three weeks. Construction will begin within three weeks for the Keelson Lane project. Construction will begin within two weeks for Hanover Lane. Lakeview Drive Sidewalk and Retaining Wall is out to bid. The Zone 7 residential Pavement Rehab has been awarded and construction will begin at the end of July. City Hall ADA project has been finalized. The Algonquin Boardwalk Lift Station is under construction. The lift

station has been constructed. The Corrosion Protection Steel on Springdale should be completed by the end of summer. The Water Main Replacement at Sunset Beach area Phase I is complete.

H. ADMINISTRATIVE ITEMS

- H-1. Fiscal Year 2012/13 Sewer Lining Project- Joe Fuentes reported the plans and specs for the Sewer Lining Project are almost complete. The scope of work includes 6,000 lineal feet of 8-inch diameter aged sewer main lines in RD 433. This has been identified as a priority this year. The Engineers estimate is at \$200,000.

Motion by Vice Chair Cook, seconded by Commissioner McGovern, to approve the Sewer Lining Project is in general conformance with the previously approved CIP.

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

- H-2. Edinger Avenue Bicycle Path- Jo Claudio reported the plans and specs for this project are in the final preparation. The third and final phase includes the installation of the multiuse bike path and pedestrian path. 75% of eligible construction costs will be reimbursed through the Federal Transit Authority grant funds. There is an unmarked crosswalk on Edinger. Bob Stachelski stated it is legal to cross Edinger. Berge asked about blinking crosswalks. Stachelski reported there are two in Huntington Beach at different locations. This area has a low volume of traffic and low pedestrian traffic.

Motion by Commissioner Brenden, seconded by Commissioner Hart to approve the Edinger Avenue Bicycle Path is in general conformance with the previously approved CIP.

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

- H-3. Slater Pump Station Maintenance Road Rehabilitation – Jim Wagner reported the plans and specs for this project are in final preparation. The Engineers estimate is at \$130,000. The project consists of rehabilitating the asphalt access road, mitigating the erosion, and replacing the chain link fencing. This is scheduled to go out to bid in July and this will begin at the end of October.

Motion by Commissioner Hart, seconded by Commissioner Brenden to approve the Slater Pump Station Maintenance Road Rehabilitation is in general conformance with the previously approved CIP.

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

- H-4. FY 2013/2014 Capital Improvement Program- Todd Broussard presented a PowerPoint. The total new appropriations are for \$50 million. The PowerPoint presented the CIP projects and funding sources. PowerPoint is attached to these meeting minutes.

Tom Herbel noted this CIP document will have edits and modifications along the way until Council approves it. The Public Works Commission will receive updated sheets. One modification since distribution is pertaining to the maintenance of the piers. The CIP shows \$40,000 are allocated. This should read as \$200,000. Another modification is regarding the swapping of the library theater renovations with the City Council Chamber upgrades. Carpet will be upgraded. The Senior Center funding- in the General Fund column, this has been shifted to grants/other funding.

Commissioner McGovern asked if other departments can assist with the pier pilings. Hopkins stated they are recommended to do maintenance on the piers every ten years. It hasn't been done in 23 years. No federal or state funding will help subsidize.

Commissioner McGovern expressed his concern that there is no money from the General Fund for alleys. Commissioner Brenden asked if studies have been to determine the cost of the alleys which have not been done. Hopkins stated it would be around \$18-20 million to do those alleys. The County provided funds for alleys in Sunset Beach. The Redevelopment Agency would receive funds as well when it existed.

Motion by Commissioner Berge, seconded by Commissioner McGovern to recommend to the City Council the Fiscal Year 2013/14 Capital Improvement Program.

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

ABSTENTIONS: 0

I. WRITTEN COMMUNICATIONS

None.

J. COMMISSION AND STAFF COMMENTS

Travis Hopkins noted the infrastructure calculations would be coming to the Commission at the July meeting.

Commissioner Kim Carr reported she will be absent for the August meeting.

K. ADJOURNMENT

The meeting adjourned at 6:00 PM to July 17, 2013 at 5:00 PM at the Utilities Yard.

Jennifer Thomas
Chairperson

Kirsty Wapner
Administrative Assistant



City of Huntington Beach

FY 2013/2014

Capital Improvement Program

Public Works Department



Capital Improvement Program (CIP)

- ❖ New Appropriations: \$49,374,246
- ❖ Continuing Appropriations: \$9,071,093
- ❖ Funding sources include:
 - Infrastructure Fund
 - Enterprise Funds (*Water and Sewer*)
 - Special Revenue Funds (*Measure M, Gas Tax, Prop 42, and Park Acquisition & Development*)
 - Grants (*Federal, State, & OCTA*)



CIP Projects by Category

❖ Drainage & Storm Water	\$3,236,000
❖ Facilities	\$912,473
❖ Neighborhood	\$3,050,000
❖ Parks and Beaches	\$21,245,000
❖ Sewer	\$4,450,000
❖ Streets & Transportation	\$7,480,773
❖ Water	\$9,000,000



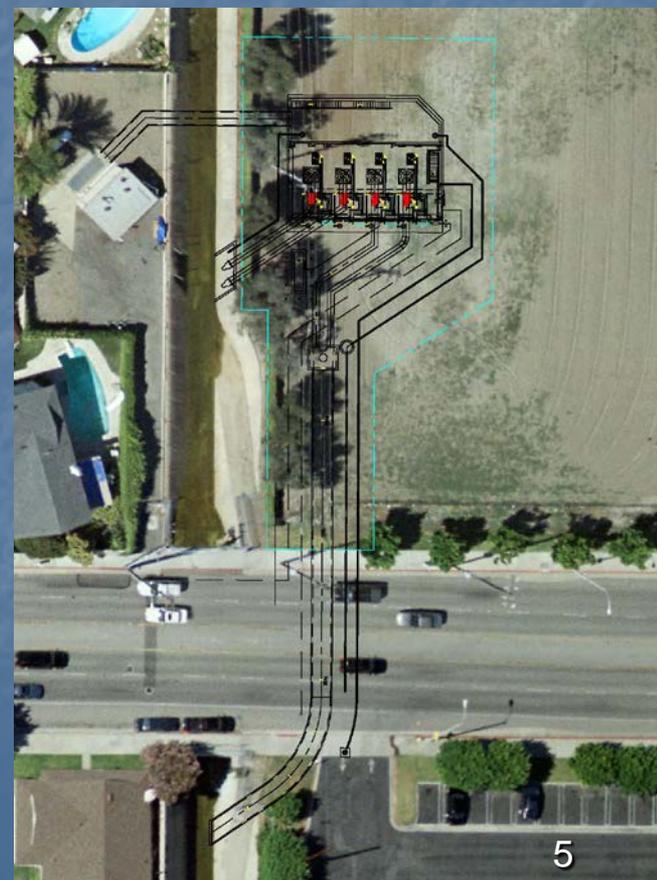
CIP Projects by Funding Source

❖ CDBG	\$150,000
❖ Gas Tax	\$850,000
❖ Grants/Other	\$25,427,973
❖ Measure M	\$2,100,000
❖ Proposition 42	\$2,795,800
❖ Sewer Service Fund	\$4,130,000
❖ Sewer Development Fee	\$400,000
❖ Water Fund	\$7,270,000
❖ Water Master Plan	\$1,750,000
❖ General Fund	\$4,500,473

Drainage & Storm Water \$4.4M

- ❖ Median Water Quality Projects \$270,000
 - Landscape medians at Banning St. & Bushard/Adams to treat urban runoff.
- ❖ First Street Diversion/SCADA \$163,000
 - Monitor and control low flow diversion.
- ❖ Meredith P.S. Expansion \$358,500
 - To accommodate new engines
- ❖ NW Catch Basin Retrofit \$336,000
 - Add Filters in 2- Phases
- ❖ Heil Pump Station \$3.3M
 - State/Federal Grant pending

Heil Pump Station





Facilities \$912k

- ❖ Police Dept. Elevator \$68k
 - Complete modernization/safety improvements
- ❖ Library Improvements \$356k
 - Main Street Library ADA Improvements
 - Central Library Automated Handling System
 - Central Library Theater Renovation
- ❖ Various Roof Replacements \$340k
 - Oak View Library, Murdy Fire Sta., and Bushard Fire Sta.
- ❖ Pier Piling Maintenance \$40k
 - Multi-year program to preserve pilings
- ❖ Fire Station Improvements \$108k
 - Magnolia F.S. 4 – block wall and security gate
 - Murdy F.S. 2 and Magnolia F.S. 4 parking lot repair

Oak View Library Roof



Bushard F.S. Roof



Neighborhood \$3.1M

- ❖ Concrete Replacement \$250k
- ❖ Pedestrian Crossing @ Bella Terra \$200k
- ❖ Residential Streets \$2.55M
 - Residential Overlay/Slurry
 - Tree Petition Streets (*Edmonds Cr. & Craig Ln.*)
- ❖ Sunset Beach Improvements \$100k

Residential Street – Before



Residential Street – After

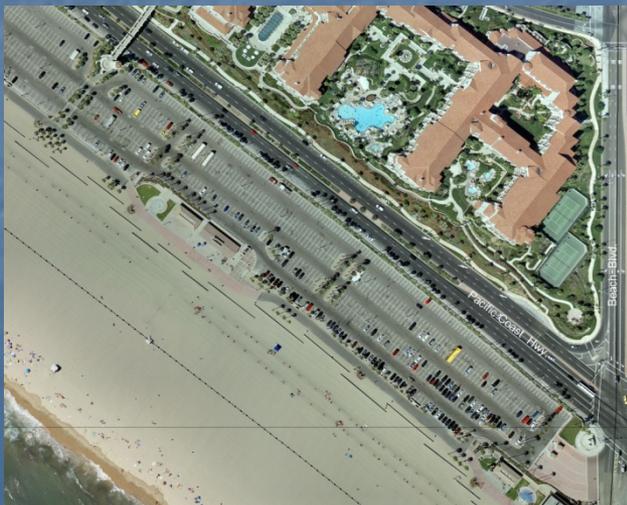


Parks and Beaches \$21.4M



- ❖ Bartlett Park Design \$130k
- ❖ Beach Parking Lot Phase 1 \$450k
- ❖ Gun Range EIR/RAP \$50k
- ❖ Lebard Park Design \$20k
- ❖ New Senior Center \$20M
- ❖ Central Park Electrical Upgrades \$325k
- ❖ Shipley Parking Lot \$270k
- ❖ Worthy Park Design \$138k

Beach Parking Lot



Shipley Parking Lot



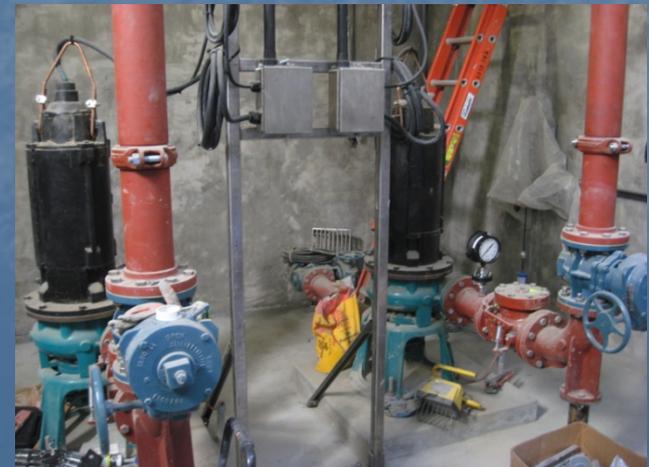
Sewer Improvements \$4.6M

- ❖ Sewer Lift Station Construction \$1.7M
 - Trinidad
- ❖ Sewer Lift Station Design \$400k
 - Edgewater
- ❖ Sewer Lining \$250k
 - Various Locations
- ❖ Sewer Main Replacement \$2.25M
 - Beach Blvd.

Sewer Lining



Sewer Lift Station



Streets & Transportation \$14.6M



- ❖ Arterial Rehabilitation \$3.1M
 - Design (Main St., Lake St., Indianapolis)
 - Construction (Argosy, Yorktown, 6th)
- ❖ Bridge Rehabilitation Program \$3.3M
 - BPMP (*Warner, Magnolia, and Brookhurst*)
 - HBRR (*Admiralty, Humbolt, Davenport, & Gilbert*)
- ❖ Atlanta Ave. Widening \$2.9M

Arterial Rehab – Before



Arterial Rehab – After



Streets & Transportation

(Continued)



❖ Intersection Improvements	\$828k
<ul style="list-style-type: none">▪ Beach/Edinger▪ Beach/Warner▪ Brookhurst/Adams▪ Ellis/Main▪ Yorktown/Huntington	
❖ Traffic Signal Synchronization Projects	\$1.86M
<ul style="list-style-type: none">▪ Adams Ave (<i>Lake St. to Fairview</i>)▪ Goldenwest (<i>SR 22 to PCH</i>)▪ Warner Ave (<i>PCH to Red Hill</i>)▪ Edinger Ave (<i>Bolsa Chica to SR55</i>)▪ Talbert Ave (<i>Beach to SR55</i>)	
❖ Traffic Signal Modifications	\$2.1M
<ul style="list-style-type: none">▪ Bolsa Chica/Bolsa▪ Main/Florida▪ Magnolia/Yorktown▪ Adams/Bushard▪ Gothard/Talbert▪ Gothard/Heil▪ Springdale/McFadden	
❖ Safe Route to Schools	\$473k
<ul style="list-style-type: none">▪ Stacey Middle School / Clegg Elementary	

Water Improvements \$9.55M



❖ Distribution Improvements	\$1.0M
▪ Watermain Extensions (<i>Various Locations</i>)	
❖ Corrosion Control	\$150k
▪ Various Locations	
❖ Water Production Improvements	\$1.25M
▪ Various Locations	
❖ Peck Reservoir	\$1.5M
▪ Pump & Facility modifications	
❖ Water Engineering Studies	\$100k
❖ Water Facilities Security	\$686k
❖ Water Main Replacement	\$4.5M
❖ Well No. 8 Irrigation Project	\$165k
❖ Well No. 9 Treatment	\$200k



Timeline of Proposed Budget/CIP for FY 2013/14

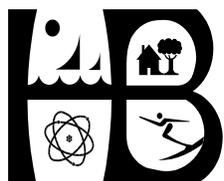
- ❖ Budget reviewed by City Administrator June
- ❖ Public Works Commission June
- ❖ Final budget adjustments made July
- ❖ GP Conformance by Planning Commission August
- ❖ City Council Study Session August
- ❖ Budget Public Hearing to be held September 2
- ❖ Budget can be deliberated and voted September 2
or
September 16



~2013~ 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
2013			
Jan. 7, 2013		No Meeting	
Jan. 22, 2013		<u>Circulation Element Update</u> Water Master Plan	Hess Hopkins
Feb. 4, 2013		Street Light RFQ	Hall
Feb. 19, 2013		DTSC Ascon Update	Hall
Mar. 4, 2013		Housing Element/ General Plan Update-Work Program	Hess
Mar. 18, 2013		Senior Center Update	Laudenback
April 1, 2013			
April 15, 2013		PERS Actuarial Update	Farrell
May 6, 2013		Mid-Year Budget Study Session	Farrell
May 20, 2013		Historic Context & Survey Report	Hess/Galvin Preservation Associates
June 3, 2013		<u>Downtown Alcohol Recommendations/</u> Downtown Surveillance Cameras Update	Small
June 17, 2013		<u>CDBG – Allocations</u> Conservation (Tiered) Water Rates	Hall Hopkins
July 1, 2013		<u>Senior Center</u> Update on projects within Beach Edinger Corridors Specific Plan Area <u>Pacific City Update</u>	Hopkins Hess
July 15, 2013		<u>Proposed FY 2013/14 Budget</u> Bolsa Chica Annexation	Farrell Hess
Aug. 5, 2013		<u>FY 2013/14 CIP Budget and Infrastructure Discussion</u> General Plan Update	Farrell Hess
Aug. 19, 2013	New	<u>Long Term Financial Plan Update</u> <i>Bicycle Master Plan</i>	Farrell Hopkins
Sept. 3, 2013			
Sept. 16, 2013			
Oct. 7, 2013			
Oct. 21, 2013			
Nov. 4, 2013			
Nov. 18, 2013		IAB (Investment Advisory Board) Joint Study Session	Cutchen
Dec. 2, 2013		Mayoral Transition	
Dec. 16, 2013			



**CITY OF HUNTINGTON BEACH
PUBLIC WORKS COMMISSION
INFORMATION ITEM**

Item No. PWC 13-23

SUBMITTED TO: Chair Thomas and Members of the Commission

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

DATE: July 17, 2013

SUBJECT: Bicycle Master Plan Public Review Draft

BACKGROUND:

In 2011, the City allocated AQMD funding to prepare a City-wide Bicycle Master Plan (BMP) for Huntington Beach. The BMP is intended to serve as a comprehensive blueprint to meet the needs of cyclists in the City. Completion of the BMP also will allow the City to compete for Bicycle Transportation Account (BTA) and other bikeway funds. The Bicycle Transportation Account is a program providing state funds for city and county projects that improve safety and convenience for bicycle commuters. The Bicycle Plan must address items identified in *Streets and Highways Code Section 891.2*, be adopted by the city or county, and approved by the local agency's regional transportation planning agency to establish funding eligibility.

Staff prepared a request for proposal (RFP) for the development of the BMP and released the RFP in October 2011. Five proposals for the development of the plan were received. Staff representatives from various departments and a City Bicycle Advisory Committee (BAC) member reviewed the proposals and interviewed four of the proposing consultants. As a result of the selection process the firm KTU+A was chosen as the organization to develop the BMP for the City of Huntington Beach. KTU+A begin development of the document in January of 2012.

In preparation of the Bicycle Master Plan Draft, KTU+A conducted field reviews of Huntington Beach and surrounding cities, and obtained various City provided information that would be used to assist with the development of the plan. Additionally, two public workshops were conducted in June 2012 and April 2013, respectively, to discuss the preparation of the plan and to solicit public input. KTU+A also hosted an on-line survey to assist with gathering information from the public regarding bicycle use in the City. The consultant provided a first draft of

the plan in December 2012 for staff and BAC review only. Based on staff and BAC first draft comments, and input from the two public workshops, KTU+A prepared the public review draft document of the BMP in May 2013 that is now available to the public for review and comment.

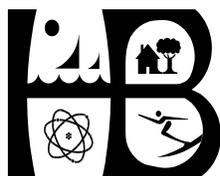
The Bicycle Master Plan Public Review Draft includes the approach and goals of the plan, findings of existing bicycle programs, bicycle use, and bike facilities, along with additional material that addresses the requirements for BTA funding eligibility. The draft plan also presents an existing condition analysis and a bicycle facility recommendation section identifying potential improvements to the existing bikeway system in the City. Recommended bicycle programs and bikeway funding sources are also included. After review of the public draft is completed comments will be examined and incorporated into the final document for adoption by City Council.

Attachments: None

Infrastructure Calculation FY 2009/10 to FY 2013/14

as of 7/10/2013

in thousands	Actual FY 09/10	Actual FY 10/11	Actuals FY 11/12	Projected FY 12/13	Proposed Budget FY 13/14	2009-2014 Total 5 Yrs	2009-2014 Avg 5 Yrs	15% of Revenue
REVENUES								
General Fund Revenues	\$ 172,343	\$ 179,400	\$ 188,704	\$ 188,689	\$ 192,261	\$ 921,397	\$ 184,279	\$ 27,642
Gas Tax Fund Transfers to General Fund	900	900	900	900	900	\$ 4,500	\$ 900	\$ 135
Interest Income from RDA Debt Svc Pmts	1,748	3,090	-	-	-	\$ 4,838	\$ 968	\$ 145
One Time Revenue Squirrel Case	-	(731)	-	-	-	\$ (731)	\$ (146)	\$ (22)
Total General Fund Revenues Subject to Calc	\$ 174,991	\$ 182,659	\$ 189,604	\$ 189,589	\$ 193,161	\$ 930,004	\$ 186,001	\$ 27,900
EXPENDITURES								
Public Works	\$ 16,311	\$ 14,882	\$ 18,032	\$ 18,456	\$ 19,482	\$ 87,164	\$ 17,433	
Community Services	1,986	1,876	2,126	2,050	2,187	\$ 10,225	\$ 2,045	
Library Services	233	188	159	171	158	\$ 910	\$ 182	
Information Services	185	137	137	141	145	\$ 745	\$ 149	
General Fund Non Dept Capital Projects	360	35	2,050	1,300	3,000	\$ 6,745	\$ 1,349	
General Fund Infrastructure Debt	5,677	5,332	4,227	5,141	5,136	\$ 25,513	\$ 5,103	
Equipment for Infrastructure Purpose	-	10	1,124	2,641	2,000	\$ 5,775	\$ 1,155	
Transfers to Infrastructure Fund	-	-	1,829	640	-	\$ 2,469	\$ 494	
Solar Project General Fund Debt Service	-	1,675	-	-	-	\$ 1,675	\$ 335	
Capital Improvement Reserve - Fund Balance	-	-	-	1,700	-	\$ 1,700	\$ 340	
Total Expenditures	\$ 24,752	\$ 24,136	\$ 29,685	\$ 32,240	\$ 32,108	\$ 142,923	\$ 28,585	
Infrastructure Exp as a % of General Fund								
Revenues	14.1%	13.2%	15.7%	17.0%	16.6%			
5 Year Rolling Average	17.0%	16.1%	15.6%	15.2%	15.4%			
Expenditures Over (Under) 15% of Revenue								
Single Year			\$ 1,245	\$ 3,802	\$ 3,134			
Rolling 5 Years			\$ 5,101	\$ 1,575	\$ 3,422			



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

Item No. PW 13-22

SUBMITTED TO: Chairman Herbel and Members of the Commission

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

DATE: July 17, 2013

SUBJECT: Approve Infrastructure Fund Annual Report
for Fiscal Year 2012/13

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. This review covers the current fiscal year (FY) 2012/13.

Funding Source: Infrastructure Fund No. 314

Recommended Action: Motion to recommend to City Council approval of 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."

The single substantial revenue source to the fund is General Fund excess fund balance per the Financial Policy adopted in Fiscal Year 2006/07. The Policy was revised beginning in Fiscal Year 2009/10 to allow for an Economic Uncertainties Reserve commitment. Excerpts addressing the Infrastructure Fund for the previous and current policies are shown in Attachment 1.

Revenue

1. \$640,000 was transferred from the General Fund into the Infrastructure Fund for in FY 2012/13.
2. The maintenance agreement for the traffic signal at Beachmont Plaza provides annual revenue of approximately \$10,000.
3. Interest is paid in proportion to the citywide investments and fund balance.

Expenditures

Budgeted expenditures and expenditure adjustments for FY 2012/13 consisted of carry over projects from 2011/12 and new funds, including:

- Water Quality Improvements at Greer and Carr Lakes – The expenditures represent charges for the regular dredging of the lakes. The unexpended encumbered balance was carried over into FY 2012/13 and has been expended as the date of this report.
- Funds in the amount of \$94,397 were carried over to complete the Energy Efficiency Projects at City Hall. These funds have been expended as of the date of this report.
- \$46,750 was included in the annual CIP carry over for City Yard Building Improvements. It is anticipated that these funds will be spent by the end of the fiscal year.
- Heil Pump Station Property Acquisition – It is anticipated that the funds will be carried forward into the new fiscal year. A Hazard Mitigation Grant that would provide \$2,250,000 in funding to complete the project is pending.
- The Infrastructure Fund is being used as a holding account for developer fees and expenditures related to the proposed Bella Terra Pedestrian Crossing Project. Funds in the amount of \$250,000 have been received to date and staff anticipates an additional \$250,000 next fiscal year. These funds are designated for this project only and any unspent funds must be returned to the developers. To begin design, \$100,000 was appropriated to an expenditure account and is projected to be spent by the end of the fiscal year.

Budgeted projects for 2013/14 include the carryover of the Heil Pump Station and the Bella Terra Crossing noted above. In addition, \$1.5M has been included to begin work on the new Senior Center should that project move forward next fiscal year.

INFRASTRUCTURE FUND (314)
Summary Report for FY 2012/13

	Budget FY 2012/13	Total Projected Revenue and Expenditures	Projected Budget/Carry Over to FY 2013-14
Beginning Fund Balance 9/30/12		\$3,893,402	
Projected Fund Balance 9/30/2013			\$4,551,131
Revenue			
Transfer from General Fund		\$640,000	
Hazard Mitigation Grant (pending)			\$2,250,000
Interest	\$15,000	\$15,000	\$15,000
Market Adjustments			
Developer Fees		\$250,000	\$250,000
Maintenance Agreement - Beachmont Plaza		\$10,000	\$10,000
Total Revenue		\$915,000	\$2,525,000
Expenditures			
Carr & Greer Park Sludge Removal (carry over)	(\$16,125)	(\$16,125)	
Energy Efficiency Improvements (carry over)	(\$94,397)	(\$94,397)	
City Yard Building Improvements	(\$46,750)	(\$46,750)	\$0
Heil Pump Station Construction and Property	(\$2,352,200)	\$0	(\$2,353,000)
Heil Pump Station Design	(\$150,000)	\$0	(\$150,000)
Bella Terra Pedestrian Crossing*		(\$100,000)	(\$200,000)
Senior Center			(\$1,500,000)
Total Expenditures		(\$257,272)	(\$4,203,000)
Projected Fund Balance 9/30/2012		\$4,551,131	
Projected Fund Balance 9/30/2013			\$2,873,131

*The Developer Fee is earmarked for the Bella Terra Pedestrian crossing. This revenue is limited to funding this specific project.

Attachments:

1. Excerpts from Financial Policy adopted FY 2006/07 and 2009/10

ATTACHMENT #1

City of Huntington Beach

Financial Policies

Adopted FY 2006/07

FINANCIAL REPORTING AND ACCOUNTING STANDARDS

- . The City's accounting system will be maintained in accordance with generally accepted accounting practices and the standards of the Government Accounting Standards Board and the Government Finance Officers Association.
- . The annual financial report will be prepared within six months of the close of the previous fiscal year. The City will use generally accepted accounting principles in preparing the annual financial statements and will attempt to qualify for the Government Finance Officers Association's Excellence in Financial Reporting Program.
- . The City will strive for an unqualified audit opinion. An unqualified opinion is rendered without reservation by the independent auditor that financial statements are fairly presented.
- . The City will contract for an annual audit by a qualified independent certified public accounting firm. The independent audit firm will be selected through a competitive process at least once every five years. The contract period will be for an initial period of three years, with two one-year options.

BUDGETING

- . The budget will be prepared consistent with the standards developed by the Government Finance Officers Association and California Society of Municipal Finance Officers. In addition, a summary version will be provided to the public in a user-friendly format.
- . The City will maintain a balanced operating budget for all funds with estimated revenues being equal to, or greater than, estimated expenditures, and with periodic City Council reviews and necessary adjustments to maintain balance.
- . On-going revenues will support on-going expenditures. Revenues from one-time or limited duration sources will not be used to balance the annual operating budget.
- . Support function appropriations will be placed in the department in which they are managed.

GENERAL FUND BALANCE

- . The General Fund reserve (designation) will be a minimum of seven percent of the General Fund budget. In addition, a second tier reserve will consist of the net accumulation of amounts that were in excess of the seven percent reserve (designation) and remained in the General Fund after application of the financial policy that immediately follows. This second tier reserve will be used to balance budget fluctuations.
- . Allocation of the audited General Fund balance in excess of the above reserves (designations) may be as follows:
 - . 25 percent for capital projects (transferred to the Capital Improvement Reserve)
 - . 25 percent for Infrastructure (transferred to the Infrastructure Fund)
 - . 50 percent to increase the 2nd tier reserve
- . All supplemental appropriations from the General Fund minimum reserve that cannot otherwise be funded during the current fiscal year operating budget must meet one of the three following criteria:
 - . It is an unanticipated emergency.
 - . It is required to implement a Memoranda of Understanding (MOU) or a mandate.
 - . It is a new expense that is offset by related revenues.



**City of Huntington Beach
Financial Policies
Adopted Budget – FY 2009/10**



FINANCIAL REPORTING AND ACCOUNTING STANDARDS

- The City's accounting system will be maintained in accordance with generally accepted accounting practices and the standards of the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
- The annual financial report will be prepared within six months of the close of the previous fiscal year. The City will use generally accepted accounting principles in preparing the annual financial statements and will attempt to qualify for the Government Finance Officers Association's Excellence in Financial Reporting Program.
- The City will strive for an unqualified audit opinion. An unqualified opinion is rendered without reservation by the independent auditor that financial statements are fairly presented.
- The City will contract for an annual audit by a qualified independent certified public accounting firm. The independent audit firm will be selected through a competitive process at least once every five years. The contract period will be for an initial period of three years, with two one-year options.

BUDGETING

- The budget will be prepared consistent with the standards developed by the Government Finance Officers Association and California Society of Municipal Finance Officers (CSMFO). In addition, a summary version will be provided to the public in a user-friendly format.
- The City will maintain a balanced operating budget for all funds with estimated revenues being equal to, or greater than, estimated expenditures, and with periodic City Council reviews and necessary adjustments to maintain balance.
- On-going revenues will support on-going expenditures. Revenues from one-time or limited duration sources will not be used to balance the annual operating budget.
- Support function appropriations will be placed in the department in which they are managed.

GENERAL FUND BALANCE

- There will be an established Economic Uncertainties Reserve commitment in the General Fund. The goal is to have an Economic Uncertainties Reserve commitment equal to the value of two months of the General Fund expenditure adopted budget amount.
- Once established, appropriations from the Economic Uncertainties Reserve commitment can only be made by formal City Council action. Generally, appropriations and access to these funds will be reserved for emergency situations. Examples of such emergencies include, but are not limited to:
 - An unplanned, major event such as a catastrophic disaster requiring expenditures over 5% of the General Fund adopted budget
 - Budgeted revenue taken by another government entity
 - Drop in projected/actual revenue of more than 5% of the General Fund adopted revenue budget
- Should the Economic Uncertainties Reserve commitment be used, and its level falls below the minimum amount of two months of General Fund expenditures adopted budget, the goal is to replenish the fund within three fiscal years.



City of Huntington Beach Financial Policies Adopted Budget – FY 2009/10



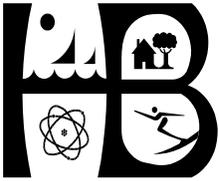
- Allocation of the audited General Fund unassigned fund balance will be done as follows if, and until, the Economic Uncertainties Reserve commitment is fully funded (i.e., two months of General Fund expenditures):
 - 50% to Economic Uncertainties Reserve commitment
 - 25% for Infrastructure Fund
 - 25% to Capital Improvement Reserve (CIR) commitment
- Once the Economic Uncertainties Reserve commitment attains full funding, unassigned fund balance will be divided as follows:
 - 25% for Infrastructure Fund
 - 25% to Capital Improvement Reserve (CIR) commitment
 - 50% to Equipment Replacement commitment
- Any unanticipated and unrestricted revenues received during the fiscal year will be added to the fund balance of the General Fund.

FUND BALANCE CLASSIFICATION

- The City's fund balance is made up of the following components:
 - Nonspendable fund balance typically includes inventories, prepaid items, and other items that, by definition cannot be appropriated.
 - The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
 - The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council. The City Council has authority to establish, modify, or rescind a fund balance commitment.
 - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Administrator or designee has the authority to establish, modify, or rescind a fund balance assignment.
 - Unassigned fund balance is the residual classification for the City's funds and includes all spendable amounts not contained in the other classifications.
- The City considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.
- The City's committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

APPROPRIATION AUTHORITY

- The City Council is the appropriation authority for the City Budget. As required by state law, appropriations expire at the end of each fiscal year.



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

Item No. PW-13-24

SUBMITTED TO: Chairman Thomas and Members of the Commission

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

DATE: July 17, 2013

SUBJECT: Sewer Service User Charge Adjustment for Fiscal Year 2013/14

Statement of Issue: The Huntington Beach Municipal Code (HBMC) requires an annual adjustment to the Sewer Service User Charge. The Commission's concurrence is requested in recommending the proposed charge for City Council approval.

Funding Source: Estimated service charge revenue for Fiscal Year 2013/14 is \$10,580,000.

Impact on Future Maintenance Costs: Funds collected through the Sewer Service User Charge are used to fund the maintenance and operations and capital needs of the sanitary sewer system. This action would provide the same funding level as Fiscal Year 2012/13.

Recommended Action: Motion to recommend to City Council the programmed increase to the Sewer Service User Charge be suspended for Fiscal Year 2013/14.

Alternative Action(s): Motion to recommend that the City Council adopt a Sewer Service User Charge adjustment of 1.0 percent in accordance with HBMC Section 14.55.030.

Analysis: In accordance with Section 14.55.030 Annual CPIU Adjustments, each Sewer Service User Charge shall be adjusted to reflect the annual percentage adjustment in the Consumer Price Index for all Urban Consumers (CPIU) in Los Angeles, Orange and Riverside Counties established by the U.S. Bureau of Labor Statistics and available as of July 1 of each year. The CPIU available as of July 1, for the month of May 2013, reflects an annual increase of 1.0%.

Staff is recommending that the annual adjustment be suspended for Fiscal Year 2013/14 so that staff may continue to monitor the sewer lateral program and the revenue requirements and costs thereof. In addition, staff is implementing an aggressive Closed Circuit Television (CCTV) inspection program of the sewer mains located on the City's arterial and high traffic streets to identify and address pipeline and manhole defects before they become a major problem. The CCTV program and associated repairs should be accomplished within the current funding levels of the Sewer Fund.

Additionally, the City is currently reviewing its reserve policy for major funds, including the Sewer Service Fund. It is recommended that no action be taken on changing the rate structure until the City Council has had the opportunity to review the reserve policy.

Attachments: Sewer Service Fund Performance Audit Fiscal Year 2012/13.

ATTACHMENT #1

City of Huntington Beach Public Works Department Sewer Service Fund Performance Audit *Review of Fiscal Year 2012/13*

Introduction

On September 4, 2001, the Huntington Beach City Council adopted a Sewer Service User Charge and created the Sewer Service Fund. The Sewer Service Fund revenue is designated solely for the rehabilitation, replacement, repair and maintenance of City-owned sewers and lift stations. This is in accordance with the California Health and Safety Code Section 5470, and is included in the ordinance that adds Chapter 14.54 to the Huntington Beach Municipal Code. The ordinance established the Huntington Beach Public Works Commission as both the oversight committee and the final appeals board.

The Sewer Service Fund shall be subject to an annual review and performance audit by the Public Works Commission. The information presented in this report complies with Section 14.54.070 Annual Program Review. In addition, the City Council shall receive, at a regularly scheduled meeting, the recommendations of the Public Works Commission concerning fees, rates and charges proposed to be modified or added to the sewer service user charge. A public hearing on proposed charges will be held annually in conjunction with the City's annual budget process and hearing.

Program Overview

- Scheduled maintenance projects and minor emergency repairs will be completed within the allotted budget.
- Capital improvements including lift station design and construction work and the sewer lining program.
- The Municipal Code states that the Consumer Price Index for Urban Consumers (CPIU) that is available July 1 shall be used to calculate adjustments to sewer service rates.
- A Sewer Lateral Program was added effective January 3, 2008, and the sewer service charge was adjusted to cover the projected expenses. The program transferred the responsibility to the City for sewer lateral repairs within the City-owned right-of-way. Initially, the cost of the program exceeded the additional revenue generated by the adjustment to the sewer service user charge. Costs for this program have decreased significantly since its inception.

- Closed Circuit Television Inspection and cleaning of sewer mains.
- Therefore, the overall budget is estimated to be neutral and it is recommended that the Consumer Price Index (CPI) adjustment required by the Municipal Code be suspended for Fiscal Year 2013/14 and that staff monitor the volume of repairs and costs thereof.

Review of 2012/13 Budget

Personnel and operating expenditures account for approximately forty-five percent (45%) of the 2012/13 Sewer Service Fund budget and are directed toward preventative and routine maintenance. The budget includes salaries and benefits, sewer line maintenance, lift station services, manhole upgrades, the sewer lateral program and cost allocation charges to the General Fund. The balance of the expense budget is earmarked for capital equipment replacement and capital projects, including slip lining, pipeline rehabilitation, Closed Circuit Television (CCTV) monitoring of lines, lift station replacement and capital equipment replacement. In general, the Sewer Maintenance Section of the Utilities Division expends the operating and equipment replacement budgets, and the Engineering Division is responsible for the implementation of capital projects.

Lift Stations: Construction of the Algonquin Lift Station and Force Main Project at Boardwalk was completed this year. Design of the Trinidad Lift Station at Edinger will be substantially completed this Fiscal Year with a construction contract anticipated for award in FY 2013-2014.

Sewer Lining: A construction contract for this year's Sewer Lining Project in the amount of \$250,000 will be awarded by the end of this fiscal year.

Warner Avenue Gravity Sewer (WAGS): (CC-1370) The 100% construction plans for this project were recently completed and currently, the project is out to bid with award of a construction contract anticipated prior to the end of this Fiscal Year.

Sewer Replacement Project: Design for the replacement of a portion of the sewer line in Beach Boulevard between Ellis and Slater is currently underway. Funding for construction is proposed in the FY 2013-14 budget.

CCTV Inspection: The sewer system is inspected through the use of Closed Circuit Television inspection. A contractor was employed during this time period to video inspect portions of the sewer system's main transmission/collection lines located in the City's arterial and high traffic volume streets. City crews video inspect the residential and low traffic volume streets.

Maintenance Activities : Current and projected year-end totals for various maintenance activities are presented below.

Sewer Line Maintenance

- Routine cleaning of 1,058,256 linear feet of sewer pipe, projected to be 1,400,000 linear feet by year-end.
- Routine cleaning of 8,150 pounds of debris/grit.
- Clean 225 enhanced cleaning areas (areas of sewer line maintained from two times to twelve times per year).
- Fats, Oils and Grease (FOG) program has cleaned 10,209 linear feet of sewer line around food service establishments and other areas with high grease concentrations.
- Applied root control to 13,153 linear feet of sewer line.
- Lateral sewer line repair program received 189 requests for repair, resolved 189 concerns.
- Inspected via Closed Circuit Television (CCTV) and cleaned 102,334 lineal feet of residential mains
- Inspected via Closed Circuit Television 52,000 lineal feet of arterial main lines.

Manhole Maintenance

- Cleaned and inspected 9,956 manholes.
- Repaired and recoated approximately 25 manholes.
- Sprayed insecticide for roaches in 130 manholes.

Sewer Lift Station Maintenance

- Inspected 27 lift stations three times a week and cleaned every two months.
- Cleaned 236 check valves; projected to be 336 by year-end.
- Disassembled and rebuilt 6 sewer pumps; projected to be nine by year-end.
- Replaced 1 lift station sump pump.
- Replaced 4 transducers.
- Replaced 1 multitrode controller.
- Cleaned 27 sewer wet wells; projected to be 32 by year end.
- Replaced 2 gate valves.
- Replaced two blower motors.
- Replaced 37 cannon emergency electrical plugs.

Emergency Response

- 13 Sanitary Sewer Overflows (SSO) to date
- 13 power outages requiring the use of generators to power the lift stations.
- 137 service requests from the public during business hours.
- 45 after hours lift station alarms and failures.
- 125 after hour call outs for miscellaneous sewer related problems.
- 14 emergency sewer line point repairs.

Sewer Lateral Program

Under the Sewer Lateral Program, the City assumes responsibility for the repair of all sewer laterals from the City-owned sewer main through the public right-of-way to the private property line. The property owner remains responsible for all costs of repair and maintenance of that portion of the sewer lateral on private property. This program is response driven as all work orders are generated in response to calls from residents and businesses. Expenditures on the Sewer Lateral Program have decreased significantly since the program was initiated in Fiscal Year 2008/09.

Fiscal Year	2008/09	2009/10	2010/11	2011/12	2012/13*
Expenditures	\$2,221,870.58	\$1,334,680.34	\$573,732.26	\$603,814.52	\$363,045.75

*Fiscal Year 2012/13 Expenditures are projected

Staff had previously budgeted for the Sewer Lateral Program based on the expenditures in the first two years of the program. However, expenditures over the past three years have indicated that staff can reduce the budget for this program. Nonetheless, staff is still proposing a robust budget as we continue to monitor this program.

*Sewer Service Fund Budget
FY 2012/13 Projected Expenditures*

Personnel	Original Budget	Revised Budget	Projected
Salaries, Permanent	\$1,799,217	\$1,799,217	\$1,547,011
Salaries, Temporary	\$65,000	\$65,000	\$ 67,679
Salaries, Overtime	\$80,000	\$80,000	\$ 93,808
Benefits	\$898,102	\$901,503	\$ 880,278
Total Personnel	\$2,842,319	\$2,845,720	\$2,588,776
Operating			
Utilities	\$140,000	\$140,000	\$118,994
Equipment and Supplies	\$105,530	\$105,350	\$67,663
Repairs and Maintenance	\$1,842,000	\$1,976,613	\$770,461
Conferences and Training	\$4,000	\$4,250	\$1,520
Professional Services	\$165,000	\$482,131	\$459,656
Rental Expense	\$3,500	\$3,500	\$3,500
Interdepartmental Charges	\$1,208,577	\$1,208,577	\$1,208,577
Expense Allowance	\$6,300	\$6,300	\$6,300
Other Expenses	\$75,000	\$75,300	\$20,000
Total Operating	\$3,549,907	\$4,002,021	\$2,656,671
Capital			
Equipment	\$250,000	\$263,056	\$211,144
Total Capital	\$250,000	\$263,056	\$211,144
CIP			
Improvements	\$2,150,000	\$14,239,272	\$2,569,175
Total CIP	\$2,150,000	\$14,239,272	\$2,569,175
Total	\$8,792,226	\$21,350,069	\$8,025,766

Beginning Balance 10/1/2011	\$20,996,562
Actual Revenues FY11/12	\$11,748,517
Actual Expenditures FY 11/12	(\$7,623,092)
Unreserved Funds Available 10/1/2012	\$25,121,987

Beginning Balance 10/1/2012	\$25,121,987
Projected Revenues FY 12/13	\$12,725,957
Projected Expenditures FY 12/13	(\$8,025,766)
Unreserved Funds Available 10/1/2012	\$29,822,178

Projected Beginning Balance 10/1/2013	\$29,822,178
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<u>Source</u>	Revenue Detail	
	<u>FY 11/12</u> Actual	<u>FY 12/13</u> Projected
Customer Charges	\$10,606,657	\$10,953,195
Interest	\$199,400	\$180,000
Settlements	850,000.00	1,500,000.00
Other	\$92,459.61	\$92,762
Total	\$11,748,517	\$12,725,957

Proposed FY 2013/14 Budget

Sewer Service User Charge Adjustments

In accordance with Section 14.55.030 Annual CPIU Adjustments, each Sewer Service User Charge shall be adjusted to reflect the annual percentage adjustment in Consumer Price Index for all Urban Consumers (CPIU) in Los Angeles, Orange and Riverside Counties established by the U.S. Bureau of Labor Statistics and available as of July 1 of each year. The purpose for annual adjustment of the rates is to ensure that the revenues continue to fully fund the needs of the program.

To accommodate the billing system, all service charge rates are calculated to four decimal places, and charged on a daily factor. The daily factor converts the monthly charge based on a 365-day year. This is a modification from the initially adopted rate schedule. The customer's bill reflects a charge based on the number of days between meter readings. A resolution was adopted by the City Council to authorize the daily rate methodology.

The percentage adjustment in the CPIU available as of July 1, 2013 for the month of May reflects an annual increase of 1.0%. Normally, this percentage would be calculated and included as the recommended adjustment to the Sewer Service User Charge effective October 1, 2013. However, as noted in the Program Overview, staff is recommending that the annual adjustment, in this case an increase, be suspended for Fiscal Year 2013/14 so that staff may continue to monitor the sewer lateral program and the revenue requirements and costs thereof. Staff is continuing an aggressive Closed Circuit Television (CCTV) inspection program of the sewer mains located on the City's arterial and high traffic streets to identify defects before they become a major problem. The CCTV programs should be accomplished within the current funding levels of the Sewer Fund. The following table shows the 1.0% increase. For purposes of comparison, the rates represent a monthly charge.

Effect of CPI Adjustment on Current Sewer Service Charge

Customer Category	Charge Type	Unit	Current Charge	With CPI Increase
Residential: Single-family & townhouses with individual meters	Flat rate for all customers in category	per unit per month	\$10.6923	\$10.7992
Apartment: All apartments, mobile homes and townhouses served by common meters	Flat rate for all customers in category	per unit per month	\$8.8693	\$8.9580
Regular Commercial/Industrial: Most businesses, including private schools	Flat rate amount per Equivalent Dwelling Unit (EDU). EDU refers to either (1) the capacity of a customer's water meter in comparison to a standard ¾ inch meter, or (2) the number of tenant units that receive water service through the water meter, whichever is greater	per EDU per month	\$12.4089	\$12.5330
High-Consumption Commercial/Industrial: Businesses with high water consumption relative to their meter size	Flat rate per hundred cubic feet (CCF) of estimated sewer discharge	per CCF per year	\$2.3219	\$2.3451
Public Schools: All public K-8 and high school districts with schools in the City	Flat rate per student per year with a different rate per student for K-8 and for high schools	High School per ADA per year	\$3.4150	\$3.4492
	ADA - Average Daily Attendance	K-8 per ADA per year	\$2.1991	\$2.2211

*Sewer Service Fund Budget
FY 2013/14 Proposed*

Personnel

Salaries, Permanent	\$1,701,136
Salaries, Temporary	\$65,000
Regular Overtime	\$80,000
Benefits	\$987,089

Total Personnel	\$2,833,225
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Operating

Utilities	\$140,000
Supplies	\$165,350
Repairs and Maintenance	\$1,483,000
Conferences and Training	\$4,000
Professional Services	\$125,000
Rental Expense	\$3,500
Cost Allocation	\$1,244,834
Auto Allowance	\$5,800
Contingency	\$75,000

Total Operating	\$3,246,484
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Capital

Equip, General/Vehicles	\$569,880
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Total Capital	\$569,880
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CIP (new)

Lift Station (Trinidad)	\$1,700,000
Lift Station Design (Edgewater)	\$400,000
Sewer Lining (CCTV)	\$250,000
Sewer Replacement Project (new)	\$400,000
Sewer Replacement Project (cont.)	\$1,855,000

Total CIP	\$4,605,000
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TOTAL	\$11,254,589
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Revenue Detail FY 13/14

Customer Charges	\$10,300,000
Interest	\$180,000
Reimbursements	\$110,000

Total	\$10,580,000
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Sewer Service Fund Projected Balance Sheet

Beginning Balance 10/1/2013	\$29,822,178
Projected Revenues FY 13/14	\$10,580,000
Proposed Expenditures FY 13/14	(\$11,254,589)
Projected Beginning Balance 10/1/2014	\$29,147,589

Capital Projects FY 2013/14

Lift Stations: Construction is planned in 2013/14 for the Trinidad Lift Station. Design work is budgeted for the Edgewater Lift Station, with construction tentatively scheduled to begin in Fiscal Year 2014/15.

Sewer Lining: Sewer lining in the amount of \$250,000 is programmed in FY 2013/14. A lining project is bid once a sufficient number of sewer defects are identified as part of the CCTV inspection program.

Sewer Replacement Project: Construction funding for replacement of a portion of the sewer line in Beach Boulevard between Ellis and Slater is proposed for the FY 2013/14 budget.

Sewer Main Replacements: Funding is being budgeted for potential sewer main replacements in the amount of \$400,000 in preparation of increased development along the Beach/Edinger Corridor.