

**AGENDA**  
**REGULAR MEETING OF THE HOLTVILLE CITY COUNCIL**  
**121 WEST FIFTH STREET, HOLTVILLE, CALIFORNIA**

**April 11, 2016**  
**OPEN SESSION**  
**6:00 PM**

**Jim Predmore, Mayor**  
**Mike Goodsell, Mayor Pro Tem**  
**Ginger Ward, Council Member**  
**David Bradshaw, Council Member**  
**Richard Layton, Council Member**

**Steve Walker, City Attorney**  
**Denise Garcia, City Clerk**  
**Nick Wells, City Manager**  
**George Morris, City Treasurer**

**THIS IS A PUBLIC MEETING**

*If there is an item on the agenda on which you wish to be heard, please come forward to the microphone at the time the item is being addressed. State your name for the record. All other items can be addressed during the Public Comments portion of the agenda. The Mayor reserves the right to place a time limit on each person asking to be heard.*

**CITY COUNCIL**  
**CLOSED SESSION 5:30 PM**

**CONFERENCE WITH LABOR NEGOTIATORS:**

*(Government Code Section 54957(b)1)*

Agency Negotiator: City Manager/City Attorney  
Classified Employees

**PUBLIC EMPLOYMENT:**

*(Government Code Section 54957.6)*

City Manager Evaluation  
Evaluation Criteria

**CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:**

*(Government Code Section 54956.9(a))*

City of Holtville vs. Black Dog Farms  
City of Holtville vs. Willowbend Mobile Home Park  
Charles Simpson vs. City of Holtville

**CITY COUNCIL:** Meeting Called To Order

**PLEDGE OF ALLEGIANCE:**

**INVOCATION:**

**CITY CLERK RE:** Verification of Posting of the Agenda

**EXECUTIVE SESSION ANNOUNCEMENTS:** Steve Walker, City Attorney

**PUBLIC COMMENTS:** This is time for the public to address the City Council **on any item not appearing on the agenda** that is within the subject matter jurisdiction of the City Council. The Mayor reserves the right to limit the speaker's time. The Mayor will recognize you and when you come to the microphone, please state your name and address for the record. You are not allowed to make personal attacks on individuals or make comments which are slanderous or which may invade an individual's personal privacy.

## **CONSENT AGENDA:**

*The items on the Consent Agenda are to be approved without comment. Should any Council Member or member of the public wish to discuss any item, they may request that the item be removed from the Consent Agenda and placed on the New Business Agenda.*

1. Approval of the Minutes from the Meeting of March 28, 2016.
2. Current Demands #35864 thru #35913.

## **REPORTS OF OFFICERS, COMMISSIONS, COMMITTEES AND COMMUNIQUES:**

### **UNFINISHED BUSINESS:**

None

### **NEW BUSINESS:**

3. **Discussion/Related Action to Adopt RESOLUTION #16-11** Awarding Contract for Design Engineering Services for the Cedar Avenue Sidewalk Improvements Project – Nick Wells, City Manager
4. **Discussion/Related Action to Adopt RESOLUTION #16-12** Awarding a Contract for Construction Management Services for the Walnut Avenue Improvements Project – Nick Wells, City Manager
5. **Discussion/Related Action to Adopt RESOLUTION #16-13** Awarding a Contract for Construction Services for the Walnut Avenue Improvements Project – Nick Wells, City Manager
6. **Discussion/Related Action to Adopt RESOLUTION #16-14** Declaring an Unreasonable Hardship will Result if any Order of Judgment is Not Paid in Installments in the Willowbend, LLC vs. City of Holtville, Imperial County Superior Court Case No. ECU04728– Nick Wells, City Manager
7. **Discussion/Related Action to Adopt RESOLUTION #16-15** Approving Pet Grooming Services in the Downtown A Zone as a retail Commercial Use – Nick Wells, City Manager
8. **Discussion/Related Action to Accept Audited Financial Statements for Fiscal Year 2014-15** as Prepared by Auditors from Moss, Levy, & Hartzheim – Hector Orozco, GL Analyst
9. **Discussion/Related Action to Schedule a Workshop Meeting to Discuss the 2016-17 Budget** – Hector Orozco, GL Analyst
10. **Discussion/Related Action to Approve a Proposed Increase to the Lee & Ro, Inc., Engineering Contract for Consulting Services During the Construction of the City’s Waste Water Treatment Plant Improvement Project** – Nick Well, City Manager

### **INFORMATION ONLY:**

11. **City Manager Report – Nick Wells**
  - a. Fire Chief – Alex Silva
  - b. Water/Wastewater Supervisor – Frank Cornejo
  - c. Public Works Foreman – Alex Chavez
  - d. Finance Department Report – Hector Orozco
  - e. Planning Staff Report – Justina Arce
  - f. Quarterly Grant Report – Carlos Flores

### **12. Items for future meetings**

### **ADJOURNMENT:**

I, Denise Garcia, City Clerk of the City of Holtville, California, **DO HEREBY CERTIFY** that the foregoing agenda was duly posted at Holtville City Hall on April 8, 2016.

①

MEETING DATE:	4/11/16
APPROVED FOR AGENDA	
CITY MANAGER	<i>[Signature]</i>
FINANCE MANAGER	
CITY ATTORNEY	

**THE MINUTES OF THE REGULAR MEETING OF  
THE HOLTVILLE CITY COUNCIL**

**March 28, 2016**

The regular meeting of the Holtville City Council was held on Monday, March 28, 2016 at 6:00 p.m. in the Civic Center. Council Members present were Richard Layton, David Bradshaw, and Jim Predmore. Council Members Ginger Ward and Mike Goodsell were absent. Staff members present were Nick Wells and Denise Garcia. City Attorney Steve Walker and City Engineer Jack Holt were also present. City Planner Justina Arce, City Treasurer George Morris and Fire Chief Alex Silva were absent.

**CITY COUNCIL CLOSED SESSION MEETING CALLED TO ORDER:**

Mayor Jim Predmore called the meeting to order at 5:33 p.m.

**CITY COUNCIL OPEN SESSION MEETING CALLED TO ORDER:**

Mayor Jim Predmore called the meeting to order at 6:07 p.m.

**PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was led by Mayor Jim Predmore.

**INVOCATION:**

Mayor Jim Predmore led the invocation.

**CITY CLERK RE: VERIFICATION OF POSTING OF AGENDA:**

City Clerk verified that the agenda was duly posted on Thursday, March 24, 2016.

**EXECUTIVE SESSION ANNOUNCEMENTS:**

None.

**CONFERENCE WITH LABOR NEGOTIATORS:**

*(Government Code Section 54957(b 1))*

AGENCY NEGOTIATOR: City Manager/City Attorney

Classified Employees

No Reportable Action Taken.

**PUBLIC EMPLOYMENT:**

*(Government Code Section 54957.6)*

City Manager Evaluation

Evaluation Criteria

No Reportable Action Taken.

**CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:**

*(Government Code Section 54956.9(a))*

City of Holtville vs. Black Dog Farms

City of Holtville vs. Willowbend Mobile Home Park

Charles Simpson vs. City of Holtville

No Reportable Action Taken.

**PRESENTATION:** Charla Teeters, IC Film Commission, gave an update of the current Imperial County Film Commission projects underway in the Imperial Valley. She informed Council that there is a trailer available for viewing for a movie called Preacher where scenes were filmed in Holtville.

**PUBLIC COMMENTS:**

None

**CONSENT AGENDA:**

**1. Approval of the Regular Minutes of the City Council Meeting of March 14, 2016.**

**2. Current Demands #35798 thru #35863**

A motion was made by Mr. Bradshaw and seconded by Mr. Layton to approve items 1 and 2 of the Consent Agenda. The motion carried in the form of a roll call vote.

AYES: Predmore, Layton, Bradshaw

NOES: None

ABSENT: Ward, Goodsell

ABSTAIN: None

**REPORTS OF OFFICERS, COMMISSIONS, COMMITTEES AND COMMUNIQUES:**

Jim Predmore reported that he attended LTA and SCAG meetings the previous week. He also attended the Coopers-West Anniversary reception and the Holtville Chamber of Commerce Easter Egg Hunt in Holt Park. He reported that visited his father-in-law in the hospital after his quadruple bi-pass surgery and that his father-in-law was covering nicely.

Nick Wells reported that he attended the Coopers-West event.

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

**3. Discussion/Related Action to Adopt RESOLUTION #16-08 Authorizing the Submittal of an Application for Recycling Payment Programs and Related Authorizations – Nick Wells, City Manager**

A motion was made by Council Member Layton and seconded by Council Member Bradshaw to adopt Resolution #16-08 authorizing the submittal of an application for Recycling Payment Programs and related Authorizations. The motion carried in the form of a roll call vote.

AYES: Predmore, Layton, Bradshaw

NOES: None

ABSENT: Ward, Goodsell

ABSTAIN: None

**4. Discussion/Related Action to Adopt RESOLUTION #16-09 Repealing Resolution #13-08, and Adopting a New Cost Recovery Fee Schedule – Nick Wells, City Manager**

A motion was made by Council Member Bradshaw and seconded by Council Member Layton to adopt Resolution #16-09 repealing Resolution #13-08 and adopt a new Cost Recovery Fee Schedule with modifications made to the Schedule and Resolution adding a separate line indicating Carrot Festival Vendors will be charged \$25 per event instead of \$25 per day. The motion carried in the form of a roll call vote.

AYES: Predmore, Layton, Bradshaw

NOES: None

ABSENT: Ward, Goodsell

ABSTAIN: None

**INFORMATION ONLY:**

**5. STAFF REPORTS:**

- a. Fire Chief – Alex Silva**
- b. Water/Wastewater Supervisor – Frank Cornejo**
- c. Public Works Foreman – Alex Chavez**

Written reports were provided by the following: Fire Chief, Water/Wastewater Supervisor, and Public Works Foreman.

**6. Items for future meetings:**

There being no further business to come before Council, Mayor Predmore adjourned the meeting at 6:49 p.m.

\_\_\_\_\_  
James Predmore, Mayor

\_\_\_\_\_  
Denise Garcia, City Clerk

**CITY OF HOLTVILLE**  
**Monthly Check Register**

MEETING DATE:	04/11/16
ITEM NUMBER	2
Approvals	CITY MANAGER 
	FINANCE MANAGER
	CITY ATTORNEY

Date : 4/5/2016 4:18:40 PM  
 User Name : Lee Ann

Calendar Month/Year : <ALL> <ALL>

Fund	Transaction	Due Date	Invoice Number	Description		
<b>Check Number : 35864      Check Date : 3/31/2016</b>						
<b>Vendor : 8671 A1 JANITORIAL SUPPLY</b>						
12	72139	3/21/2016	A1S22187	POWDERED DRAIN SEWER OPENER	PW	572.06
<b>Invoice Amount : 572.06</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 572.06</b>		
<b>Check Number : 35865      Check Date : 3/31/2016</b>						
<b>Vendor : 2149 ACME STAFFING</b>						
10	72149	3/22/2016	18634	TEMP. EMPLOYEES	ADMIN	1,369.60
12	72149	3/22/2016	18634	TEMP. EMPLOYEES		1,428.68
10	72205	3/28/2016	18659	TEMPORARY EMPLOYEES	PW	1,369.60
12	72205	3/28/2016	18659	TEMPORARY EMPLOYEES		1,680.80
<b>Invoice Amount : 5,848.68</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 5,848.68</b>		
<b>Check Number : 35866      Check Date : 3/31/2016</b>						
<b>Vendor : 8041 AFLAC</b>						
10	72215	3/28/2016	339759	INSURANCE PREMIUM	ADMIN	122.81
<b>Invoice Amount : 122.81</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 122.81</b>		
<b>Check Number : 35867      Check Date : 3/31/2016</b>						
<b>Vendor : 1796 ARAMARK SERVICES, INC.</b>						
10	72110	3/21/2016	FEB. 2016	UNIFORMS (PW)	PW	589.47
11	72110	3/21/2016	FEB. 2016	UNIFORMS (PW)		599.32
12	72110	3/21/2016	FEB. 2016	UNIFORMS (PW)		873.29
<b>Invoice Amount : 2,062.08</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 2,062.08</b>		
<b>Check Number : 35868      Check Date : 3/31/2016</b>						
<b>Vendor : 1923 ASTRA INDUSTRIAL</b>						
11	72105	3/21/2016	148675	BACKFLOW TESTING FEE; VALVE STE	PW	131.00
11	72106	3/21/2016	148716	TEST HOSES		36.55
11	72107	3/21/2016	148694	TEST HOSES; KIT; GAGE HOSE GASK		59.00
<b>Invoice Amount : 226.55</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 226.55</b>		
<b>Check Number : 35869      Check Date : 3/31/2016</b>						
<b>Vendor : 2378 AT&amp;T</b>						
10	72211	3/28/2016	MARCH 2016	TELEPHONE CHARGES	ADMIN	767.94
11	72211	3/28/2016	MARCH 2016	TELEPHONE CHARGES		104.95
12	72211	3/28/2016	MARCH 2016	TELEPHONE CHARGES		84.91
<b>Invoice Amount : 957.80</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 957.80</b>		
<b>Check Number : 35870      Check Date : 3/31/2016</b>						
<b>Vendor : 1237 BABCOCK &amp; SONS, INC.</b>						
11	72135	3/21/2016	BB62055-2279	LAB ANALYSIS	PW	30.00
11	72136	3/21/2016	BB62059-2279	LAB ANALYSIS		45.00
11	72137	3/21/2016	BB62072-2279	LAB ANALYSIS		410.00
11	72138	3/21/2016	BB62074-2279	LAB ANALYSIS		410.00
<b>Invoice Amount : 895.00</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 895.00</b>		
<b>Check Number : 35871      Check Date : 3/31/2016</b>						
<b>Vendor : 8166 BOUNDTREE</b>						
10	72111	3/21/2016	82079850	MEDICAL SUPPLIES	FD	261.34
10	72115	3/21/2016	82070719	MEDICAL SUPPLIES		199.93
10	72233	3/30/2016	52085899	TRAUMA BAG RED LARGE BAG		368.68
10	72247	3/30/2016	82088904	OXYGEN MASK;		124.13
<b>Invoice Amount : 954.08</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 954.08</b>		
<b>Check Number : 35872      Check Date : 3/31/2016</b>						
<b>Vendor : 7688 CINTAS FIRST AID &amp; SAFETY</b>						
10	72121	3/21/2016	5004748633	SERVICE FIRST AID BOXES	PW	83.00
<b>Invoice Amount : 83.00</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount : 83.00</b>		

## CITY OF HOLTVILLE

### Monthly Check Register

Date : 4/5/2016 4:18:40 PM

User Name : Lee Ann

Calendar Month/Year : &lt;ALL&gt; &lt;ALL&gt;

Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
<b>Check Number : 35873      Check Date : 3/31/2016</b>						
<b>Vendor : 8119 CITY OF IMPERIAL</b>						
10	72154	3/22/2016	1802	PLAN CHECK FOR FEB. 2016	BLDG.	268.34
<b>Invoice Amount : 268.34</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		268.34
<b>Check Number : 35874      Check Date : 3/31/2016</b>						
<b>Vendor : 2320 COUNTY MOTOR PARTS</b>						
11	72123	3/21/2016	203772	AIR TOOL		4.62
12	72123	3/21/2016	203772	AIR TOOL	PW	4.55
11	72129	3/21/2016	206857	FOOD GRADE SILICONE		142.43
11	72130	3/21/2016	203978	FOOD GRADE SILICONE	FD	68.69
10	72188	3/28/2016	202817	HAMMER; CHISEL ; CHISEL SET		35.61
11	72188	3/28/2016	202817	HAMMER; CHISEL ; CHISEL SET		71.22
12	72188	3/28/2016	202817	HAMMER; CHISEL ; CHISEL SET		71.22
10	72246	3/30/2016	201931	POLISHING BAR; ADAPTOR METAL PO		46.41
<b>Invoice Amount : 444.75</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		444.75
<b>Check Number : 35875      Check Date : 3/31/2016</b>						
<b>Vendor : 1907 COUNTY OF SAN DIEGO, RCS</b>						
10	72114	3/21/2016	16HOLTFDN08	MHZ RADIOS		760.83
11	72114	3/21/2016	16HOLTFDN08	MHZ RADIOS	FD	73.33
12	72114	3/21/2016	16HOLTFDN08	MHZ RADIOS	PW	73.34
<b>Invoice Amount : 907.50</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		907.50
<b>Check Number : 35876      Check Date : 3/31/2016</b>						
<b>Vendor : 2099 DAVE BANG ASSOCIATES</b>						
10	72175	3/28/2016	41326	REPLACE PLAYGROUND SLIDE IN HO	PW	1,678.26
<b>Invoice Amount : 1,678.26</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		1,678.26
<b>Check Number : 35877      Check Date : 3/31/2016</b>						
<b>Vendor : 1010 ELMS EQUIPMENT RENTALS</b>						
11	72193	3/28/2016	2110330-0001	1" TRASH PUMPS		496.74
12	72193	3/28/2016	2110330-0001	1" TRASH PUMPS	PW	496.75
<b>Invoice Amount : 993.49</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		993.49
<b>Check Number : 35878      Check Date : 3/31/2016</b>						
<b>Vendor : 1884 ESTRADA SYSTEMS GROUP, INC.</b>						
12	72147	3/22/2016	6236	INSTALL WIRELESS CONNECTION BT	WWTP	1,080.00
<b>Invoice Amount : 1,080.00</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		1,080.00
<b>Check Number : 35879      Check Date : 3/31/2016</b>						
<b>Vendor : 1124 FEDERAL EXPRESS</b>						
12	72141	3/22/2016	534804716	FED EX CHARGES	ADMIN	37.37
<b>Invoice Amount : 37.37</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		37.37
<b>Check Number : 35880      Check Date : 3/31/2016</b>						
<b>Vendor : 1536 FERGUSON ENTERPRISES, INC. #1350</b>						
11	72103	3/21/2016	3057264	METERS GASKET; WASHERS		27.51
12	72104	3/21/2016	3068571	COUPLINGS; PIPE FOR LIFT STATION		83.39
10	72120	3/21/2016	3075080	TOOLS	PW	72.24
11	72120	3/21/2016	3075080	TOOLS		144.48
12	72120	3/21/2016	3075080	TOOLS		144.48
<b>Invoice Amount : 472.10</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		472.10
<b>Check Number : 35881      Check Date : 3/31/2016</b>						
<b>Vendor : 1959 HARRIS COMPUTER SYSTEMS</b>						
10	72214	3/28/2016	XT00115209	WATER BILLS		337.38
11	72214	3/28/2016	XT00115209	WATER BILLS	ADMIN	337.38
12	72214	3/28/2016	XT00115209	WATER BILLS		337.38

## CITY OF HOLTVILLE

### Monthly Check Register

Date : 4/5/2016 4:18:40 PM

User Name : Lee Ann

Calendar Month/Year : &lt;ALL&gt; &lt;ALL&gt;

Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
<b>Invoice Amount</b> : 1,012.14		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		1,012.14
<b>Check Number</b> : 35882		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1471 HD SUPPLY WATERWORKS, LTD						
12	72109	3/21/2016	F223106	MATERIAL FOR REPAIRS TO LIFT STA	PW	286.02
<b>Invoice Amount</b> : 286.02		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		286.02
<b>Check Number</b> : 35883		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 8353 HECTOR OROZCO						
10	72210	3/28/2016	MARCH 2016	CELL PHONE	ADMIN	60.00
<b>Invoice Amount</b> : 60.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		60.00
<b>Check Number</b> : 35884		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1385 HINDERLITER deLLAMAS & ASSOCIATES						
10	72145	3/22/2016	23829	CONTRACT SERVICES SALES TX.	ADMIN	308.74
<b>Invoice Amount</b> : 308.74		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		308.74
<b>Check Number</b> : 35885		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1019 HOLTVILLE TRIBUNE						
22	72143	3/22/2016	8067	REQUEST FOR PROPOSALS WALNUT	improvements	495.00
10	72144	3/22/2016	8068	CARROT FESTIVAL SOUVENIR EDITIO	council	450.00
22	72204	3/28/2016	8089	PUBLISH NOTICE FOR STREET IMPRO	Cedar Ave. Improv.	450.00
<b>Invoice Amount</b> : 1,395.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		1,395.00
<b>Check Number</b> : 35886		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1638 HOME DEPOT/GEFCF						
10	72099	3/21/2016	8031620	BLINDS FOR PW OFFICES; HAMMERS;		80.44
11	72099	3/21/2016	8031620	BLINDS FOR PW OFFICES; HAMMERS;		145.54
12	72099	3/21/2016	8031620	BLINDS FOR PW OFFICES; HAMMERS;	PW	145.54
10	72244	3/30/2016	85915	FICUS TREES FD	FD	145.73
<b>Invoice Amount</b> : 517.25		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		517.25
<b>Check Number</b> : 35887		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1076 HOUR PHOTO						
10	72142	3/22/2016	150113	PLAQUE FOR TURNING POINT	COUNCIL	50.87
<b>Invoice Amount</b> : 50.87		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		50.87
<b>Check Number</b> : 35888		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 4642 I.C. PUBLIC HEALTH DEPT. LAB.						
10	72250	3/30/2016	17534	NEW EMPLOYEE PHYSICAL FD	FD	544.00
<b>Invoice Amount</b> : 544.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		544.00
<b>Check Number</b> : 35889		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 2297 IMPERIAL COUNTY SHERIFF'S DEPT.						
10	72152	3/22/2016	FEB. 2016	SHERIFF SERVICES FEBRUARY 2016	SHERIFF	75,106.98
<b>Invoice Amount</b> : 75,106.98		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		75,106.98
<b>Check Number</b> : 35890		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1026 IMPERIAL IRRIGATION DISTRICT						
10	72150	3/22/2016	MARCH 2016	ELECTRICITY		4,120.70
11	72150	3/22/2016	MARCH 2016	ELECTRICITY	ADMIN	6,640.27
12	72150	3/22/2016	MARCH 2016	ELECTRICITY		3,274.47
10	72156	3/22/2016	MARCH 16	ELECTRICITY PARKS		1,533.63
<b>Invoice Amount</b> : 15,569.07		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		15,569.07
<b>Check Number</b> : 35891		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 2137 IMPERIAL IRRIGATION DISTRICT (WATER)						
11	72153	3/22/2016	MARCH 2016	RAW WATER CHARGES	PW	2,496.00
<b>Invoice Amount</b> : 2,496.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		2,496.00
<b>Check Number</b> : 35892		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1027 IMPERIAL STORES						

## CITY OF HOLTVILLE

### Monthly Check Register

Date : 4/5/2016 4:18:40 PM

User Name : Lee Ann

Calendar Month/Year : &lt;ALL&gt; &lt;ALL&gt;

Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
10	72119	3/21/2016	570455	WEED AND FEED		23.75
10	72122	3/21/2016	570359	LIGHT BULBS		25.38
11	72124	3/21/2016	570280	AIR PLUG		1.96
12	72124	3/21/2016	570280	AIR PLUG		1.96
11	72127	3/21/2016	570600	RATCHET		28.84
10	72128	3/21/2016	568523	BASKET STRAINER; PLASTIC WASHE		5.96
11	72131	3/21/2016	570574	MAGNETIC SCREWDRIVER		5.33
12	72131	3/21/2016	570574	MAGNETIC SCREWDRIVER		5.33
10	72132	3/21/2016	570589	TASSLE FOR FAN IN CIVIC CENTER		4.76
11	72176	3/28/2016	570179	KEYS	PW	3.61
12	72176	3/28/2016	570179	KEYS		3.62
10	72177	3/28/2016	570228	DISH SOAP		8.19
10	72178	3/28/2016	570202	EXT. CONTROL ROUND UP		53.98
10	72179	3/28/2016	569787	YELLOW SPRAY PAINT; HOSE		47.51
11	72179	3/28/2016	569787	YELLOW SPRAY PAINT; HOSE		10.55
10	72180	3/28/2016	569610	PALLET OF CONCRETE MIX		168.22
11	72181	3/28/2016	569437	HAND SOAP; POOL TEST STRIPS; AU		25.04
10	72181	3/28/2016	569437	HAND SOAP; POOL TEST STRIPS; AU		26.74
10	72182	3/28/2016	568925	PAN; MS, SS		1.49
10	72183	3/28/2016	568916	PLAT CUT WASHERS; PAN		2.70
11	72184	3/28/2016	568591	BRASS HEX BUSHING; GALV BUSHIN		13.59
10	72185	3/28/2016	568965	RED SPRAY PAINT		4.55
11	72186	3/28/2016	568551	CHANNELOCK PLIER		9.17
12	72186	3/28/2016	568551	CHANNELOCK PLIER		9.18
10	72189	3/28/2016	K70196	NUMBERS AND LETTERS; RATCHET S		9.40
11	72189	3/28/2016	K70196	NUMBERS AND LETTERS; RATCHET S		9.40
12	72189	3/28/2016	K70196	NUMBERS AND LETTERS; RATCHET S		4.74
10	72190	3/28/2016	570256	LETTERS		0.73
11	72191	3/28/2016	570605	BLK RDI CT PIPE		3.92
12	72191	3/28/2016	570605	BLK RDI CT PIPE		3.92
11	72194	3/28/2016	570360	PADLOCK		12.19
10	72195	3/28/2016	570312	PIPE COMPOUND; PRIMER; PVC CEME		26.11
11	72199	3/28/2016	569003	BRASS BALL VALVE; BRASS COUPL	FD	16.69
11	72200	3/28/2016	568856	YELLOW RAINUIT (2)		42.88
11	72201	3/28/2016	568803	SHOVEL; TRANSPLANTER		18.73
11	72202	3/28/2016	568769	BIKE TUBE		9.77
10	72208	3/28/2016	570859	KEY FOR CABINET		2.21
10	72223	3/30/2016	570364	SPEAKER WIRE		7.59
10	72224	3/30/2016	570371	BATTERY		4.01
10	72225	3/30/2016	570366	PAN HEAD SMS		1.21
10	72226	3/30/2016	814831	CORK BOARD; WALL CABINET		285.11
10	72227	3/30/2016	570230	UTILITY LIGHTER		1.60
10	72228	3/30/2016	570320	WHISTLE W/ LANYARD		2.75
10	72230	3/30/2016	570135	KEYS		8.47
10	72231	3/30/2016	570141	REFLECTOR		28.76
10	72232	3/30/2016	570181	BINDER RING; FLAG C CLIP; KEY RING		7.38
10	72235	3/30/2016	569205	PVC THREADED COUP		5.96
10	72236	3/30/2016	569186	CUT OFF RISER		5.78
10	72237	3/30/2016	569153	PVC CEMENT; PRIMER; COUPLINGS;		33.22
10	72238	3/30/2016	569016	BLACK SPRAY PAINT		9.09
10	72239	3/30/2016	568499	POLISH BONNET		7.19

## CITY OF HOLTVILLE

### Monthly Check Register

Date : 4/5/2016 4:18:40 PM

User Name : Lee Ann

Calendar Month/Year : &lt;ALL&gt; &lt;ALL&gt;

Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
10	72240	3/30/2016	568562	RED PAINT; BRUSH		6.09
10	72241	3/30/2016	568685	PADLOCK; CHAIN		21.39
10	72242	3/30/2016	568894	DRILL BIT		19.89
10	72243	3/30/2016	570116	PIPE; COUPLINGS; ADAPTERS; BUSHI		28.62
<b>Invoice Amount</b> : 1,136.21		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		1,136.21
<b>Check Number</b> : 35893		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1757 IMPERIAL VALLEY ENVIRONMENTAL LAB						
12	72198	3/28/2016	8007	LAB ANALYSIS	PW	3,024.00
<b>Invoice Amount</b> : 3,024.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		3,024.00
<b>Check Number</b> : 35894		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1382 K-C WELDING & RENTAL, INC.						
10	72187	3/28/2016	57676	WORK BOOTS	PW	40.00
11	72187	3/28/2016	57676	WORK BOOTS		80.00
12	72187	3/28/2016	57676	WORK BOOTS		80.00
<b>Invoice Amount</b> : 200.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		200.00
<b>Check Number</b> : 35895		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 2278 LA BRUCHERIE IRRIGATION SUPPLY						
10	72133	3/21/2016	116332c	REPAIRS TO SPRINKLER IRRIGATION;	PW	201.70
11	72192	3/28/2016	116899c	CAM LOCK A ADAPTER; CAM LOCK C		37.84
<b>Invoice Amount</b> : 239.54		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		239.54
<b>Check Number</b> : 35896		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1564 LESLIE'S POOL SUPPLIES						
10	72125	3/21/2016	652-119852	CHEMICALS FOR CITY POOL	PW	378.48
10	72126	3/21/2016	652-17707	CHEMICALS FOR CITY POOL		205.19
<b>Invoice Amount</b> : 583.67		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		583.67
<b>Check Number</b> : 35897		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 8709 MED-TECH RESOURCE, INC.						
10	72116	3/21/2016	56787	GLOVES	FD	174.00
10	72117	3/21/2016	56946	FIRE HOOD NOMEX FR BLEND		156.41
<b>Invoice Amount</b> : 330.41		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		330.41
<b>Check Number</b> : 35898		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1971 METRON - FARNIER						
11	72100	3/21/2016	22023	2" METERS	PW	6,572.60
11	72101	3/21/2016	22048	1" METERS		3,708.00
<b>Invoice Amount</b> : 10,280.60		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		10,280.60
<b>Check Number</b> : 35899		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1095 MOSS, LEVY & HARTZHEIM (bh)						
10	72206	3/28/2016	6574	COMPLETE 6/30/15 AUDIT AND PFA	ADMIN	7,250.00
<b>Invoice Amount</b> : 7,250.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		7,250.00
<b>Check Number</b> : 35900		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 8710 MUNICIPAL EMERGENCY SERVICES						
10	72245	3/30/2016	IN1012658	BLASTMASK	FD	424.69
<b>Invoice Amount</b> : 424.69		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		424.69
<b>Check Number</b> : 35901		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 8011 NICHOLAS WELLS						
10	72148	3/22/2016	MARCH 2016	MILEAGE MARCH 2016	ADMIN	105.84
<b>Invoice Amount</b> : 105.84		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		105.84
<b>Check Number</b> : 35902		<b>Check Date</b> : 3/31/2016				
<b>Vendor</b> : 1558 OFFICE DEPOT						
10	72112	3/21/2016	825364315001	OFFICE SUPPLIES		64.75
10	72113	3/21/2016	825364449001	OFFICE SUPPLIES	FD	31.31

### CITY OF HOLTVILLE Monthly Check Register

Date : 4/5/2016 4:18:40 PM  
User Name : Lee Ann

Calendar Month/Year : <ALL> <ALL>						
Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
10	72249	3/30/2016	830119598001	OFFICE SUPPLIES		179.81
<b>Invoice Amount</b> : 275.87		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		275.87
<b>Check Number</b> : 35903 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1450 PITNEY BOWES GLOBAL FINANCE SERVICES LLC						
10	72146	3/22/2016	2643668 MR16	POSTAGE EQUIPMENT LEASE		97.63
11	72146	3/22/2016	2643668 MR16	POSTAGE EQUIPMENT LEASE	ADMIN	97.63
12	72146	3/22/2016	2643668 MR16	POSTAGE EQUIPMENT LEASE		97.63
<b>Invoice Amount</b> : 292.89		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		292.89
<b>Check Number</b> : 35904 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1176 QUILL CORPORATION						
10	72207	3/28/2016	3686841	OFFICE SUPPLIES		53.28
10	72209	3/28/2016	4098363	OFFICE SUPPLIES	ADMIN	65.83
11	72209	3/28/2016	4098363	OFFICE SUPPLIES		65.83
12	72209	3/28/2016	4098363	OFFICE SUPPLIES	PW	65.85
<b>Invoice Amount</b> : 250.79		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		250.79
<b>Check Number</b> : 35905 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1555 ROBERT S. NELSON AUTOMOTIVE						
11	72196	3/28/2016	11439	REPAIRS TO A/C ON PW VEHICLE		177.84
12	72196	3/28/2016	11439	REPAIRS TO A/C ON PW VEHICLE	PW	177.84
10	72229	3/30/2016	11428	SERVICE; BRAKES ON VEHICLE	FD	362.06
<b>Invoice Amount</b> : 717.74		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		717.74
<b>Check Number</b> : 35906 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 8138 SERVICE MASTER						
10	72108	3/21/2016	31501	JANITORIAL SERVICES FOR CITY BUI	PW	1,374.00
<b>Invoice Amount</b> : 1,374.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		1,374.00
<b>Check Number</b> : 35907 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1918 STATE FIRE TRAINING						
10	72212	3/28/2016	ALEX SILVA	STATE FIRE TRAINING FIRE OFFICER	FD	65.00
<b>Invoice Amount</b> : 65.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		65.00
<b>Check Number</b> : 35908 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 8700 TRACTOR SUPPLY CREDIT PLAN						
11	72118	3/21/2016	10842	TOOLS		166.61
12	72118	3/21/2016	10842	TOOLS	PW	166.62
10	72234	3/30/2016	85869	TOOL BOX CHEST	FD	220.18
<b>Invoice Amount</b> : 553.41		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		553.41
<b>Check Number</b> : 35909 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1260 USA BLUEBOOK						
11	72203	3/28/2016	894373	BLACK HDPE	PW	527.03
<b>Invoice Amount</b> : 527.03		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		527.03
<b>Check Number</b> : 35910 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 2012 VERIZON WIRELESS						
10	72213	3/28/2016	MARCH 2016	CELL PHONE CHARGES		207.42
11	72213	3/28/2016	MARCH 2016	CELL PHONE CHARGES		177.93
12	72213	3/28/2016	MARCH 2016	CELL PHONE CHARGES	ADMIN	143.47
10	72248	3/30/2016	9762084661	DATA LINE TO LAPTOP ON ENGINE	FD	38.01
<b>Invoice Amount</b> : 566.83		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		566.83
<b>Check Number</b> : 35911 <b>Check Date</b> : 3/31/2016						
<b>Vendor</b> : 1783 VIC'S A/C						
10	72197	3/28/2016	53919	SERVICE A/C AT LIBRARY	PW	75.00
<b>Invoice Amount</b> : 75.00		<b>Discount Amount</b> : 0.00		<b>Check Amount</b> :		75.00

**CITY OF HOLTVILLE**  
**Monthly Check Register**

Date : 4/5/2016 4:18:40 PM  
User Name : Lee Ann

Calendar Month/Year : <ALL> <ALL>

Fund	Transaction	Due Date	Invoice Number	Description	PO Number	Amount
<b>Check Number : 35912      Check Date : 3/31/2016</b>						
<b>Vendor : 1222 WAXIE SANITARY SUPPLY</b>						
10	72102	3/21/2016	75831297	TOILET TISSUE AND BROWN TOWELS	FD	261.22
<b>Invoice Amount : 261.22</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		261.22
<b>Check Number : 35913      Check Date : 3/31/2016</b>						
<b>Vendor : 1738 ZAMORA'S BACKFLOW</b>						
11	72134	3/21/2016	2174	SERVICE AND REPAIR CITY BACKFL	PW	650.00
<b>Invoice Amount : 650.00</b>		<b>Discount Amount : 0.00</b>		<b>Check Amount :</b>		650.00

<b>Total Number of Vendors</b>	:	50	:	0.00
<b>Total Number of Checks Printed</b>	:	50		
<b>Total Number of Voided Checks</b>	:	0		
<b>Largest Check Amount</b>	:	75,106.98		
<b>Total for all Checks Printed</b>	:	144,134.68		
<b>Total for Voided Checks</b>	:	0.00		
<b>Net Amount of Checks Printed</b>	:	144,134.68		

**Summary**

Fund	Amount
10 GENERAL FUND	103,782.56
11 WATER	24,948.71
12 SEWER	14,458.41
22 LOCAL TRANSPORTATION FUND - TDA	945.00



# cc staff report

CC Report No. 3

MEETING DATE:	04/11/16
ITEM NUMBER	4 & 5
Approvals	CITY MANAGER <i>[Signature]</i>
	FINANCE MANAGER
	CITY ATTORNEY

**To:** Nicholas Wells, City Manager  
City of Holtville City Council

**From:** Carlos Flores, Associate Planner

**Date:** April 11, 2016

**Project:** Walnut Avenue Improvements from First to Fourth Street STPL-5174(026)  
Award of Construction Services Contract  
Award of Construction Engineering Services Contract

## Summary

<b>Applicant:</b>	City of Holtville
<b>Project Location:</b>	Walnut Avenue from Fourth Street to Third Street Financial Assistance Application under the DWSRF Program
<b>Pending Action:</b>	Approval of Award of Construction Contract via <b>Resolution 16-13</b> Approval of Award of Construction Engineering Contract via <b>Resolution 16-12</b>
<b>Zoning:</b>	Public Right-of-Way along Residential & Industrial Zone
<b>General Plan:</b>	Low Density Residential & Industrial
<b>Environmental:</b>	NEPA Categorical Exclusion Issued 4/22/15 CEQA Exemption and

## INTRODUCTION AND BACKGROUND

The Walnut Avenue project was a fully designed project under ARRA II (2008) that remained unfunded when no additional ARRA allocations were approved. A funding opportunity became available under STPL in 2012. The City of Holtville submitted an STPL application on February 24, 2012, requesting \$591,000 for improvements to Walnut Avenue from Fourth Street to First Street. ICTC announced that projects would be selected for funding by a scoring process. The

Walnut Avenue Improvements project had an excellent score and was awarded a reduced grant of \$497,500 with \$64,500 coming from a local match commitment for total project cost of \$562,000.

The City requested fund programming in one phase and over Fiscal Year 15-16 (Construction Phase). Construction services scheduled for 15/16 must meet the Caltrans deadlines and thus a Request to Authorization to Proceed with Construction packet was submitted to Caltrans on November 18, 2015. The Authorization (E-76) was issued on January 27, 2016. The City Engineer advertised for construction services in February and City Management procured Construction Engineering Services and Independent Assurance testing in February. The purpose of this staff report is for City Council to review the bids and proposals received and consider award of contracts for services.

## **DISCUSSION/ANALYSIS**

### **Approved Project Scope**

The project scope during the Construction (CON) Phase entails rehabilitating the pavement on Walnut Avenue from Fourth Street to Third Street. Initially it was the intent to rehabilitate Walnut Avenue all the way to First Street but there was insufficient funding. Curb along west pavement end was also eliminated from the scope of work and only header-board will be installed.

Additional services include Construction Management and Quality Assurance Program compliance which have been procured by City Management under a separate RFP. A total of \$497,500 in STPL Funds and \$64,500 in Local LTA Funds is budgeted for this phase.

### **Project Status & Issues**

The project involves several actions and certifications that are partially completed in sequence and require Caltrans approval. The process included 1) Environmental Phase, 2) Right of Way Phase, 3) Design Phase, and 4) Construction Phase. The following is a brief overview of the status within each phase:

**Environmental Phase** - The Preliminary Environmental Study was submitted to Caltrans on April 10, 2015 and Caltrans approved on April 22, 2015. A Federal Aid number was assigned by Caltrans on April 23, 2015. A Categorical Exclusion was issued by Caltrans on April 22, 2015, and a Notice of Exemption was filed on behalf of the City on June 19, 2015 for CEQA compliance.

**Right of Way Phase** – A Right of Way Certification packet was submitted to Caltrans on July 30, 2015. The utilities requiring relocation included 11 IID power poles (at no cost to the City) and adjustment of City owned water valve. The water valve was included as a construction bid item. A Right of Way Certification was issued by Caltrans on September 17, 2015.

**Design & Bidding Phase**- The street design is 100% complete by The Holt Group under a previous and separate contract. The project was authorized for bidding by City Council on February 8, 2016. The construction services were advertised in a newspaper of general circulation on February 12, 2016 and February 19, 2016. The project bid opening occurred on March 22, 2016.

A request for proposals for construction management services including Acceptance Testing was published in February 2016. Proposals were received the week of April 4<sup>th</sup> and are proposed for Council Action under this agenda item.

**Construction Phase** – The environmental and right-of-way certifications enabled the City to move forward into the Construction Phase. The construction phase includes construction engineering and construction costs. The City completed the Request for Authorization to Construct Packet on November 18, 2015 and submitted it to Caltrans for review and approval. The City received an E-76 on January 27, 2016 from Caltrans, authorizing to proceed with bidding.

**Bid Results**

The City received the official authorization to proceed with the construction phase from Caltrans on January 27, 2016 via the Authorization to Proceed (E-76 form). The bid results have been received and the results and recommendations are as follows:

**Construction Services:**

There were three (3) bids received. The lowest responsive bid was submitted by Hal Hays Construction, as noted below in the summary table in **bold**.

Agency	Bid Amount
Hazard Construction Company	\$607,348
Granite Construction Company	\$598,947
<b>Hal Hays Construction, Inc.</b>	<b>\$486,684</b>

**Construction Management Services:**

Construction management services including Acceptance Testing were submitted to the City on April 7, 2016 by four (4) firms. The construction management cost from the bid with the highest score received from the panelists was issued to Athalye Consulting Engineering Services, Inc. and represents 13.54% of final construction costs. Athalye was not the lowest bid received but was determined by the panelists to be the most professional and complete. The chosen bidder below is noted in **bold**.

Agency	Bid Amount
S2 Engineering	\$104,801
Development Design & Engineering	\$79,150
<b>Athalye Consulting Engineering</b>	<b>\$65,904</b>
Dynamic Consulting Engineers	\$58,555

**Fiscal Impact**

The total grant funds available are \$497,799 with an additional local match of \$64,496 from LTA, which was previously approved by City Council via resolution 12-08, to be applied towards a total project cost. Additional costs include bidding costs of \$4,900 are considered under the total fiscal impact. Construction Engineering costs including QAP are capped at 15%, any costs over this percent would be covered by LTA, but as previously noted, came in at only 13.54%. The current project costs are summarized in the Project Cost Table that follows, which are anticipated at \$557,488 (of which \$68,283 would come from LTA Fund), absent any future change orders.

### Fiscal Impact Summary

PROJECT PHASE	PROJECT COST ESTIMATE <sup>1</sup>	Actual & Bid Amount	Grant CMAQ 88.53%	Match LTA 11.47%	LTA Gap
Bidding (1%)	\$4,900	\$4,900	\$0	\$0	\$4,900
CON Phase/Construction	\$489,795	\$486,684	\$430,861	\$55,823	\$0
Construction Management (13%)	\$72,500	\$65,904	\$58,344	\$7,560	\$0
<b>TOTAL</b>	<b>\$567,195</b>	<b>\$557,488</b>	<b>\$489,205</b>	<b>\$63,383</b>	<b>\$4,900</b>

<sup>1</sup>Cost Estimates were adjusted by unit costs and not quantities to double grant funding.

### RECOMMENDATION AND PENDING ACTION

#### Construction Contract:

It is recommended by the City Engineer that the City consider the award of construction contract for the Walnut Avenue Improvements project be made to the lowest responsive bidder, Hal Hays Construction, Inc. in the amount of \$486,684. Staff is requesting Council consider the following actions for Walnut Avenue Improvements Project:

1. Adopt Resolution 16-13 Authorizing the Award of Construction Contract to Hal Hays Construction, Inc. for the Walnut Avenue Improvements Project, in the amount of \$486,684:

Alternatives

2. Reject the bids received on March 15, 2016, and provide alternative directive to staff.

#### Construction Management Contract:

It is recommended by the City's Review Panel that the City consider the award of contract for construction engineering services for the Walnut Avenue Improvements project be made to the Athalye Consulting Engineering Services, Inc in the amount of \$65,904. Staff is requesting Council consider the following actions for Walnut Avenue Improvements Project:

1. Adopt Resolution 16-12 Authorizing the Award of Construction Engineering Services Contract to Athalye Consulting Engineering Services, Inc. for the Walnut Avenue Improvements Project in the amount of \$65,904;

Alternatives

2. Reject the construction engineering services bids received and provide alternative directive to staff.

Should you have any questions regarding the information on this report, please contact Justina Arce at [justina@theholtgroup.net](mailto:justina@theholtgroup.net) or at (760) 337-3883.

**RESOLUTION NO. 16-12**

**A RESOLUTION OF THE CITY OF HOLTVILLE CITY COUNCIL AWARDING THE WALNUT AVENUE IMPROVEMENTS PROJECT CONSTRUCTION ENGINEERING SERVICES CONTRACT**

**WHEREAS**, the City of Holtville desires to engage in a construction project that includes rehabilitating the pavement on Walnut Avenue from Fourth Street to Third Street, inclusive of curb along west pavement end; and

**WHEREAS**, the City of Holtville has received a Surface Transportation Program Local STPL-5174(026) for an amount of \$497,799 for the Walnut Avenue Improvements Project; and

**WHEREAS**, the City of Holtville is required by the State of California Department of Transportation to provide a minimum local match funding amount of 11.47% or \$64,496 for the Improvements on Walnut Avenue, which has been previously authorized by City Council via Resolution 12-08; and

**WHEREAS**, the City of Holtville received the approved Caltrans E-76 Form (Authorization to Proceed with Construction and Construction Engineering) for the construction phase of the project on January 27, 2016; and

**WHEREAS**, the City of Holtville advertised for proposals for Construction Management Services in February 2016; and

**WHEREAS**, proposals for the aforementioned project were reviewed at Holtville City Hall by a review panel on the week of April 4th, 2016; and

**WHEREAS**, Athalye Consulting Engineering Services has been determined to be the most qualified responsive bidder for construction management services with a cost proposal in the amount of \$65,904; and

**WHEREAS**, the proposal submitted by Athalye Consulting Engineering Services also includes the completion of Quality Assurance Program (QAP) services to be completed by Sierra Material Testing & Inspection and

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Holtville does hereby award the City of Holtville Walnut Avenue Improvements Project construction engineering services to Athalye Consulting Engineering Services in the amount of \$65,904.

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the City Council of the City of Holtville held on the 11<sup>th</sup> day of April 2016 by the following vote:

\_\_\_\_\_  
Jim Predmore, Mayor

\_\_\_\_\_  
Denise Garcia, City Clerk

I, Denise Garcia, City Clerk of the City of Holtville, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the City Council of said City of Holtville at a regular meeting thereof held on the 11<sup>th</sup> day of April 2016, and that the same was approved by the Mayor of said City of Holtville on said date, and that the same was adopted by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_  
Denise Garcia, City Clerk

**RESOLUTION NO. 16-13**

**A RESOLUTION OF THE CITY OF HOLTVILLE CITY COUNCIL AWARDING THE WALNUT AVENUE IMPROVEMENTS PROJECT CONSTRUCTION CONTRACT**

**WHEREAS**, the City of Holtville has received a Surface Transportation Program Local STPL-5174(026) for an amount of \$497,799 for the Walnut Avenue Improvements Project; and

**WHEREAS**, the City of Holtville is required by the State of California Department of Transportation to provide a minimum local match funding amount of 11.47% or \$64,496 for the Improvements on Walnut Avenue from Fourth Street to Third Street; and

**WHEREAS**, the project includes rehabilitating the pavement on Walnut Avenue from Fourth Street to Third Street; and

**WHEREAS**, the improvement plans, specifications and contract documents have been prepared and have been reviewed and approved by the State of California Department of Transportation (Caltrans) District 11; and

**WHEREAS**, the City of Holtville received the approved Caltrans E-76 Form (Authorization to Proceed with Construction and Construction Engineering) for the construction phase of the project on January 27, 2016; and

**WHEREAS**, the project was bid and a bid opening for the aforementioned project was conducted at Holtville City Hall on March 22, 2016 and the City Engineer has determined the lowest, responsive, responsible proposal was submitted by Hal Hays Construction, Inc. in the amount of \$486,684; and

**WHEREAS**, the proposal submitted by Hal Hays Construction, Inc also includes the completion of Quality Assurance Program (QAP) services to be completed by Twining Consultant; and

**WHEREAS**, the City of Holtville will have sufficient funds in the Local Transportation Account for the project match and gap for the project as a whole, which is anticipated to be \$68,283; and

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Holtville does hereby award the City of Holtville Walnut Avenue Improvements Project to Hal Hays Construction, Inc. in the amount of \$486,684.

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the City Council of the City of Holtville held on the 11<sup>th</sup> day of April 2016 by the following vote:

\_\_\_\_\_  
Jim Predmore, Mayor

\_\_\_\_\_  
Denise Garcia, City Clerk

I, Denise Garcia, City Clerk of the City of Holtville, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the City Council of said City of Holtville at a regular meeting thereof held on the 11<sup>th</sup> day of April 2016, and that the same was approved by the Mayor of said City of Holtville on said date, and that the same was adopted by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

ATTEST:

\_\_\_\_\_  
Denise Garcia, City Clerk

**City of Holtville**  
**REPORT TO COUNCIL**

Meeting Date	<u>04/11/16</u>
Item Number	<u>6</u>
City Manager	
Finance	_____
City Attorney	_____

**DATE ISSUED:** April, 2016  
**FROM:** Nick Wells, City Manager  
**SUBJECT:** Resolution No. 16-12 *Declaring Unreasonable Hardship if Order or Judgement is not Paid in Installments for Willowbend Lawsuit*

**ISSUE**

Shall the City Council adopt Resolution No. 16-12 declaring an unreasonable hardship if any order or judgement in the Willowbend, LLC vs. City of Holtville lawsuit?

**DISCUSSION**

The City has contracted with the County of Imperial to provide Fire Protection Services to surrounding unincorporated areas acting as Imperial County Fire for several years. The contract has expired and renewed automatically several times. A slightly altered contract has been presented with incrementally higher revenue for the City.

The revised proposal calls for an additional \$6,596 in annual revenue for services provided. As we have realized over the years, County calls consume a large portion of our department's time, so this number may need to be revisited soon, but the County has previously been reluctant to raise that amount significantly, so this represents a reasonable concession.

**FISCAL IMPACT**

Additional revenue to the General Fund.

**RECOMMENDATION**

Staff recommends that the resolution be adopted.

**ALTERNATIVE**

Adopt the Resolution as presented or instruct staff to further negotiate.

**RESOLUTION NO. 16-12**

**A RESOLUTION OF THE HOLTVILLE CITY COUNCIL DECLARING AN UNREASONABLE HARDSHIP WILL RESULT IF ANY ORDER OR JUDGMENT IS NOT PAID IN INSTALLMENTS IN WILLOWBEND LLC V. CITY OF HOLTVILLE, IMPERIAL COUNTY SUPERIOR COURT CASE NO. ECU04728**

**WHEREAS**, the City of Holtville (“City”) is a defendant in a lawsuit filed by Willowbend LLC and Steve Selinger in Imperial County Superior Court Case No. ECU04728; and

**WHEREAS**, the City is a cross-complainant in that lawsuit and filed a cross-complaint against Willowbend LLC, Steve Selinger and Barton Properties, Inc.; and

**WHEREAS**, on December 15, 2014, after several years of successful litigation against Willowbend and Selinger, the Imperial County Superior Court ordered the City to pay attorney fees in the amount of \$244,136.25 to Barton Properties Inc.; and

**WHEREAS**, the City’s appeal of the order was not successful; and

**WHEREAS**, interest accrues on the attorney fees awarded at the rate of seven percent (7%) per annum, which will increase as the amount accrues interest; and

**WHEREAS**, as reflected in the City’s financial documents, the City is unable to pay the attorney’s fees order and the accruing interest in the current fiscal year without causing an unreasonable hardship on the City; and

**WHEREAS**, the City has no available funds that are unappropriated for any other purpose or that are or can be appropriated for the payment of any order or judgment and not previously encumbered; and

**WHEREAS**, an unreasonable hardship will result to the City unless any order for final judgment in the above described lawsuit is paid in installments in that the City will not be able to otherwise pay its normal operating expenses, its special project expenses, its needed capital expenses, its restricted fund expenses and its other reasonable and necessary expenses; and

**WHEREAS**, the City has no reasonable, feasible or reliable method available to it for increasing its revenue to cover the cost of paying or complying with any order for final judgment in the lawsuit described above; and

**WHEREAS**, the City has no reasonable, feasible or reliable method for reducing its expenses because it has already done so to the maximum extent possible;

**NOW THEREFORE, BE IT RESOLVED:**

- 1) That the foregoing recitals are true and correct statements of fact and are incorporated into this Resolution by this reference.
- 2) That an unreasonable hardship will result to the City unless any order or final judgment as defined in California Government Code Section 971 in the lawsuit described herein is paid in annual installments over a period of not more than ten consecutive years pursuant to California Government Code Section 970.6, and such other legal authority as may exist.

- 3) That the City Manager is hereby authorized to institute, on behalf of the City, proceedings in any court of competent jurisdiction including Imperial County Superior Court Case No. ECU04728, all hearings and other actions necessary to allow the City to pay any order or final judgment as defined in California Government Code Section 971 in the lawsuit described herein up to ten equal annual installments in accordance with California Government Code Section 970.6, and such other legal authority as may exist.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Holtville, California, this 11<sup>th</sup> day of April, 2016.

\_\_\_\_\_  
Jim Predmore, Mayor

ATTEST:

I, Denise Garcia, City Clerk of the City of Holtville, California, DO HEREBY CERTIFY, that the foregoing Resolution was duly passed, approved and adopted at a regular meeting of the City Council of the City of Holtville, California, on the 11<sup>th</sup> day of April, 2016.

\_\_\_\_\_  
Denise Garcia, City Clerk

7



MEETING DATE:	4/11/16
APPROVED FOR AGENDA	
CITY MANAGER	
FINANCE MANAGER	
CITY ATTORNEY	

# cc staff report

**To:** Holtville City Council  
**From:** Denise Garcia, City Clerk for Nick Wells, City Manager  
**Date:** April 8, 2016  
**Project:** Zoning Code Interpretation

### Summary:

<b>Business License Applicant:</b>	Aida Salcido, dba Salcido's Pet Grooming
<b>Project Location:</b>	528 Holt Avenue
<b>Pending Action:</b>	Approval of Resolution 16-15
<b>Zoning:</b>	(D-A) Downtown-A Zone
<b>General Plan:</b>	(RC) Mixed Use
<b>Environmental:</b>	Exempt

### INTRODUCTION

Ms. Aida Salcido has applied for a business license to operate a pet grooming service in the Downtown A Zone. The Downtown A zone permits by right the following uses: Commercial Recreation (including entertainment), government institutional, hotel/motel, live/work space, mixed use, offices, retail commercial and sit down restaurants. Services incidental to the sale of goods has been largely accepted as retail commercial. Although animal services are not expressly listed, they are largely accepted by most jurisdictions as retail commercial services. General Service uses, primarily engaged in rendering services to individuals and business establishments, are allowed by right in the C-2 Zone per the Holtville Municipal Code.

The purpose of this staff report is to request directive from Council on whether to consider Pet Grooming Services a retail commercial use for the purpose of allowing said service in the Downtown A Zone. The interpretation of "pet grooming" as a retail commercial operation may be subjective and this item is being brought before council for interpretation.

### PENDING ACTION

City Council has two options:

1. Affirm that pet grooming services that engage in the incidental sale of pet products are allowed by right in the Downtown A Zone as a retail commercial use via Resolution 16-15; or
2. Not consider pet grooming services that engage in the incidental sale of pet products as a retail commercial use allowed by right in the Downtown A Zone and reject Resolution 16-15.

**RESOLUTION NO. 16-15**

**A RESOLUTION OF THE HOLTVILLE CITY COUNCIL APPROVING  
PET GROOMING SERVICES IN THE DOWNTOWN A ZONE AS A RETAIL COMMERCIAL  
USE**

**WHEREAS**, The Downtown A Zone permits by right the following uses: Commercial Recreation, government institutional, hotel/motel, live/work space, missed use, offices, retail commercial and sit down restaurants; and

**WHEREAS**, Services incidental to the sale of goods has been largely accepted as retail commercial; and

**WHEREAS**, Animal Services are not expressly listed, however, they are largely accepted by most jurisdictions as retail commercial services; and

**WHEREAS**, General services uses, primarily engaged in rendering services to individuals and business establishments are allowed by right in the C-2 Zone per the Holtville Municipal Code; and

**WHEREAS**, upon consideration of the application for business license to operate a pet grooming service submitted by Ms. Aida Salcido in the Downtown A Zone, Council interprets “pet grooming” as a retail commercial operation, therefore allowing said service in the Downtown A Zone; and

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Holtville as follows:

- A) That the foregoing recitals are true and correct; and
- B) Pet Grooming Services that engage in the incidental sale of pet products are allowed by right in the Downtown A Zone as a retail commercial use.

**PASSED, ADOPTED, AND APPROVED** by the City Council of the City of Holtville, this 11<sup>th</sup> day of April 2016.

\_\_\_\_\_  
James Predmore, Mayor

\_\_\_\_\_  
Denise Garcia, City Clerk

I, Denise Garcia, City Clerk of the City of Holtville, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the City Council of said City of Holtville at a meeting thereof held on the 11<sup>th</sup> day of April 2016, and that the same was adopted by the following vote:

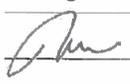
AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Denise Garcia, City Clerk

**City of Holtville  
REPORT TO CITY COUNCIL**

**DATE ISSUED:** April 11, 2016  
**FROM:** Hector Orozco, Accountant/GL Analyst  
**SUBJECT:** FY 2014-15 Financial and Single Audit

MEETING DATE:	04/11/16
ITEM NUMBER	8
Approvals	CITY MANAGER 
	FINANCE MANAGER
	CITY ATTORNEY

**ISSUE:**

Shall the City Council adopt the audited financial statements for fiscal year 2014-15 prepared by its independent auditors, Moss, Levy & Hartzeim.

**DISCUSSION:**

Independent auditors from Moss, Levy & Hartzeim have completed the City's financial and Single for FY 2014-15.

It is the auditor's opinion, that the City's financial statements present fairly, in all material respects, the respective financial position of the government activities, the business-type activities.

The General Fund has a fund balance of \$801,473, which is up from \$457,092 on July 1, 2014. Deficit fund balances in the enterprise funds are due to not capitalizing capital expenditures.

**FISCAL IMPACT:**

None

**RECOMMENDATION:**

Staff recommends that the City Council accept the audit.

**ALTERNATIVES:**

Not to adopt.

Respectfully Submitted,



Hector Orozco

**City of Holtville**  
**REPORT TO CITY COUNCIL**

**DATE ISSUED:** April 11, 2016  
**FROM:** Hector Orozco, Accountant/GL Analyst  
**SUBJECT:** Fiscal Year 2016-17 Budget Workshop(s)

MEETING DATE:	04/11/16
ITEM NUMBER	9
Approvals	CITY MANAGER 
	FINANCE MANAGER
	CITY ATTORNEY

**ISSUE:**

Shall the City Council schedule a public Budget Workshop to discuss the Fiscal Year 2016-17 budget?

**DISCUSSION:**

Finance staff has been working with City department heads on the 2016-17 Fiscal Year Budget. In order to have it ready for adoption before the end of the current fiscal year, Finance proposes scheduling the first workshop as a separate meeting with subsequent budget discussions to be held at regularly scheduled Council meetings, but reserving the option to have any special meetings deemed necessary to complete the process.

**FISCAL IMPACT:**

There is no fiscal impact.

**CONCLUSION & RECOMMENDATION**

Workshops will assist in and direct the final formulation of the City's 2016-17 budgets and allow public access to that process. Staff recommends that the City Council schedule a Budget Workshop in the week of May. Upon completion of this meeting, staff will integrate ideas formulated and subsequent discussions can be scheduled to further refine the budget.

Monday May 2<sup>nd</sup> - Tuesday May 3<sup>rd</sup> - Wednesday May 4<sup>th</sup> - Thursday May 5<sup>th</sup>

**ALTERNATIVES:**

Not to schedule.

Respectfully Submitted,



Hector Orozco

**City of Holtville**  
**REPORT TO COUNCIL**

MEETING DATE:	4/11/16
ITEM NUMBER	10
Approvals	CITY MANAGER 
	FINANCE MANAGER _____
	CITY ATTORNEY _____

**DATE ISSUED:** April 11, 2016

**FROM:** Nick Wells, City Manager

**SUBJECT:** *Proposed Increase to the Lee & Ro, Inc., Engineering Contract for Consulting Services During the Construction of the City's Wastewater Treatment Plant*

**ISSUE:** Shall the City Council approve an increase of \$68,400 from Sewer Fund reserves to continue engineering services during construction of the City's Wastewater Treatment Plant by the Design engineering firm, Lee & Ro, Inc.?

**DISCUSSION:** The City was recently approached by Steve Ro and Rick Liskow of Lee & Ro, Inc. and notified that they had exhausted funds for review of Submittals and Requests for Information in relation to the construction phase of the City's \$15.2 million Sewer Plant reconstruction. As the Design Engineer, Lee & Ro was expected to participate in this phase for consulting, though it was not negotiated as part of their original contract.

A contract was drafted for Construction Support Services for the personnel involved with an hourly rate basis not-to-exceed limit of \$195,780. Their claim is that there have been an extraordinary number of submittals to review. Lee and Ro projects an additional \$27,000 for RFI (Requests for Information) review and \$41,400 for Submittals review.

**CITY ENGINEER'S RECOMMENDATION:** After weighing Lee and Ro's arguments Jack Holt recommends that the City of Holtville approve the additional \$68,400 requested for submittal and RFI compensation presented by Lee and Ro on April 4, 2016, for the following reasons:

1. Lee & Ro has a legitimate argument that there are a great number of submittals to review in a relatively short time period which will take a considerable effort. How so many submittals await review at this stage of the project is another matter for discussion.
2. The Contractor, Pacific Hydrotech, has made rumblings that delays in reviewing submittals will delay the project. The costs of delaying the project could be enormous and all parties are now positioning themselves as to not be the party responsible for delaying the project. It is important that the City of Holtville address the additional Lee and Ro Submittal and RFI request expeditiously so as not to be a cause or party in project delay. In my opinion, the \$17,326 differential between Lee and Ro's projected submittal review cost and The Holt Groups projected submittal review cost, although a great deal of money in absolute terms, is not a great deal of money as compared to the costs with delaying the project (Cease and Desist Order fines, if imposed by the RWQCB would be in the in the hundreds of thousands of dollars and would be directed at the City of Holtville).
3. Finally the costs for the RFI reviews and Submittal reviews are projections. The additional RFI and Submittal review work is to be completed on an hourly basis, as the Lee & Ro Contract Work to date has been performed. The actual work to be performed has not yet completed and the actual costs are therefore not known; however, work is to be halted if the additional costs reach \$68,400. Rick stated Lee and Ro would make every attempt to keep the

costs below the \$68,400 figure for the remainder of the project and pledged Lee & Ro would be honest with regard to the hours spent reviewing the submittal and RFI documents.

**ALTERNATIVE:** Not to authorize the expenditure and jeopardize the completion of the project.

April 4, 2016

City of Holtville  
121 West Fifth Street  
Holtville, California 92250

Attention: Mr. Nicholas Wells, City Manager

Subject: Holtville Wastewater Treatment Plant Improvement Project  
Request for Additional Compensation for Submittal and RFI Review Services  
441-05

Dear Mr. Wells:

In response to the request from Mr. Jack Holt on March 31, 2016, LEE & RO is submitting our proposal for a not-to-exceed lump sum fee to complete the remaining submittal and RFI review for the Holtville Wastewater Treatment Plant Improvements Project. As requested, our fee proposal is based upon two (2) additional months of submittal review during April and May 2016 and eight (8) additional months of RFI reviews from April 2016 through November 2016.

From August 2015 through March 2016, LEE & RO has reviewed 160 submittals. Approximately 60 of these are resubmittals. Therefore, the total number of submittals reviewed and approved to date is approximately 100. The Submittal Master List provided by the construction contractor, Pacific Hydrotech, identifies and lists 192 separate submittals. Subtracting the 100 approved submittals from the 192 on the Submittal Master List yields approximately 92 submittals yet to be reviewed. A number of previous submittals not yet approved will also have to be reviewed again. Our submittal review time has averaged about 3.5 hours per submittal. We have assumed 3 hours per submittal for this request. A review time of 3 hours per submittal yields a total of 276 man-hours.

From August 2015 through March 2016, LEE & RO has responded to approximately 60 RFIs. Our RFI review time has averaged approximately 2.8 hours per RFI. The period April 2016 through November 2016 is eight (8) months. We have averaged receiving approximately 8 RFIs per month between August 2015 and March 2016. We expect to receive RFIs in similar monthly quantities through November 2016. This yields a total of approximately 64 additional RFIs for review. At 2.8 hours per RFI review, this yields a total of 180 man-hours.

Using an average rate of \$150 per man-hour and a total of 276 man-hours to complete the submittal reviews and a total of 180 man-hours for RFI reviews, we are requesting an additional fee of \$41,400 for submittal reviews and an additional fee of \$27,000 for RFI reviews, or a total of \$68,400.

Mr. Nicholas Wells  
City of Holtville  
Page 2 of 2

All other task items and associated fees as shown on the revised amendment dated December 4, 2015 will remain the same. A newly revised spreadsheet incorporating these additional fees is attached.

Please do not hesitate to contact Rick Liskow or me should you have any questions. We look forward to successfully completing the construction phase services of this challenging project.

Sincerely,

LEE & RO, Inc.

A handwritten signature in black ink, appearing to read "M. Steve Ro". The signature is fluid and cursive, with a large, stylized "R" at the end.

M. Steve Ro, PE  
President/CEO

Encl:

cc: Jack Holt, City Engineer  
Rick Liskow, L&R

April 4, 2016

**Lee & Ro, Inc. Revised Construction Support Services Fee Proposal Amounts**

**City of Holtville - Wastewater Treatment Plant Improvement Project - THG #1116.435**

Task No.	Description	Original Amount	Amendment 1 Revised Total Amount	Proposed Additional Amount	New Revised Total Amount	Amount Invoiced Through 3/25/16	Amount Remaining to Invoice Based on New Revised Task Amount
1.1	Kick-Off Meeting and Site Visits	\$22,506.00	\$3,000.00	\$0.00	\$3,000.00	\$1,805.38	\$1,194.62
1.2	Project Coordination/Conference Calls, Reports and Documentation	\$29,244.00	\$24,144.00	\$0.00	\$24,144.00	\$11,054.03	\$13,089.97
1.3	Shop Drawings and Submittal Review	\$44,336.00	\$95,556.00	\$41,400.00	\$136,956.00	\$91,057.00	\$45,899.00
1.4	RFI Response	\$21,984.00	\$21,984.00	\$27,000.00	\$48,984.00	\$26,290.00	\$22,694.00
1.5	Assist Field and Change Orders	\$15,970.00	\$3,000.00	\$0.00	\$3,000.00	\$1,836.50	\$1,161.50
1.6	Review Start-Up Plans/Commissioning	\$5,826.00	\$2,500.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
1.7	Final Inspection	\$2,964.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00
1.8	As-Built Drawings	\$21,354.00	\$12,000.00	\$0.00	\$12,000.00	\$0.00	\$12,000.00
1.9	Prepare Conformed Plans and Specifications	\$31,596.00	\$31,596.00	\$0.00	\$31,596.00	\$31,596.00	\$0.00
	<b>Totals</b>	\$195,780.00	\$195,780.00	\$68,400.00	\$264,180.00	\$163,640.91	\$100,539.09

# City of Holtville

## REPORT TO COUNCIL

**DATE ISSUED:** April 11, 2016  
**FROM:** Nick Wells, City Manager  
**SUBJECT:** City Manager Update

Meeting Date	<u>04/11/16</u>
Item Number	<u>11</u>
City Manager	
Finance	_____
City Attorney	_____

### INFORMATION ONLY – NO ACTION REQUIRED AT THIS TIME

#### WATER ENTERPRISE

**Tank Rehab** – Corrosion has developed inside the 2.4 million gallon water storage tank that was completed in 2010. Staff obtained multiple bids for repairs and ongoing maintenance, as well as potential solutions to our TTHM issue and potential funding sources. A general estimate was given to rehab the tank at \$225k-275k for the resurfacing and \$350k-400k for the aeration (TTHM solution) portion. The City recently applied for funding from BECC for the tank coating, but was notified that we will need to wait until the completion of the WWTP Rehab Project to be eligible. A more in-depth application was prepared and submitted to SRF last month. The Holt Group was engaged to produce Design/Build specifications so that the project can be considered “designed” for grant purposes.

**System Controls** – Frank Cornejo obtained an updated estimate from TESCO last year of about \$450k to replace the aged system. Frank had hoped that this project might be put off and the controls might “limp along” for another 18 months while we attack other water issues and staff was able to investigate alternatives and potential funding sources. A recent failure in these controls caused a water break, which has brought this issue back to the “top of the stack” in problems to address. This issue is also addressed on the SRF application. *Last week staff met with electrical engineering subconsultants to go over needs in that area.*

**Rate Study** – As previously reported to City Council, the profitability of the Water Enterprise is becoming problematic. Coupled with the issues listed above and the debt covenant to budget a net revenue of 120% of the annual debt service, we must explore the possibility of a rate adjustment. Through Sean Sterchi of the State Water Resources Control Board - Division of Drinking Water, *Rural Community Assistance Corporation has contacted the City to begin the process of performing a no-cost Water Rate Study.*

**Floating Solar** – A contract was signed with Infratech Industries for the installation of a floating solar array on the City Water Ponds for the purpose of producing power for the Water Treatment facility in 2014. Several plan iterations were submitted to the Building Department and forwarded to the City Engineer for review with continued “issues.” The seventh round addressed the remaining issues regarding the electrical drawings and the plans passed the review from the subcontracted electrical engineer. We are presently in discussions with Infratech regarding contract changes necessitated by the scaled-back size of the project. The pushback from Infratech is putting the project in danger of cancellation at this point. Although the design of the project has been scaled down considerably, the Infratech folks have been unwilling to sign an addendum for a lower minimum power purchase amount. We will keep Council up to date as the situation develops.

## SEWER ENTERPRISE

**WWTP Project** – The \$15 million project to rehab the City’s Wastewater Treatment Plant, financed by the State Clean Water Revolving Fund along with BECC and the EPA through NADBank, is under construction by Pacific Hydrotech. In November, the City’s WWTP Cease & Desist Order (and corresponding deadline for completing this project) were extended to 12/31/16, which should give ample time for completion. Most of the excavation and base concrete pouring has been completed and electrical wiring has begun. *At present, there seems to be an ongoing issue with engineering submittals for questions that arise on the job. City staff has had several conversations to help shepherd those along more expeditiously.*

## TRANSPORTATION PROJECTS

**Fifth Street & Grape Avenue Pedestrian Roadway Improvement Project** – This project essentially adds or improves curb, gutter and sidewalk on the north side of Fifth Street at Grape Avenue, using CMAQ funding coming through ICTC. Development Design & Engineering, Inc. was selected as the RE/CM and Pyramid Construction as the construction contractor. Work is expected to begin in the next few weeks after Caltrans completes submittal reviews.

**Cedar Avenue Sidewalk Improvements Project** – Improvements to curb, gutter and sidewalk along the east side of Cedar Avenue between Fourth and Fifth Streets were approved through the CMAQ program. *A recommendation for a design engineer is on tonight’s agenda.*

**Walnut Avenue South Improvements Project** – Proposed improvements consist of installation of AC pavement overlay and widening to 50’ in width along the length of Walnut Avenue from Fourth to First Street. The ICTC scoring process resulted in the project being awarded 82% of the funds requested through RSTP in the total amount of \$498,000. Procurement of a construction contractor and CM/RE were authorized by the City Council last month and both have been advertised. *Recommendations for a construction contractor and Resident Engineer/Construction Manager are on tonight’s agenda.*

## PUBLIC WORKS

### PARKS

**Pete Mellinger Alamo River Trail** - The 4<sup>th</sup> phase of this project, which included trail improvements and bridge installations between the Holtville Skate Park and Earl Walker Park, is basically complete. The City received notice through the State Parks Department that additional funding had become available for, among other things, pedestrian trails. The City submitted an application and although there was not enough additional funding awarded to fund the amenities that were cut from the last phase of the project, the City was awarded a sizeable sum to offset some past project overruns (i.e. the bridge installation).

A revision to the planned trail head sign to reflect the name change to the “Pete Mellinger Alamo River Trail” was prepared and will be produced, which will complete this phase of the project. There had been some difficulty finding a vendor to do the etching of the metal sign, but a vendor was finally procured and it is expected that the sign will be complete around the end of April, allowing for a dedication ceremony at that time.

**Mac Park** - City staff has been working with Holtville Little League to construct a second baseball diamond to the east of the current field. We recently met with Jimmy Abatti, the recognized baseball field “guru” in the Imperial Valley, about what needs to be done. Funding is being sought both through grants

and donations. It is hoped that we can move this project forward soon. A new “point person” – Ben Williams – has been appointed by Little League, so that should help the process as well.

## ADMINISTRATION

**BUILDING PERMITS** - The City has issued **30** building permits during 2016.

**Holtville Estates** - Fourteen homes have been sold and occupied in the first three phases of the development. With 6 lots on hold in Phase IV, they currently plan to stay in construction through the completion of the subdivision. ***Construction on the next 7 homes recently began.***

**Holtville Luxury Apartments** – A project has been in the works for some time at the corner of Ninth and Melon, just outside the City limits. I recently met once again with John Hawk, who represents the landowners, about the project. As the Service Area Plan has now been adopted, work will once again begin with the City and LAFCO to propose annexation and development. At present, we are awaiting formal submission of project plans by the Melon, LLC group.

## OTHER

**Sustainable Communities General Planning Grant** – The consultant selected to complete the Plan, Michael Baker International, has been working on gathering data and are currently scheduling some onsite visits to continue their work. The consultants were onsite for a workshop for the Housing Element portion of the plan. A draft of that section has been submitted and comments have been provided by staff. We will continue to provide information to keep the process moving.

**Black Dog Trestle Fire Matter** – The lawsuit trial over the fire started by Black Dog that damaged the old railroad trestle recently concluded. Although the \$665,588 was less than we sought, it is considerably more than was offered to settle. A subsequent settlement offer for a lesser amount in lieu of a potential appeal by Black Dog was rejected by Council and Black Dog’s attorneys recently filed their Notice of Appeal, so we are awaiting a hearing date in the future. We were notified that the attached funds from Black Dog were collected and are now in hand. A few clerical issues need to be completed, but it seems a full resolution of the matter is imminent.

**Blossom Valley Inn** – ***A Conditional Use Permit Application is being proposed to Planning Commission next week to put the facility into full compliance. There are several proposed changes that could result.***

**City of Holtville**  
**REPORT TO CITY COUNCIL**

MEETING DATE:	<u>04/11/16</u>
ITEM NUMBER	<u>11a</u>
Approvals	CITY MANAGER <u></u>
	FINANCE MANAGER _____
	CITY ATTORNEY _____

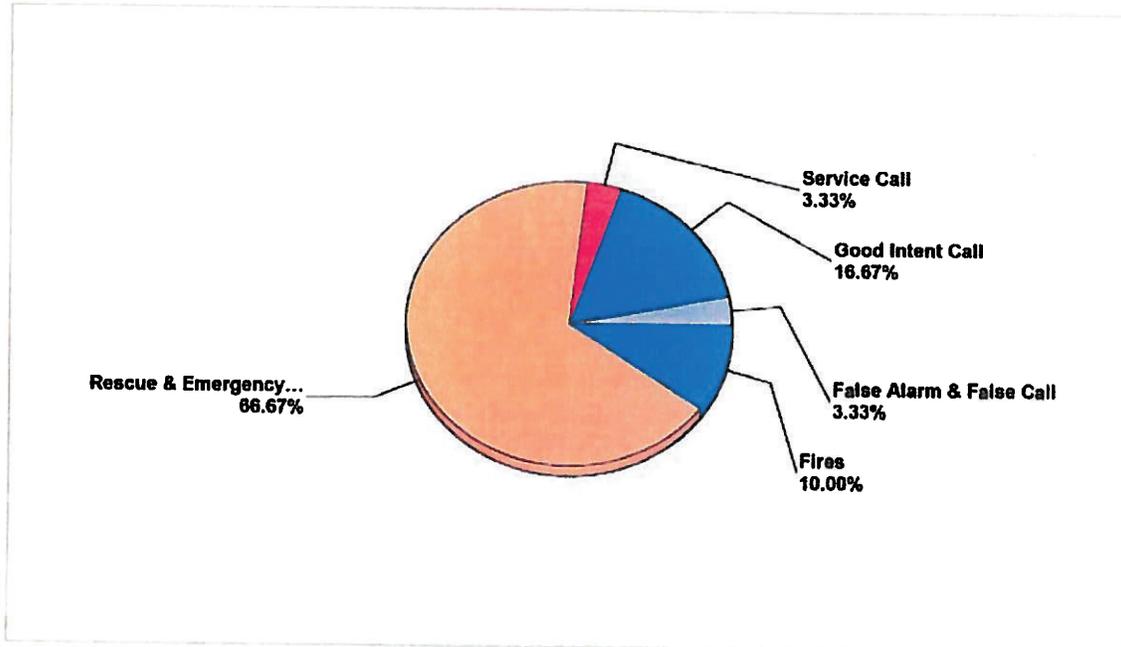
**DATE ISSUED:** April 6, 2016  
**FROM:** Alex Silva, Fire Chief  
**SUBJECT:** Monthly report for February 2016

During the month of February 2016, we attended Ammonia Day at Yuma Arizona, the training included proper procedures on containing ammonia leaks, hazards, notifications and responding to ammonia leaks. On February 19, 2016 we held a Movies at the Park, we have approximately 40 kids and adults. The firefighters association gave out popcorn, punch and we even had one of our firefighters did face painting. The following is the monthly report for February 2016.

Emergency calls	54
Training hours	146
Residential inspections	30
Commercial inspections	12

Cordially submitted

Alex Silva  
Fire Chief



**MAJOR INCIDENT TYPE**

Fires	6	10.00%
Rescue & Emergency Medical Service	40	66.67%
Service Call	2	3.33%
Good Intent Call	10	16.67%
False Alarm & False Call	2	3.33%
<b>TOTAL</b>	<b>60</b>	<b>100.00%</b>

**Actions taken**

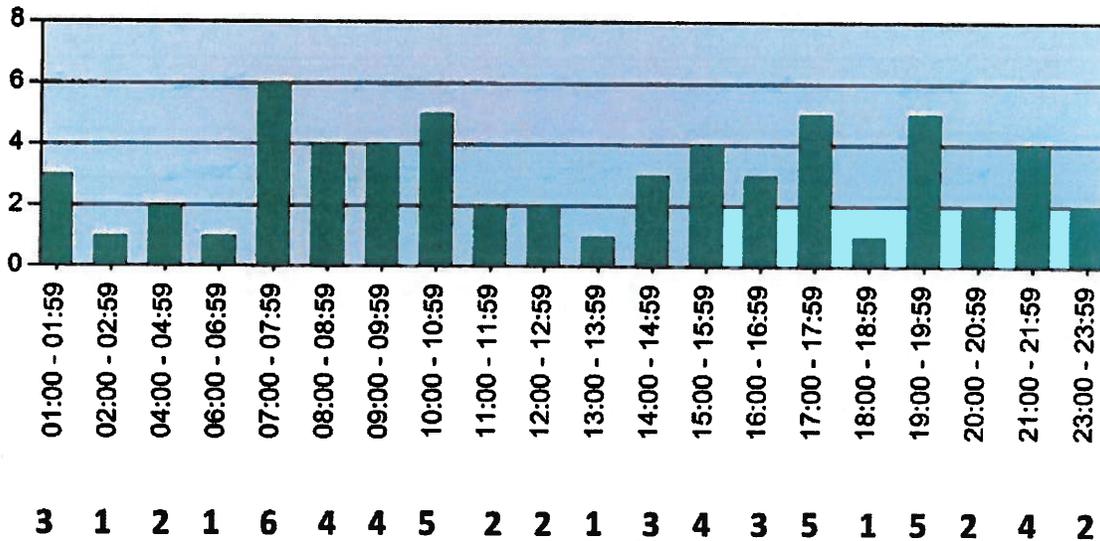
11 - Extinguishment by fire service personnel	4	6.67%
12 - Salvage & overhaul	1	1.67%
24 - Recover body	1	1.67%
31 - Provide first aid & check for injuries	2	3.33%
32 - Provide basic life support (BLS)	11	18.33%
33 - Provide advanced life support (ALS)	24	40%
71 - Assist physically disabled	1	1.67%
73 - Provide manpower	2	3.33%
80 - Information, investigation & enforcement,	1	1.67%
84 - Refer to proper authority	1	1.67%
86 - Investigate	11	18.33%
92 - Standby	1	1.67%
93 - Cancelled en route	3	5%
<b>TOTAL:</b>	<b>63</b>	

### Monetary loss

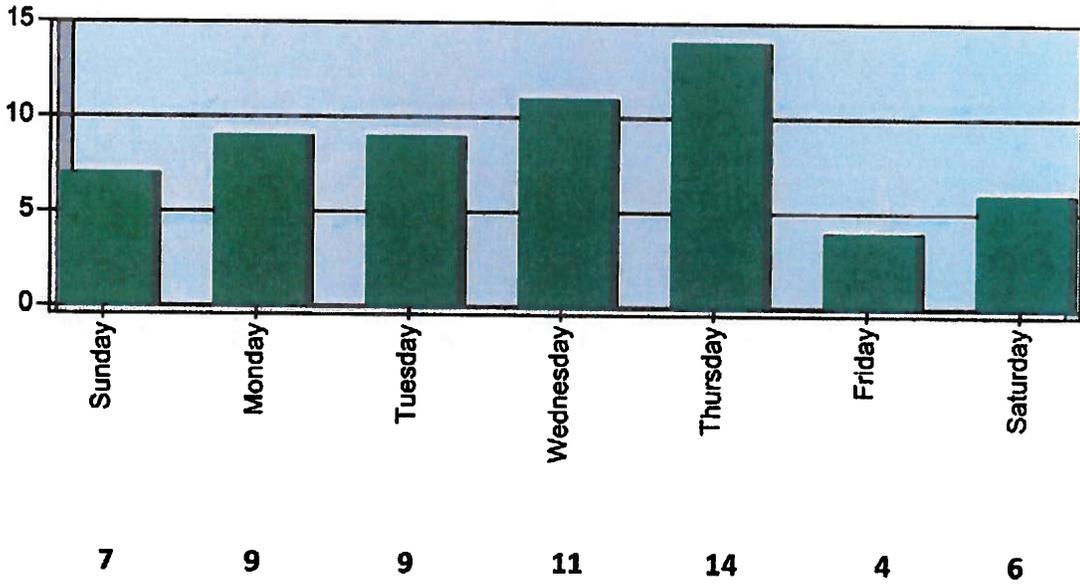
Incidents	Property loss	Content loss	Total loss	average
4	\$44,600	0.00	\$44,600	\$8,920

Incident	date	Incident type	Property loss	Content loss	Loss total	%
0129	03/01/2016	322 - Motor vehicle accident with injuries	\$12,000	0.00	\$12,000	26.91
0140	03/06/2016	324 - Motor vehicle accident with no injuries.	\$5,000	0.00	\$5,000	11.21
0144	03/06/2016	324 - Motor vehicle accident with no injuries.	\$20,000	0.00	\$20,000	44.84
0160	03/16/2016	142 - Brush or brush-and-grass mixture fire	\$600	0.00	\$600	1.35

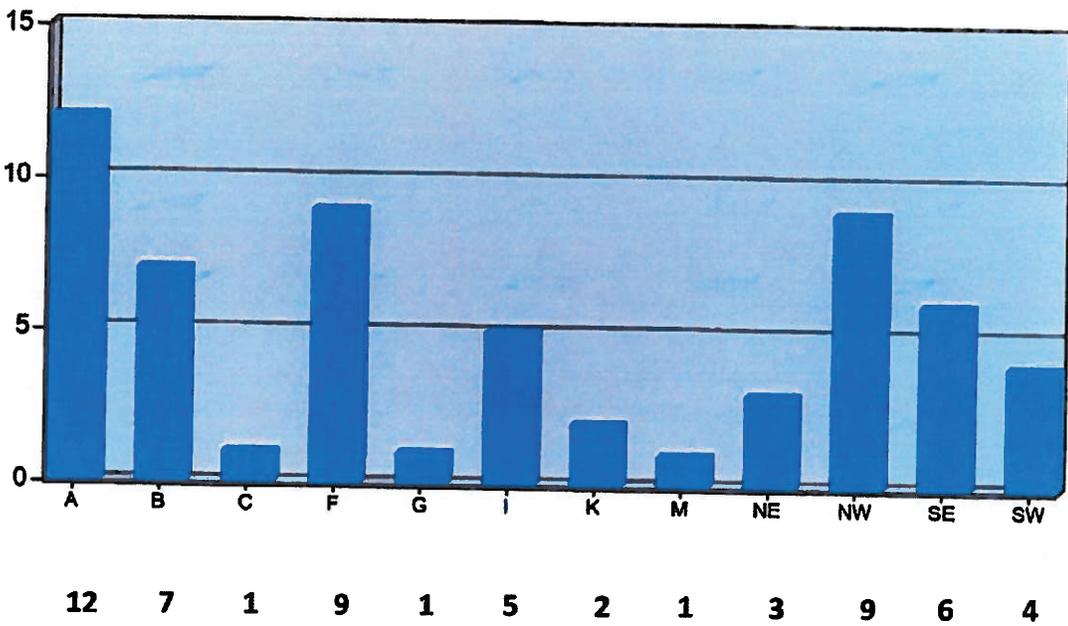
### Hours of the day



### Days of the week



### Zones



**City of Holtville**  
**REPORT TO CITY COUNCIL**

MEETING DATE:	<u>04/11/16</u>
ITEM NUMBER	<u>11b</u>
Approvals	CITY MANAGER 
	FINANCE MANAGER _____
	CITY ATTORNEY _____

**DATE ISSUED:** April 6, 2016

**FROM:** Frank Cornejo  
Water/Wastewater Operations Supervisor

**SUBJECT:** Water / Wastewater Plant Operations & Maintenance Summary

***THIS IS INFORMATION PROVIDED TO THE CITY COUNCIL. NO ACTION IS REQUIRED OF THE CITY COUNCIL.***

The purpose of this report is to inform council of all operations, maintenance, and construction activities completed at the City's water & wastewater treatment facilities during the period between 03/24/16 to 04/06/16

Also attached to this report are photos of the current wastewater treatment plant improvements construction work.

**Water Treatment Plant:**

- **WTP staff completed installation of rebuilt distribution booster pump. (#2 see photo)**
- **R&K Air completed installation of new central main AC unit for MCC/VFD room.**
- Staff took all routine samples, completed all regulatory reports, and maintained operational records as required.

**Waste Water Treatment Plant:**

- **WWTP staff completed annual site inspection of biosolids land application facility at Hidden Valley Farms in Sentinel-Hyder, AZ.**
- Staff took all routine samples, completed all regulatory reports, and maintained operational records as required.

**Waste Water Treatment Construction:**

- **Pacific Hydro work crews began installation of underground electrical conduit for the MCC building. *(see attached photo)***
- **Pacific Hydro work crews continued soil removal and excavation work for Biolac aeration basin. *(see attached photo)***
- **Pacific Hydro completed installation of stainless steel blower pipeline and aeration header manifold along north side of aeration basin. *(see attached photos)***

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Frank Cornejo', with a small '6' written below the end of the signature.

Frank Cornejo.  
Water/Wastewater Operations Supervisor  
City of Holtville







**City of Holtville**  
**REPORT TO CITY COUNCIL**

MEETING DATE:	<u>04/11/16</u>
ITEM NUMBER	<u>11c</u>
Approvals	CITY MANAGER <u></u>
	FINANCE MANAGER _____
	CITY ATTORNEY _____

**DATE ISSUED:** April 6, 2016  
**FROM:** Alex Chavez, Public Works Foreman  
**SUBJECT:** Bi Monthly Report - Public Works

**THIS IS INFORMATION PROVIDED TO THE CITY COUNCIL. NO ACTION IS REQUIRED OF THE CITY COUNCIL.**

The purpose of this report is to inform Council of Public Works activities since the last council meeting. Public Works has been actively working on or completed the following:

- Cleared sewer plugs at different locations in town.
- Repaired water service line leaks.
- Worked with the Sheriffs Department to clean up graffiti at park and around town.
- Patch potholes in different locations in town.
- Ran main sewer lines in different locations in town.
- Removed and replaced 100 feet of sidewalk on the 500 blk. of Cedar Ave.
- Caught 4 dogs, one dog released back to owner.
- Replace broken slide at Holt park playground.

Respectfully Submitted,



Alejandro Chavez  
Public Works

**City of Holtville**  
**REPORT TO CITY COUNCIL**

MEETING DATE:	04/11/16
ITEM NUMBER	11d
Approvals	CITY MANAGER 
	FINANCE MANAGER
	CITY ATTORNEY

**DATE ISSUED:** April 11, 2016  
**FROM:** Hector Orozco, Accountant/GL Analyst  
**SUBJECT:** Finance Department Update

**INFORMATION ONLY – NO ACTION REQUIRED AT THIS TIME**

***9 month Income Statement Review of Major Funds – Excludes HOME, CDBG, Successor Agency and LTF***

At the end of March 30, 2016, revenues should be at least at 75% of projections, while expenditures should be at most 75% of budgeted amount.

**General Fund**

Overall, general fund revenues are tracking higher than projected. The General Fund is at 81% of projected revenues, that's 6 % higher for this period. Expenditures are at 79% of budget, 4% higher than budgeted.

**Water Fund**

Water fund revenues are 2% short of projections. Expenditures are also down 5%.

**Sewer Fund**

Sewer Revenues are 5% higher than projections; however, expenditures are also up by 1% .

**Local Transportation Authority**

As of March 30, 2016, LTA fund has received \$428,804.23 in revenue.

Respectfully submitted,

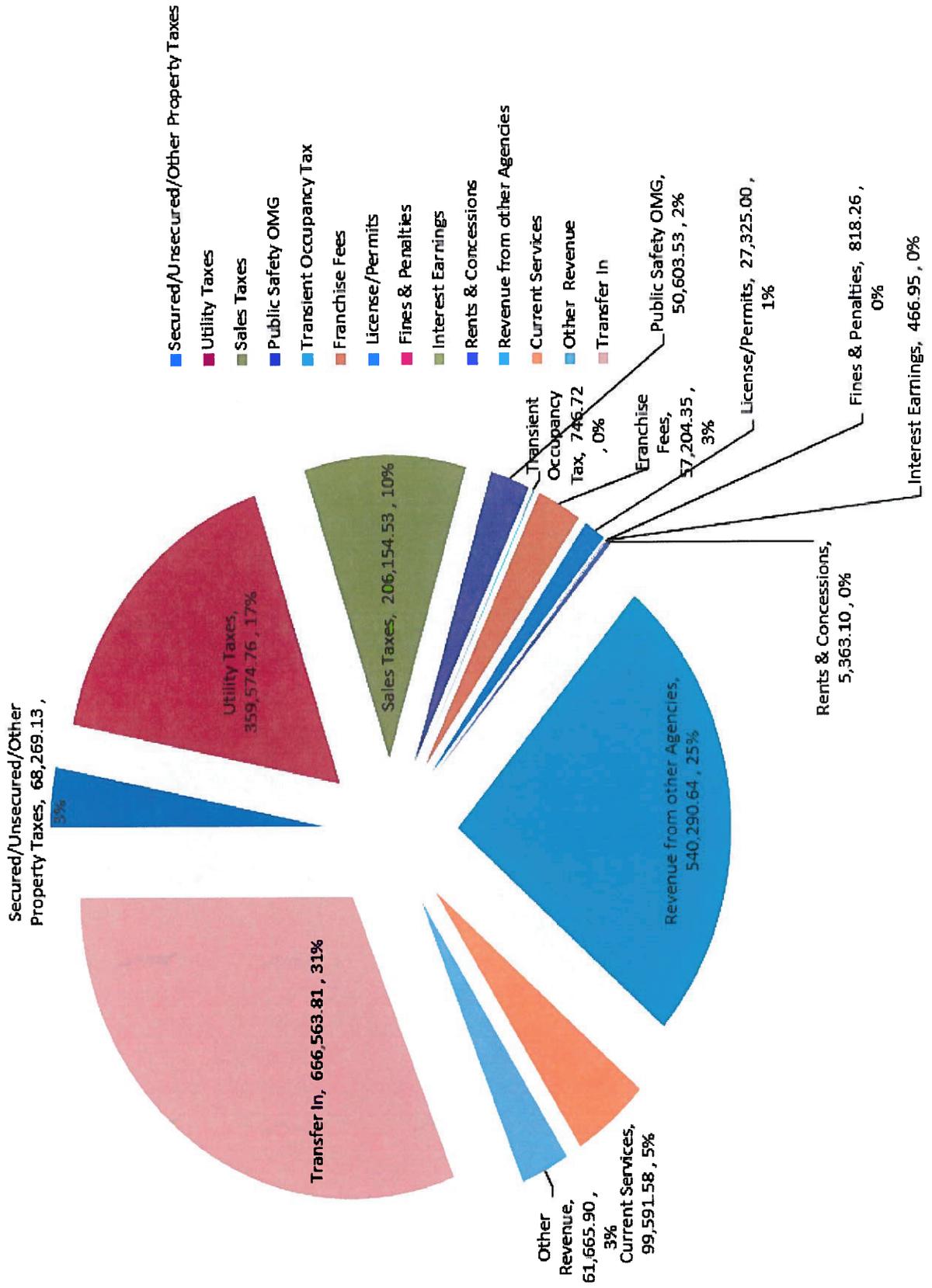


Hector Orozco

**CITY OF HOLTVILLE**  
**Income Statement - General Fund**  
**For 9 Month Ending March 30, 2016**

<b>Revenue</b>	<b>Budget</b>	<b>YTD</b>	<b>% of Budget</b>
Secured/Unsecured/Other Property Taxes	116,200.00	68,269.13	59%
Utility Taxes	446,500.00	359,574.76	81%
Sales Taxes	335,000.00	206,154.53	62%
Public Safety OMG	35,000.00	50,603.53	145%
Transient Occupancy Tax	1,100.00	746.72	68%
Franchise Fees	94,000.00	57,204.35	61%
License/Permits	28,125.00	27,325.00	97%
Fines & Penalties	2,800.00	818.26	29%
Interest Earnings	1,000.00	466.95	47%
Rents & Concessions	7,300.00	5,363.10	73%
Revenue from other Agencies	862,442.00	540,290.64	63%
Current Services	73,300.00	99,591.58	136%
Other Revenue	32,500.00	61,665.90	190%
Transfer In	625,000.00	666,563.81	107%
<b>Total Revenues</b>	<u>2,660,267.00</u>	<u>2,144,638.26</u>	81%
<b>Expenditures</b>			
Salaries	603,961.00	498,175.03	82%
Benefits	198,905.00	106,108.91	53%
Personal Expense	137,470.00	116,612.09	85%
Materials and Supplies	1,555,136.00	1,228,949.97	79%
Capital Outlays/Transfer Out	39,486.00	42,967.22	109%
<b>Total Expenditures</b>	<u>2,534,958.00</u>	<u>1,992,813.22</u>	79%
<b>Net Revenues over Expenses</b>	<u>\$ 125,309.00</u>	<u>\$ 151,825.04</u>	

# Revenues by Source



**CITY OF HOLTVILLE**  
**Income Statement - Water Fund**  
**For 9 Month Ending March 30, 2016**

<b>Revenue</b>	<b>Budget</b>	<b>YTD</b>	<b>% of Budget</b>
Water Charges	1,590,500.00	\$ 1,169,137.07	74%
Interest Earnings	500.00	41.74	
<b>Total Revenues</b>	<b>1,591,000.00</b>	<b>1,169,178.81</b>	<b>73%</b>
<b>Expenditures</b>			
Salaries	292,355.00	225,559.31	77%
Benefits	121,886.00	80,929.41	66%
Personal Expense	12,850.00	12,431.06	97%
Materials and Supplies	446,650.00	303,125.57	68%
Capital Outlays	28,966.00	10,154.63	35%
Debt Service	512,642.00	411,022.34	80%
Capital Improvements	85,333.00		0%
<b>Total Expenditures</b>	<b>1,500,682.00</b>	<b>1,043,222.32</b>	<b>70%</b>
Transfer Out	25,000.00	25,000.00	100%
<b>Net Revenues over Expenses</b>	<b>\$ 65,318.00</b>	<b>\$ 100,956.49</b>	

**CITY OF HOLTVILLE**  
**Income Statement - Sewer Fund**  
**For 9 Month Ending March 30, 2016**

<b>Revenue</b>	<b>Budget</b>	<b>YTD</b>	<b>% of Budget</b>
Revenue from other Agencies	-	\$ -	
Sewer Charges	1,405,000.00	1,126,649.71	80%
Other Revenue	3,100.00	1,950.00	63%
Interest Earnings	2,000.00	3,842.30	192%
		-	
<b>Total Revenues</b>	<u>1,410,100.00</u>	<u>1,132,442.01</u>	80%
<b>Expenditures</b>			
Salaries	272,820.00	241,677.68	89%
Benefits	110,900.00	64,916.45	59%
Personal Expense	11,000.00	9,327.88	85%
Materials and Supplies	274,150.00	204,744.44	75%
Capital Outlays	73,916.00	9,954.30	13%
Debt Service	165,000.00	123,250.00	75%
Reserve Funds	85,745.00	44,250.00	52%
Transfer Out	225,000.00	225,000.00	100%
<b>Total Expenditures</b>	<u>1,218,531.00</u>	<u>923,120.75</u>	76%
 <b>Net Revenues over Expenses</b>			
	<u>\$ 191,569.00</u>	<u>\$ 209,321.26</u>	

**CITY OF HOLTVILLE**  
**Income Statement - Local Transportation Authority (LTA)**  
**For 9 Month Ending March 30, 2016**

<b>Revenue</b>	<b>Budget</b>	<b>YTD</b>	<b>% of Budget</b>
Measure D Tax Revenue	475,000.00	\$ 388,688.82	82%
Interest Earnings		90.41	
Transfer In		40,025.00	
<b>Total Revenues</b>	<u>475,000.00</u>	<u>428,804.23</u>	90%
<b>Expenditures</b>			
Special Department Supplies		-	
Advertising		-	
Professional & Specialized Services		59.10	
Professional Services Planning		-	
Professional Services Design & Engineering		-	
Professional Services Construction		-	
<b>Total Expenditures</b>		<u>59.10</u>	
Transfer Out	150,000.00	150,000.00	100%
<b>Net Revenues over Expenses</b>	<u>\$ 325,000.00</u>	<u>\$ 278,745.13</u>	



MEETING DATE:	04/11/16	
ITEM NUMBER	11e	
Approvals	CITY MANAGER	<i>[Signature]</i>
	FINANCE MANAGER	
	CITY ATTORNEY	

## planning staff report

**To:** Holtville City Council  
Holtville Planning Commission  
Nicholas Wells, City Manager

2016 Quarterly Report No. 1

**From:** Justina G. Arce, City Planner

**Date:** April 8, 2016

**Projects: Private Planning Permits (in order of submittal)**

1. Melon LLC Annexation GP Amendment & Pre-zone
2. Bornt Lot Line Adjustment & Lot Merger
3. Clear Talk Tower CUP
4. Osborne Jurisdictional Boundary Change & Pre-Zone
5. Higgins Annexation & Pre-Zone (*completed*)
6. *Higgins Lot Merger (canceled)*
7. *Blossom Valley Conditional Use Permit-5<sup>th</sup> Street*
8. *Blossom Valley Conditional Use Permit-Grape Court-Retracted*
9. *Four-plex Site Plan Review & Alley Dedication*

**City Planning Projects**

10. Wetlands Trail Easement Acquisition from IID

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This Planning Staff Report covers the period from *January 1, 2016, through March 31, 2016*, unless otherwise specified. The purpose of the following communication is to provide a summary report to the City of Holtville of the planning work currently being performed by The Holt Group in regards to planning and development projects in the City, and more specifically the projects referenced above and further detailed below.

### PRIVATE DEVELOPER PLANNING APPLICATIONS

1. **Melon LLC Annexation, General Plan Amendment & Zone Change-** A formal application for the proposed Annexation, General Plan Amendment and Zone Change were received on September 4, 2014 from Jeff Lyons, agent representative for Melon LLC. The initial review determined that the application was unacceptable and incomplete including some of the following reasons: 1) the application did not have a specific project identified and no site plan was prepared which is an Annexation requirement from both LAFCo and the City, 2) none of the required studies were submitted for environmental assessment such as hydrology and traffic, and 3) corresponding application fees were not submitted. A letter communicating our findings was sent to Mr. Jeff Lyons on September 8, 2014 and with cc's to Mr. John Hawk, property owner. Subsequently the City was copied on a letter from LAFCo to John Hawk, rejecting their Annexation application due to lack of a project and insufficient information for project assessment for CEQA compliance. As of September 30, 2014, a resubmission had not been received. The City was notified by Mr. Lyons that the project has no developer partner and their intent was to annex without a project and that they were unaware of a development requirement. As of December 31, 2014, a resubmission had

not been received. As of March 31, 2015, a resubmission had not been received, however, Mr. Hawk did attend the March 16 Planning Commission meeting and discussed in general under public comments as a new multifamily proposal. As of the end of June 2015, a project had not been submitted to planning staff for review.

On September 4, 2015, Mr. Sager and Mr. Hawk met with the City Planner and City Engineer to discuss concept plans. It was determined that the plans were missing pertinent information such as all of the utility connections, off-site improvements, and stormwater facilities. It was noted that they did not have a developing partner yet. The City Planner provided direction on the information needed, and the issues that must be addressed. She noted the importance of having a development partner as a development agreement and eventual bond would be required for the off-site facilities. They were also informed that the new reduction in impact fees would be in effect for three years and their project could realize a savings of over \$100,000 if permitted within that timeframe. Mr. Sager and Mr. Hawk noted that they understood what needed to be done and left no submission with staff. As of December 31, 2015, no submissions were made and there were no updates to report.

*The City Manager had opportunity to meet with the applicants during this first quarter regarding progress. However, as of March 31, 2016, no submissions were made and there is no progress to report.*

2. **Bornt Lot Line Adjustment & Lot Merger**- On September 8, 2014, 2014, Jeff Lyon on behalf of Alan and Mary Bornt submitted an application for a Lot Line Adjustment affecting parcel(s) 045-330-073 and 045-340-025 owned by Alan L. and Mary L. Bornt and parcel(s) 045-330-07 and 045-340-029 owned by Donald K. and Donna J. Osborne. The purpose of the lot-line adjustment was to transfer property from Mr. Don Osborne to the Bornt farming operation. The application was deemed inadequate for processing because: 1) the lot line adjustment map was missing required information, such as existing structures and their location, utilities, dimensions, adjacent access roads and driveways, easements, rights-of-way, and correct size text on map, 2) grant deeds for all properties were not included, and 3) legal descriptions and Plat were not shown on a separate 8.5" x 11" size sheet, and thus a letter providing directive on the matter was mailed to Mr. Jeff Lyons on September 15, 2014 with copies to Alan Bornt. As of September 30, 2014 a resubmission had not been received.

Mr. Lyons resubmitted a modified packet on October 31, 2014, however, legal descriptions and plat maps were not submitted as noted above because field work had not been completed. Subsequently, Mr. Lyons submitted the legal descriptions and plat maps on November 12, 2014. A first review was completed and issues were noted. Of specific concern was that a lot merger was being concurrently proposed with a multi-jurisdictional parcel owned by Don Osborne. The Lot Line Adjustment between the recently annexed Bornt Property (County Merger 0016) and Osborne Parcel 045-330-071, within the City Limits, would be pretty straight forward and current submission would only require slight modification of the boundaries of the "remaining" Osborne City Parcel 045-330-071 so that it conforms to City adopted standards for minimum lot-width requirements. The merger between the remaining Osborne City Parcel 045-330-071 and Osborne County Parcel 045-240-029 has these same issues as the Bornt's original request and would also require for Osborne County Parcel 045-340-029 to be annexed before any lot merger with Osborne City Parcel 045-330-071 can take place. Planning Staff followed up with Imperial County and LAFCo who continue to be in agreement with the City's position. Field work had still not been done as of December 31, 2014. As of March 31, 2015, no additional submittals were made to the City. A letter would go out in April regarding lack of activity and interest in continuing lot line adjustment.

The letter did not go out as a meeting with Management and planning staff was instead scheduled and held on May 27, 2015. Attendees included Alan Bornt, AJ Bornt, and Mary Bornt. Discussion ensued regarding property boundaries and challenges. Mr. Alan Bornt indicated that they would attempt a meeting with Mr. Don Osborne regarding the Maple

Avenue issues as the Bornths were unaware it belonged to the parcel they are purchasing from Don Osborne.

On June 18, 2015, Jeff Lyons forwarded to Nick Wells and Jurg Heuberger of LAFCo some de-annexation proposals that involved an additional parcel also owned by Don Osborne. Mr. Lyons followed up on July 1<sup>st</sup> regarding a response and included City Planning in the email. Subsequently, Mr. Lyons was forwarded a checklist of procedures along with the corresponding application, fee, and deposit requirements. He was advised that applications through LAFCo and Imperial County would need to be processed concurrently and that copies needed to be submitted to the City as well. As of September 30, 2015 no formal applications had been submitted. As of December 31, 2015, no additional submissions were made and there were no updates to report.

*This project continues to be contingent of the boundary adjustment application (annexation/de-annexation). As of March 31, 2016, no additional submissions had been made and there is no progress to report.*

3. **Clear Talk Tower Conditional Use Permit** - The City received an incomplete application packet from Victor Gillespie on June 22, 2015 for the installation of a Telecommunication Tower at Samaha Park. A letter was drafted by the City Planner with guidance on general requirements and applicable fees and further forwarded a copy of the applicable Municipal Code Sections to the applicant (Ordinance 442). The City's letter went out on June 23, 2015. No additional submissions had been received as of June 30, 2015.

The potential lease agreement was presented to City Council on August 24, 2015 for review prior to the applicant making any substantial investment on the required submittals. City Council was generally agreeable with the proposal. As of September 30, 2015, no additional submissions had been made.

On October 13, 2015, a letter was sent to Victor Gillespie regarding a preliminary review, permitting and site zoning. The letter reiterated required fees, documentation, and procedures for processing, as well as the need for a Zone Change/Text Amendment prior to CUP issuance. Mr. Gillespie was in contact with Mr. Nick Wells in early January 2016, but no submissions were received.

*Although the Open Space Zone does not outright, or conditionally allow "Communications Facilities," the City's adopted Communications Ordinance allows for community facilities in public property as long as there is a lease in place. A public hearing has been scheduled before the Planning Commission for April 18, 2016 to review the project and proposed Public Benefit Agreement, however, staff had insufficient information as of the end of March to make some of the required findings. Of specific importance is the pending Radio Frequency Exposure Report. Since the code is clear in that a permit is contingent upon the finding that the communications facility shall be sited or operated in such a manner that it does not pose, either by itself or in combination with other such facilities, a potential threat to public health. To that end, no communications facility or combination of facilities shall produce at any time power densities that exceed the current FCC adopted standards for human exposure to RF fields. Certification that a facility meets this standard is required. A copy of the report and/or certification from the FCC needs to be submitted.*

4. **Osborne Jurisdictional Changes & Pre-Zone** - On July 27, 2015, the City of Holtville received communication from GS Lyon Consultants on behalf of Donald Osborne regarding the partial de-annexation of a portion of APN 045-330-071 and pre-zone and annexation of a portion of APN 045-340-029, both owned by Mr. Osborne. The subject area for de-annexation is approximately 0.97 acres in size and the subject area for annexation is approximately 0.33 acres in size. The jurisdictional boundary adjustment is being requested

so that a subsequent legal parcel boundary adjustment between an abutting property owned by Alan and Mary Bornt and the aforementioned Osborne properties can be accommodated. A future lot line adjustment will allow Alan and Mary Bornt to obtain a legal title on property currently purchased/leased from Mr. Osborne. LAFCo recommended that City Council provide preliminary support of the proposed jurisdictional changes. On August 24, 2015, the Holtville City Council passed Resolution CC 15-21, in support of the partial de-annexation of 045-330-071, and the pre-zone and partial annexation of APN 045-340-029. As of September 30, 2015, a formal application had not been received by the proponents.

On October 13, 2015, a letter was sent to Jeffrey Lyons regarding application submittal requirements, explaining the requirement of a uniform application, title documents, annexation fees, plat map, and legal description.

On November 2, 2015, a LAFCO Application was submitted to LAFCO by Mr. Osborne. On November 11, 2015, the application was accepted for filing by LAFCO. Although a reminder of pending submission was emailed to Jeff Lyons on November 17, 2015 with cc's to the Bornts, there was no City application or fees submitted to the City of Holtville as of December 31, 2015 for proposed jurisdictional changes. Mr. Lyons indicated on November 18, 2015 that he was working with Mr. Osborne and his clients in getting the required information together.

***Mr. Jeff Lyons communicated on February 16 that the engineering team was working on the field survey to verify that all physical improvements match the current legal descriptions. An application had not been received as of the end of March.***

5. **Higgins Annexation & Pre-Zone** - Earnest and Teresa Higgins, the Applicants, have expressed an interest in purchasing APN 045-390-051 (the Northwest Corner of 9th Street and Cedar Avenue), for the purpose of constructing a single family home and connecting to services. This parcel is located just outside the City of Holtville boundary; however, because the property lies within 500 feet of municipal, potable water and sewer services, the parcel would be required to connect to City services. LAFCo regulations require that parcels lying outside City boundaries that connect to City services must be annexed prior to connection if they are abutting the City Limits. On September 28, 2015, the Applicants submitted a completed LAFCo Annexation Application and required payment for annexation fees to the City. The application was incomplete as it did not include any of the required maps or legal descriptions. As of September 30, 2015, the Applicants were in the process of completing an application for Pre-Zone.

On October 26, 2015, City Staff mailed a letter to the Applicants regarding required Environmental Information Form and fee. On November 3, 2015, City Staff mailed a letter with attachments to the Applicants regarding required modifications to the Annexation Map and Legal Description submitted.

The Notice of Public Hearing for the Planning Commission meeting was posted on November 5<sup>th</sup> at City Hall and published in the Holtville Tribune on November 6<sup>th</sup>. On November 16, 2015, the City of Holtville Planning Commission held the meeting where they recommended approval to City Council of the annexation and pre-zone via Resolution PC 15-06.

Subsequently, the draft Tax Agreement was prepared by Planning Staff and sent to the City Manager on November 17, 2015 for initiation of preliminary discussion with the County. The Tax Share Agreement was accepted and approved by the Imperial County Board of Supervisors on December 15, 2015. Subsequently, City Council approved the Pre-Zone, Annexation, and Tax Share Agreement via Resolution 15-39 at the December 28, 2015 City Council meeting. The Mayor executed the agreement the first week of January and signatures are being coordinated from Steve Walker as of the date of this report. Once City

of Holtville signatures are obtained, originals will be forwarded to Imperial County for their respective approvals before presenting the Agreement to LAFCo on January 28, 2016.

*City of Holtville signatures were obtained for the Tax Share Agreement in early January, and originals were forwarded to the Imperial County. On January 20, 2016, a packet was submitted to Raymond Dial communicating that Annexation HV4-15 was approved and a Mylar set was requested. On January 28, 2016, City Staff presented the agreement to LAFCo and LAFCo approved of the annexation via LAFCo Resolution 2016-01. The City was notified by LAFCo in early February that the recording had taken place. This item will be removed from further reporting.*

6. Higgins Lot Merger/Site Plan Review- Earnest and Teresa Higgins, the Applicants, submitted a Lot Merger Application on October 21, 2015 to merge properties on APN's 045-390-051 and 045-390-053, to build a single family home and future shop, and to allow for required setbacks and house position on lots. The properties are currently vacant lots and are located on the northwest corner of 9<sup>th</sup> Street and Cedar Avenue. A Site Plan detailing the proposed lot merger was submitted on October 12, 2015. Before the lot merger and site plan review could take place, it required the approval of an annexation and pre-zone. LAFCo, approved of the annexation via LAFCo Resolution 2016-01 on January 28, 2016, which now allowed for City Staff to move forward with the lot merger and site plan review.

*The recent recording of the annexation triggered the discovery of, by the County Assessor's office, a Certificate of Compliance that was recorded back in 1980, but that for whatever reason was not reflected on the map until now. Parcels 045-390-053 and -051 are now new parcel 045-390-073, thus, no additional process is required to consider the two old APN's as one legal parcel. This item will be removed from further reporting as all remaining site plan reviews are administrative functions.*

7. Blossom Valley Retirement Inn Conditional Use Permit-5<sup>th</sup> Street- In December 2015, City Staff was contacted by Arnold Lovio of Wholesale Direct Real Estate to request a zoning verification of the parcel on APN 045-296-004 and inquire whether an assisted living facility was allowed by right within the given zone. City Staff communicated in a letter to Mr. Lovio on December 24, 2015, that a CUP would be required for operation because it is located in the Downtown B-Zone where Residential/Group Care Facilities containing more than six beds are only allowed under a CUP. Additionally, it was noted that the non-conforming trailers further affected compliance with the land use.

*A complete application packet for a CUP was submitted to the City of Holtville on March 17, 2016. Although they are requesting a permit for a 200 bed facility, they are only licensed for 175 beds. It is further unclear whether the 5<sup>th</sup> Street Facility can accommodate all of the 175 Beds or if it is split to the second modular building that was proposed for 45 beds. The State of California has only issued one license for 175 beds. A public hearing has been scheduled for April 18<sup>th</sup> before the Planning Commission.*

8. Blossom Valley Retirement Inn Conditional Use Permit-Grape Court- Based on letter communication records by the City, in January 2002, Valley Retirement Inn proposed the development of a 2,880 square foot adult day health care center on the northwest corner of Grape Avenue and Grape Court on APN 045-296-05-01 and -06-01. There are records to suggest that a Conditional Use Permit (CUP) was being considered for a 45 client facility, however, a CUP was never approved by the Planning Commission based on available records.

*On February 12, 2016, the City received Land Use Applications submitted on behalf of Valley Inn Adult Health Care Center and Renester Villa LLC for a CUP to operate a 200 bed facility at the subject site. City Staff reviewed the applications and deemed it*

*unacceptable as only one CUP should be issued for a land use that operates within multiple lots. A letter explaining the required modifications was delivered by City Staff to Renato Baylon of Blossom Valley Inn on February 22, 2016.*

*Agents for the applicant (Mr. Arnold Lovio of Direct Real Estate and DD&E) met with the City Manager regarding their intent to have the second facility to operate independently and autonomously from the facility along 5<sup>th</sup> Street and potential future sale. Thus a complete packet for a second 200 bed facility was submitted for "reinstatement of" a CUP. Respective fees were not submitted. Rather than rejecting the application a second time, the planning staff communicated both to the City Manager and the City Attorney the challenges of such a request, which included the following:*

- 1. Substandard Lot Size. Minimum Lot Size is 10,000 SF thus a lot merger would be required.*
- 2. The structure is unable to support a 200 bed facility. It appears that the building size (based on the dimensions of the lot) measures approximately 50'X70' or 2,880 to 3,500 SF. That is no more 17 SF per bed (without offices, common areas, cafeteria, restrooms etc.)*
- 3. Structures encroach into City Right-of-Way (Grape Court) per the submitted site plan.*
- 4. Off-site Improvements would be required including but not limited to curb, gutter, and sidewalk; based on the width of Grape Court a dedication may be necessary for curb and sidewalk as there is insufficient ROW.*
- 5. Parking Area is Insufficient. Per City Ordinance Nursing/Convalescent homes require one space per 3 beds plus 1 space for each employee on largest shift. Assuming 200 beds, sixty six parking spaces would be required (not including employees). Assuming the entire 4,800 SF of one of the two parcels is used for parking, a maximum 26 spaces can be accommodated (without aisles and driveways!)*
- 6. Requires Masonry Fence. The land use abuts residential land uses and thus will require a masonry wall per City Ordinance.*
- 7. The return radius along Grape Court does not meet fire code. The minimum radius is 96' for fire apparatus access. It looks like there is 80' at best.*

*The City Manager has since discussed the issue with the applicants and communicated to staff that the second application has been retracted. This item will be removed from further reporting unless requested otherwise from City Council.*

- 9. Four Plex and Alley Dedication- A site plan review application and building permit application were submitted by Cadd Works, Inc. on March 16, 2016 for construction of a four-plex at 521 Chestnut Avenue (APN 450-271-005) which is zoned R-3 Multi-family. The submittal for the 3,594 square foot complex included improvement plans which were reviewed by City staff. On March 23, 2016, City Staff sent a letter to Salvador Franco of Cadd Works, Inc. rejecting the site plan for the following reasons: 1) the parcel had incorrect dimensions and did not depict the alleyway area to be dedicated to the City of Holtville and 2) the site plan did not contain building setbacks, a grading plan, and other pertinent information. As of March 31, 2016, the applicant was working on the requested revisions.*

#### **CITY PLANNING PROJECTS**

- 10. Wetlands Trail Easement Acquisition from IID** - The City has actively been working on securing a pathway, the approximate distance of .52 miles from the Alamo River Recreational trail to Zenos Road in order to connect to the Holtville Wetlands. City Staff met with IID officials who were willing to gift the required easements as long as the City provides the legal descriptions and plat maps. A portion of the Habitat Conservation Fund

grant received in 2012 was to be used to create a conceptual pathway from the current trail to the wetlands based on existing topography. The concept is complete and the City Manager authorized the preparation of the legal description and plat maps to be presented to the IID. A Preliminary Title Report was ordered and obtained on August 1, 2013 and the survey Staff has been working on preparing the easements. It is anticipated that the easements will be drafted for review by The Holt Group Staff during the third quarter.

The legal descriptions and plat maps were completed by survey staff on December 4, 2013. On December 6, 2013, Staff submitted an enclosure letter to Randy Gray of IID Real Estate, providing the legal descriptions and plat map for a 20-foot wide easement. Randy Gray was contacted on December 27, 2013 to obtain a project status update. Mr. Gray informed that he had circulated the easement documentation and that thus far, other departments had accepted the legal documentation, as prepared.

The IID reviewed the Legal Description and Plat Map and found them acceptable on March 10, 2014. The same day, IID Staff notified the City that they would prefer the City enter into a Site Access Agreement and Encroachment Permit rather than the proposed Grant of Easement. Planning staff forwarded on April 1, 2014 the draft Site Access Agreement to the City Attorney for his review and comment.

The draft Site Access Agreement was presented to City Council on April 28th where the Agreement was approved. The agreement was then executed with the proper City signatures and delivered to the IID on May 12, 2014 for their review and execution. As of June 30, 2014, the Agreement still being reviewed internally and will be released once any revisions have been processed by the IID. The final Site Access Agreement was received on April 14, 2014 by The Holt Group and the original was forwarded to the City Manager on April 17, 2014. The next steps for this project are to complete the environmental and be shovel ready at the next opportunity for grant funding. No additional updates were available as of June 30, 2015.

No additional updates were available as of September 30, 2015. As of December 31, 2015, there were no updates to report.

Should you have any questions and/or concerns regarding the information in this report, please feel free to contact Justina G. Arce at (760) 337-3883 or City Manager Nicholas Wells at (760) 356-4574.



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MEETING DATE:	4/11/16
APPROVED FOR AGENDA	
CITY MANAGER	
FINANCE MANAGER	
CITY ATTORNEY	

# quarterly grant report

January - March 2016 Report

**To:** Nicholas Wells, City Manager  
Holtville City Council  
Holtville Planning Commission

**From:** Carlos Flores, Planner/Grant Administration

**Date:** April 8, 2016

**Projects: City Grant Applications/Projects**

1. Alamo River Recreational Trails – Department of Parks & Recreation
2. BECC Application for Wastewater Treatment Plant (PDAP/BEIF) FY 10/11
3. CWSRF Application for Wastewater Treatment Plant
4. HCF Program Grant Application for Alamo River Conservation Project
5. 4<sup>th</sup> Street Cedar to Walnut- Curb Gutter & Sidewalk-CMAQ Grant Application
6. Walnut Avenue South to 2<sup>nd</sup> Street Improvements- RSTP Grant Application
7. Cedar Sidewalk between 4<sup>th</sup> Street and 5<sup>th</sup> Street
8. SR 115/5<sup>th</sup> Street STIP Program Phase II Project (north side)
9. 6<sup>th</sup> Street RSTP Call for Projects 2015
10. 9<sup>th</sup> Street Phase III RSTP/CMAQ Call for Projects 2015
11. *State Waterboards DWSRF Application*
12. *Wetlands BOR Grant*

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The purpose of the following memo is to provide a summary report to the City of Holtville of the planning work currently being performed by The Holt Group in regards to the City's grant applications and grant administration projects, and more specifically the projects referenced above and detailed below. *Updates are in bold italics and for the time period of January 1, 2016, thru, March 31, 2016*, unless otherwise noted. Further note that in order to save space, some immaterial history has been omitted, but is logged in prior reports should anyone wish to review at a future date.

**1. Alamo River Recreational Trails-Department of Parks and Recreation (\$489,169.30)**

In August 2008 City Manager, Laura Fischer directed THG to prepare the resubmission of an application, which was prepared on September 2008. The application was strengthened due to an IID easement that was secured and the completed survey work. A full Staff Report and a copy of the application were submitted to City Council at the September 14, 2009 meeting. On June 16, 2010, the City received a formal letter from the Department of Parks and Recreation, stating that the project had been awarded \$430,468 and that the City needed to comply with NEPA, National Historic Preservation Act of 1966, and the State or local Transportation Improvement Plan. The Regional Transportation Plan listing and Preliminary Environmental Study were completed on January 3, 2011. A contract with the State was executed on July 25, 2011 by City Manager, Alex Meyerhoff and the City procured for design, bidding and construction services.

The resolution for selection of a consultant was presented to City Council in November 2011 by City Manager Alex Meyerhoff and action was delayed since matching funds were originally from RDA Fund. Since this was an adopted Regional Transportation

Plan (RTP) project, City Council opted to use LTA funds and continue to move forward with the project. On January 17, 2012, the City received a reimbursement check from the State for \$296.00. On January 23, 2012, City Council awarded the contract for design and engineering services to Mia Lehrer + Associates for \$134,325 and a Notice to Proceed was issued on March 21, 2012 to the consultant. Mia Lehrer held a public meeting on May 7, 2012 and also presented design concepts to two High School Classes. The consultant communicated its challenge of site amenities not being found at the cost budgeted. THG provided Mia Lehrer with a number of facility specifications in order to keep the design within budget. Mr. Jeff Hutchins, project manager suggested elimination of a restroom facility, however, the City communicated that no amenities should be eliminated as the State would need to authorize a change in the scope of work. The State agency communicated that scope changes would be feasible but that a formal request needed to be submitted to DPR as amenities were a scoring factor.

The final plan check was completed and comments on minor edits were issued to Mia Lehrer on March 5, 2013.—A progress grant report was submitted to the State on April 17, 2013. Jeff Hutchins held a pre-bid meeting on June 18<sup>th</sup>. The bid opening date had been extended to July 16<sup>th</sup> via addendum #3. The City received a total of two bids: Pyramid Construction (\$1,021,279) and Hazard Construction (\$853,128). Some of the improvements engineered by Mia Lehrer resulted in significant cost overruns. At the direction of the City Manager, THG reviewed the construction bid items and prepared a memo to City Management dated September 4<sup>th</sup> on potential items that could be removed from the project scope to lower project costs and subsequently submitted a request to the DPR on August 15<sup>th</sup> for a reduced project scope of work. A response was received from the State on August 16, 2013 requesting a letter describing the scope of work change, a revised Application, Cost Estimate, and Site Plan. On December 27, 2013, the letter describing the scope of work change, a revised Application, Cost Estimate, and Site Plan were submitted to the State.

On February 3, 2014, the City received a letter from the State approving the change in scope of work. The project was re-bid by Mia Lehrer, per change in scope, and a bid opening was held on March 28, 2014. Three bids were received from Granite Construction (\$678,999), Hazard Construction (\$568,148), and Pyramid Construction (\$508,483). City management was in the process of negotiating with the availability of Class II base for trail pavement, location of fill export, and possibility of fill import. Other elements such as rope railing, signage and bollards could be installed by the City at a future date in order to bring down project costs.

Cost reductions of \$66,900 were successfully negotiated by THG with Pyramid Construction in June 2014 for the following items: Reduction of soil exporting costs per unit (\$29,580 in savings); Removal of installation of all three trash receptacles (\$4,800 in savings)-purchased under separate grant; Removal of installation of all rail track post & rope guide (\$17,520 in savings); Removal of installation of Alamo River Trail Sign (\$5,000 in savings); Removal of installation of bollards (\$10,000 in savings) to be installed at a future date by City staff.

City Council awarded the construction contract to Pyramid Construction on June 9, 2014. The kick-off meeting was held on June 27<sup>th</sup> and subsequently THG issued a memorandum to Mia Lehrer on July 2<sup>nd</sup> to communicate and recap construction management requirements expected of Mia Lehrer for the construction phase of the project. It was determined by Mia Lehrer and the City Manager to only issue a Notice to Procure (pending acceptable contract documents) for the bridge equipment and that a Notice to Proceed on Construction would take place in September.

Pyramid submitted a payment request in the amount of \$59,850.00 for the pre-fabricated bridges, which was paid by the City on July 11, 2014. The Holt Group, in turn, submitted Reimbursement #4 to the State for the material purchased on July 1<sup>st</sup>, 2014 and the City

was reimbursed on December 9<sup>th</sup>, 2014. A Notice to Proceed was issued by Mia Lehrer to the contractor on November 18<sup>th</sup> 2014 after some clarifications on design between Mia Lehrer and the Bridge manufacturer were resolved.

The project was subsequently and temporarily halted until a Labor Compliance Officer was brought on board and construction management inspection scope of work was agreed to. A Labor Compliance contract was approved by City Council on December 8<sup>th</sup>, 2014. David Dale of Dynamic Engineering was also brought in to perform daily inspection/construction management services at a cost not to exceed \$12,000 since Mia Lehrer was unable to complete the daily inspections as required. This amount would be deducted from their contract. Construction began on December 15<sup>th</sup>, 2014.

Construction Management Service invoices were also paid in January averaging \$17,000 to Mia Lehrer and North Gardens Management. Pyramid Construction was also paid \$175,249.80 on January 20<sup>th</sup>, 2015. The Holt Group, in turn, submitted Reimbursement #5 on January 27, 2015 to the State for the incurred costs, in the total amount of \$192,181.00. In January 23, 2015, City Council approved Construction Change Order #1 in the amount of \$52,070.20, for a change in scope that would require piling to be constructed using the "Wet Shaft" method of placement.

On February 25, 2015, Semi Annual Reports were submitted to the Office of Grants and Local Services. On March 25, 2015, The Holt Group submitted Reimbursement #6 to the State for additional construction management costs in the total amount of \$20,702.00. This Reimbursement included two Labor Compliance payment requests in the amount of \$1,530 and \$578, two North Gardens Management construction management payment requests in the amount of \$3,400 and \$3,740, and a Pyramid Construction construction services payment request in the amount of \$11,454.18.

On July 10, 2015, the City was notified by the California Department of Parks and Recreation that additional RTP grant funds were available for projects that had encountered cost overruns. Since the Alamo River project had cost overruns as well as Construction bid items that had to be removed to fit the budget, the project was eligible to apply for additional funding. On July 14, 2015, a packet requesting additional funds was submitted to the Department of Parks and Recreation. The packet included a letter from the City Manager explaining the need for additional funds, a revised RTP application, a revised Cost Estimate form, and a revised schedule of events.

The City received a letter on September 17, 2015, informing them that the Office of Grants and Local Services (OGALS) recommended approval of a portion of the requested additional funds in the amount of \$255,353 to the Federal Highway Administration (FHWA). FHWA approved the additional funds for this project on July 30, 2015, bringing the total new grant amount to \$685,821. OGALS notified the City that an amended grant contract would be delivered soon.

On December 11, 2015, the State contacted the City Planner to let her know the City was out of compliance with the OMB Circular Single Audit requirements and it could affect funding. City finance staff was addressing this item with the auditor.

***A status report was delivered to the Department of Parks and Recreation on January 8, 2016. The City of Holtville received the new grant agreement on February 17. Signatures were coordinated from Nick Wells and returned to the State on March 2, 2016 stipulating funds had to be drawn by the end of the fiscal year, but would not be released unless compliance with the OMB Circular Audit were submitted by the March 31, 2016 deadline. The Single Audit was successfully filed.***

***In the interim, all the different components of the last trail sign are scheduled to arrive by mid May for installation immediately to follow, according to the Contractor. This will enable the City to process the final close-out documents by the June 2016 deadline.***

2. **BECC/NADBank Wastewater Treatment Plant Application FY 10/11 (Anticipated Project Costs \$5,616,000.00, however as of December 31, 2013 costs were \$11,885,956)** – THG was given directive to prepare capital improvement applications through BECC. City Council authorized the City Manager as the approving official for the required submittals on October 11, 2010. The project was for the rehabilitation of the existing plant and included related costs for environmental compliance and processing of State Revolving Fund Application. The WWTP Improvement Project application was forwarded to the BECC EPA Office on October 27, 2010 and copies were provided to the City Manager on October 28, 2010. By mid January 2011, BECC conducted field review visits to the project sites. The project was pre-selected and was in process for FY 11/12 BEIF-PDAP Prioritization.

Grant funding for 50% of the design was officially awarded through BECC via a letter dated May 11, 2012 under EPA Region 9's US-Mexico Border PDAP. A meeting was held with BECC on June 14, 2012 to discuss BECC Certification requirements and WWTP PER Review. The Design would focus on the preferred alternative identified under the PER and more specifically described as the Biolac<sup>®</sup> Wave Oxidation (Integral Clarifier) System alternative. The City received a comments report dated June 22, 2012 from BECC communicating that the PER had been reviewed and that PER modifications were being requested. The requested changes were six (6) as follows: 1) Capacity consideration for septage holding tank of 25,000 gallons seems an over built, the City should reconsider the adequate volume needed; 2) Addition of proper laboratory and offices building inclusion to the improvements; 3) Clearer understating of the type of industrial discharges to the WWTP, quantities and characteristics; 4) Plan on tracking the tanker trucks irregularly dumping wastewater to the WWTP; 5) A biosolids-handling plan has to be described more in detail. The plan should include the sludge thickening process to be utilized, along with sludge windrowing, drying, storage and landfill application; and 6) Emergency backup generator should be considered. The comments report communicated that a response was required from the City to communicate if recommendations were accepted in order to authorize BECC to move forward with RFP Scope of Work development.

The letter also stated that BECC would be providing 50% of design costs up to \$500,000. The PER modifications would be covered by the awarded PDAP funding, the City would simply need to provide documentation of the Lee & Ro RFP Process. Once the PER was updated, the RFP process for the design phase would be initiated. A letter on funding status dated June 18, 2012 was also submitted to the RWQCB to provide an update on the funding milestone deadline of June 27, 2012.

Two teleconference meetings were conducted November through December 2012 with BECC to discuss the Certification Schedule, RFP for design services and concern over the pending SHPO Clearance. On December 10, 2012, City Council approved THG to proceed with the preparation of the RFP for design services for the WWTP, without the SHPO Clearance, in order to not further delay compliance of the Board Order. The final, advertised WWTP design RFP documents were submitted to BECC on December 13<sup>th</sup>. The project advertised on December 20<sup>th</sup> and EPA Notified the City of Environmental Clearance on January 4, 2013. A meeting was held at THG office with BECC and Mr. Alex Meyerhoff (via phone) on February 21<sup>st</sup> to discuss pending action items to initiate the WWTP Project. These included submission of procurement data and contracts.

Lee and Ro, Inc. and Albert A. Webb Associates, Inc. forwarded proposals for the design of the Holtville WWTP on February 14<sup>th</sup>. A Selection Committee assembled by City Management met on February 19<sup>th</sup> to review the consulting engineering proposals and recommend a design consultant on a qualification based selection. At the February 25<sup>th</sup> Council Meeting, the City Council accepted the recommendation of the Selection Committee, which was to award the contract to Lee & Ro in the amount of \$697,256. A

kick-off meeting was held on March 19, 2013 by Lee & Ro with IID, EPA, BECC, Landmark and THG to discuss the project design and schedule.

THG Drafted a Public Participation Plan, which was reviewed and approved by City Council. The First Public Presentation was also reviewed and authorized by the Local Steering Committee on June 28, 2013. The Local Steering Committee also reviewed the 30% design plans and scheduled the first public meeting for July 15<sup>th</sup>. The City and THG also held a meeting with NADBank on June 11<sup>th</sup> to discuss the projects design status. Lee & Ro had completed 30% of the design plans in June and the City Engineer reviewed the plans and issued comments. A meeting was held with Lee & Ro on July 24<sup>th</sup> to review the 90% design plans. The Local Steering Committee also met on August 6<sup>th</sup> to review the 90% design plans and scheduled the final public meeting. The final design plans were completed in August and submitted to BECC for review. A total of three reimbursement requests were also submitted by the City for design costs.

The August EOOPC was \$8,866,000 which was \$1,775,910 over the SRF construction commitment. There was a total project costs gap of \$3,371,790. A meeting was held with NADBank in September to discuss the financial gap and it was communicated that assistance could be provided through the BEIF Program. NADBank requested that the City submit twenty-nine documents for an analysis. The first submittal to BECC was made on September 18<sup>th</sup> with only the Building Permit pending.

The Building Permit was submitted to BECC on October 23<sup>rd</sup>. A Second Public Meeting was also held on October 14<sup>th</sup>. The EOOPC was since then updated by both Lee & Ro and then adjusted by NADBank. Subsequently, BECC communicated that the City would need to hold a third public meeting to reflect the revised project costs and a financial assistance amount of \$3,559,910 under the BEIF Grant Program. The Final Public Meeting was held on November 25<sup>th</sup> by the City Council.

A total of two reimbursement requests and two progress reports were submitted to BECC between October and December with the most current submitted on December 6<sup>th</sup>. The draft Project Certification Document was published on December 15, 2013 which initiated the 30 public notification process before a formal proposal could be advertised. The project was certified by BECC on February 25, 2014, however the City had not received the Construction Assistance Grant Agreement from NADBank as it was pending issues associated with Buy American Clause and Disadvantaged Business Enterprise Goals which are required by the primary lender the CWSRF but rejected by NADBank. The issue was being resolved by EPA who was the origin of funding for both programs to some extent. Lee & Ro was in the process of completing the specifications with the required language.

**Construction Management Services:** An Expression of Interest (EOI) for Construction Management was advertised by the City Engineer on February 27, 2014. Two of the responding firms were disqualified. Full proposals from the remaining firm (Dudek and Associates) was received on April 16, 2014 but exceeded the available budget of \$887,500 by \$1,028,300. The bid was rejected and NADBank procured qualified firms a second time. The City was authorized to request one bid from HDR. The City requested a bid from HDR which came in at \$1,073,000. It was anticipated that the contingency would cover the \$185,500 gap. Selection of Construction Management Services were brought before City Council once the Sub-Grant Agreement for the project was approved by NADBank which was pending resolution regarding Disadvantaged Business Enterprise and American Iron & Steel Language requirements. EPA was working with NADBank to clear American Iron & Steel and DBE Language. The Construction Manager, HDR, was selected during this report period and a contract for services was executed on July 30, 2014.

**Construction Services:** It was anticipated that the Request for Proposals for Construction would be advertised by May however, this was delayed due to the

Construction Manager not yet being selected. The Advertisement for Bids for Construction Services was estimated to be advertised in August 2014. The construction bid opening date and evaluations were to be completed in September for potential recommendation to City Council by October 2014. This schedule has been significantly delayed as of the end of September. HDR had to be allowed time to review the construction bid documents, and comments were received from HDR on September 30, 2014. It is anticipated that the advertisement for bid for construction services would be published in October for potential recommendation to City Council in November 2014 or early December.

HDR completed their review and comment by November 25, 2014. The Bid Documents, however, were not approved by NADBank in October of 2014 and instead significant restructuring and itemization was requested on by NADBank which were out of the norm of all engineering firms involved (Lee&Ro, HDR, and THG). Discussions ensued between EPA and NADBank and the City on whether HDR was fulfilling their contract. HDR made some modifications and appealed on others and submitted the report to NADBank on December 15<sup>th</sup>, 2014. NADBank responded on December 19<sup>th</sup>, 2014 with some modest additional changes which were completed by Lee & Ro.

Monthly progress reports were completed for January, February and March 2015. On February 9, 2015, the City of Holtville City Council authorized a Construction bid advertisement and the bid advertisement went up on February 24, 2015. The City Engineer issued a couple of addendums and as a result, the bid opening was delayed through April 14, 2015. It was anticipated that an award recommendation would come to Council by the end of April.

NADBank Monthly Progress Reports were completed for April, May, and June 2015. NADBank completed their bid evaluation review on June 16, 2015 and the Sub-Grant Agreement was received on June 22, 2015 in the amount of \$6,889,870. City Council may now consider award of contract for construction services. Action was scheduled for the July 13, 2015 Council Meeting.

NADBank Monthly Progress Reports were completed for July, August, and September 2015. The City awarded the Construction contract to Pacific Hydrotech for Construction Services at the July 13, 2015 City Council meeting. A Notice to Proceed was issued on July 29, 2015. Change Order #1 and #2 were in progress during September. Change Order #1 addressed DBE changes and had zero costs and no extension of time. Change Order #2 was associated with potable water systems.

NADBank monthly progress reports were submitted for October, November, and December 2015. On October 6, 2015, Change Orders #1 and #2 were accepted by the City as well as Change Order #3 which was for IID design fees. On October 22, 2015, NADBank sent a letter to the City approving Change Orders #1-#3 which increased the construction contract amount by \$103,746.26 to be paid out of grant contingency monies. The Construction Management firm was coordinating fund draws from NADBank within approved amounts for construction funding.

***NADBank monthly progress reports were submitted for January, February, and March 2016. The first invoice for construction management services by HDR was submitted on March 8, 2016. The invoice was rejected by NADBank because it was inconsistent with the submitted proposal and award contract for tasks, personnel, and costs. Revisions or request for change order were requested from HDR. As of March 29<sup>th</sup> 2016, an invoice resubmittal had not been received from HDR. The billing delay from HDR has posed an issue as HDR has not paid some of the sub-consultants (surveyor) and they had halted work needed to continue to the project. A follow up with HDR indicated that they would be able to speed up schedule and get back on track. Currently, the construction schedule is 57% lapsed but only 37% complete.***

3. **Wastewater Treatment Plant CWSRF Financial Assistance Application to the State Water Resources Control Board (\$6,000,000.00 however as of December 31, 2013 costs were \$11,885,956)** – On December 13, 2010, City Council approved resolution 10-53, allowing THG and City Staff to prepare an Application for the WWTP Project. The project's scope of work included vital rehabilitation work that addressed the City's NPDES Permit. On January 10, 2011, a reimbursement resolution was also taken to the Holtville City Council for their consideration. Although the City was not on the State Priority List, the State encouraged the City to submit an application. Per Ms. Chase, if the City completed the application prior to the opening of the project priority list, SWRCB would possibly consider an amendment to include the City's project.

THG worked with the Finance Manager to obtain pending financial documents and City audits. Additional items that would be needed included the Rate Study by Raftelis and the Preliminary Engineering Report by Lee & Ro and were still pending as of July 2011. On December 8, 2011, an application packet was finalized and sent to the State for funding consideration. THG also requested a Bond Counsel Legal Opinion letter from RW&G on December 21<sup>st</sup> regarding the City's ability to incur additional debt.

A staff report dated March 22, 2012 was presented to Council on preliminary underwriting for the application. The City submitted all required information to the State with the exception of the bond counsel letter, and 10/11 Fiscal Year Audit, Sewer Cash Reserves and Uses and Operation Budget and Cash Flow Projections which were pending by the Finance Manager. Preliminary findings by the State indicated that the City was eligible for Principle Forgiveness, but limited based on their economic data and MHI. In March, the State communicated that there were still funds in Category 1, for severely disadvantaged communities and that the City qualify if it raised rates by at least \$1.77 per month. Directive had been provided by Council to move forward with a minimum \$1.77 rate increase.

The City's financial budget was not available until June 1, 2012, which was not early enough for the State to complete its underwriting within their 11/12 fiscal year, and as such the Small Communities Capitalization Grant (SCCG) funds available to CWSRF were exhausted. It was communicated on June 6<sup>th</sup> by the underwriter that the availability of principal forgiveness for the 12/13 fiscal year under the SCCG would be determined after State 12/13 budget adoption. On July 5, 2012 the City submitted all financial documents pending from the City audit and final budget to CWSRF. Additionally, the USDA Loan Commitments were also forwarded to CWSRF on September 25<sup>th</sup> after the City Council took action to accept the USDA/BECC/BEIF financing packet for the Outfall Packet, thus relieving the sewer fund of some existing debt. CWSRF requested that the City provide the rate increase amounts needed to cover the City's debt (USDA and proposed CWSRF) equal to 1.20 times the total annual debt service and operation and maintenance costs, after considering any required reserves. The City Finance Manager was tasked with completing this information so it could be presented to City Council and provided to CWSRF.

The City Manager completed the Sewer Rate financial review in December and the Proposition 218 Sewer Rate Notice was posted and issued to all property owners and service users. A copy of the notice and proposed rates were submitted to CWSRF on December 31, 2012 and published in the Holtville Tribune on January 4<sup>th</sup>.

On February 11, 2013, City Council reviewed a revised EOOPC prepared by Lee & Ro that incorporated changes to scope of work due to BECC's laboratory building recommendations, Imperial County's CUP recommendations, and omissions from original PER that resulted in a project cost increase. THG informed SRF about the revised scope and EOOPC for a total project cost of \$8,222,546. It was communicated by Ms. Chase that assistance could be provided through SRF for the additional costs and on February 25<sup>th</sup> Council approved an updated Dedicated Sources Resolution and

subsequently, a final Facility Plan Approval that incorporated all costs, schedule, and terms issued by CWSRF was also approved on March 18<sup>th</sup>. Please note however, that SRF required conditions to be met by June 2013 and due to the delay in the audited financials, it was no longer feasible for the City to meet all these conditions within that deadline.

The audited Financial Statements for FY 11/12 were submitted to NADBank by the City on April 25, 2013 and NADBank was able to meet their May 9<sup>th</sup> Board Certification meeting. An extension was requested from SRF on April 24<sup>th</sup> as it was evident that the June deadline would not be met. SRF approved the extension in May, granting the City 120 days to execute the SRF agreement and meet the conditions which included USDA paying off the 2003 and 2011 outstanding bonds (by October 28, 2013) before the SRF Loan could board. A First Supplemental Trust Agreement for the 2003 Bonds and First Amendment to Installment Sale Agreement for the 2011 Bonds resolutions were passed by Council on August 26, 2013. The Resolutions enabled the SRF loans to board prior to the USDA Loans and while the 2003 and 2011 Bonds remain on the books.

An amended Facility Plan Approval (FPA) was approved by City Council on October 28<sup>th</sup> and the executed document was submitted to the State on October 31<sup>st</sup>. A formal agreement was still pending to be issued by the State due to the agreement being reviewed by the State's legal department and an extension to April 29, 2014 had been granted by the State for the execution of the agreement. The agreement was executed by the City and submitted to the State on February 5, 2014. The First Disbursement Request was also submitted to the State on April 3<sup>rd</sup> for reimbursement of 50% of design costs in the amount of \$340,786. Please refer to the BECC Wastewater Treatment Plant Project section above for construction management and construction status.

The First Disbursement Request was reimbursed on April 30, 2014 for 50% of design costs. The First Quarterly Progress Report was submitted to the State on May 2<sup>nd</sup>. Please refer to the BECC Wastewater Treatment Plant Project section above for construction management and construction status.

As noted in prior section 4 of this staff report, the Construction Manager, HDR, was selected during the July to September report period and the contract for services was executed on July 30, 2014. HDR had to be allowed time to review the construction bid documents, and comments were received from HDR on September 30, 2014. It is anticipated that the advertisement for bid for construction services will be published in October for potential recommendation to City Council in November 2014 or early December. Reimbursement #2 for final design costs and bidding services will be processed once the construction bids come in and a final cost determines whether any contract modifications with SRF would be necessary. The quarterly progress report was submitted to Ms. Bridget Chase on November 3, 2014. If and when changes to the satisfaction of NADBank are prepared, the final edits will need to be forwarded to the CWSRF.

Quarterly Progress report #4 was submitted to Ms. Bridget Chase on January 22, 2015. As previously noted, NADBank approved of the bid documents submitted by HDR, in February and on February 9, 2015, the City Council authorized a Construction bid advertisement with a bid opening scheduled for April 14, 2015.

Quarterly Progress Report #5 was submitted to Ms. Bridge Chase on May 11, 2015. Addendum's 3, 4, 5, pushed the bid opening date to April 21, 2015. On April 21, at 2:00 P.M., the bid opened and four (4) bids were submitted: RSH Construction (\$11,271,809), Pacific Hydrotech Corporation (\$11,733,600), Steve P. Rados, Inc. (\$14,625,000), and Stanek Constructors, Inc. (\$14,713,000). NADBank completed their bid evaluation review on June 16, 2015 and the Sub-Grant Agreement was received on June 22, 2015 to cover the financing Gap. Planning Staff prepared a Final Budget Approval and Approval of Award request and submitted the packet to the CWSRF on June 25, 2015.

The City awarded the Construction contract to Pacific Hydrotech for Construction Services at the July 13, 2015 City Council meeting. A Notice to Proceed was issued on July 29, 2015. Quarterly Progress Report #6 was submitted to Ms. Bridge Chase in August 2015. Change Order #1 and #2 were in progress as noted under Item #4. The Amendment #1 was received by the State on September 11. On September 16, 2015, the City Manager approved Amendment No. 1 to the Finance Agreement and e-mailed and mailed the State Water Resources Control Board. The amendment shifted funds to soft costs from Construction. City Staff was preparing to submit Reimbursement #2 in October.

On October 26, 2015, Reimbursement #2 in the amount of \$464,437.82 was submitted electronically and via mail to CWSRF. Reimbursement #2 included Construction Invoices #1 and #2 in the reimbursable amount of \$368,073.89, The Holt Group Administration and Richards, Watson, and Gershon invoices in the amount of \$11,821.93, Lee & Ro Design Invoice for \$7,842, and The Holt Group bidding invoices in the amount of \$88,700.

Quarterly Progress Report No. 7 was submitted to Bridget Chase on November 10, 2015. On November 10, 2015, Reimbursement #3 in the amount of \$257,587 was submitted electronically and via mail to CWSRF. Reimbursement #3 included Construction Invoice #3 in the reimbursable amount of \$191,204, The Holt Group Procurement invoices in the amount of \$55,900, and Administration invoices in the amount of \$10,483. Reimbursement #4 in the amount of \$367,787 was submitted electronically and via mail to CWSRF on December 16, 2015. Reimbursement #4 included Pacific Hydrotech Construction Invoice #4 in the reimbursable amount of \$258,479 and Lee & Ro Engineering Construction support invoices #1-4 in the amount of \$109,308.

The quarterly construction progress report was submitted to the State on November 11, 2015. The City received Reimbursement #2 from the State in the amount of \$464,437 on November 25, 2015, and Reimbursement #3 from the State in the amount of \$257,587 on December 18, 2015.

*Reimbursement Request #5 in the amount of \$209,457 was submitted electronically and via mail to CWSRF on January 19, 2016. Reimbursement Request #5 included Pacific Hydrotech Invoice #5 in the reimbursable amount of \$209,457. The City received Reimbursement #4 from the State in the amount of \$367,787 on January 20, 2016.*

*Quarterly Progress Report No. 8 was submitted on February 2, 2016, and covered the periods of 11/1/2015 through 12/31/2015. The report was prepared in advance to cover for Calendar Year reporting beginning in 2016. The next report would be completed in early April and cover January – March 2016. Additionally reimbursement #6 in the amount of \$224,605 was submitted on February 17, 2016. Reimbursement #6 included Pacific Hydrotech Invoice #6 and one (1) Lee and Ro invoice and reimbursement was received on March 14<sup>th</sup>.*

*The City received Reimbursement #6 from the State in the amount of \$224,605 on March 2, 2016. Reimbursement Request #7 in the amount of \$294,324 was submitted on March 16, 2016. The request included a Pacific Hydrotech Construction invoice in the amount of \$270,237 and a Lee & Ro Construction Management invoice in the amount of \$24,087.*

4. **Alamo River Habitat Conservation Project - Department of Parks and Recreation Habitat Conservation Fund Program Grant Application (\$193,700.00)**- On September 26, 2011, City Council approved resolution 11-32, allowing City Staff to prepare an Application for the Department of Parks and Recreation Habitat Conservation Fund Program for improvements to the Alamo River area surrounding the SR 115 overpass. The State had a call for projects under the Habitat Conservation Fund Program

for Trails with a statewide budget of \$2,000,000 per year and would award grants on a competitive basis for projects that protected, restored, enhanced wildlife habitat, and acquired or developed trails which would bring urban residents into Park and/or wildlife areas. The proposed project would incorporate landscaping and buffers to protect wildlife from human intrusion, and to protect trail users.

THG Staff prepared the application and all required attachments in coordination with City Staff. The application was submitted to the State on September 29, 2011. A letter dated October 14, 2011 was received by the City acknowledging that the State had received an application from the City and that no further action was needed at that time. A letter dated February 1, 2012 was received from the State indicating that there were three items needing clarification: 1) The non-construction (or pre-construction) costs in the Cost Estimate/Grant Scope Form exceed 25% of the grant and match amounts, 2) The CEQA Certification Form required the Authorized Representative's signature, and 3) the Topographic Map appeared to be complete except that the project elements as described in the grant scope should also be included. On February 15, 2012, a response with information requested on all three items was submitted to the State and cleared.

A site visit was held between the City Planner, a project engineer, and the Department of Parks and Recreation Staff on May 18, 2012 to view the project site. Habitat vegetation data and concepts on proposed links to Class I Bike Lane and Alamo River Recreational Trail were presented at the visit. A coyote was viewed at the trail and Mr. Pete Millinger happened to be on the site that day feeding raccoons. Overall, the visit went well and it was communicated by the State representative that a determination on funding would be anticipated July 2012. The City received a grant award notice dated September 18, 2012 indicating that the City was awarded \$193,700 in grant funds for the project.

Project design commenced in October 2012 and plans were 95% complete. The City received a letter dated November 6, 2012 that included the fully executed Grant Contract and also requested that a deed restriction be recorded on the title to the subject property. Project Design was 100% complete. On March 6, 2013, City Council was presented with options to meet the State's requirements on land control. One option was for the property to be transferred from the Successor Agency to the Holtville Redevelopment Agency to the City of Holtville and the second option was for a Land Tenure Agreement to be put in place between the Successor Agency and the City of Holtville. City Council provided directive to the legal department to move forward with the transfer of the property. A reimbursement would not be submitted until land tenure issues were addressed.

The project was advertised for bid in April 17<sup>th</sup> & April 24<sup>th</sup> and bids opened on May 21<sup>st</sup>. The bids came in too high with the lowest bidder coming in at \$239,977. A letter was issued to bidders rejecting the bids received and the project scope was modified to reduce some of the areas that exceeded budget. It was communicated by the City Attorney that he was working with the City Finance Manager on completing a report to the Department of Finance for approval of the transfer of the subject property from the Successor Agency to the City of Holtville.

Follow up was made with the City Attorney in September on the status of the transfer of the property and it was communicated that he was in the process of working with the City Manager on a list of properties to be transferred from the Redevelopment Successor Agency to the City of Holtville for submittal to the Finance Board. The project was re-advertised for bid and a total of two bids were received from Hazard Construction (\$149,607) and Pyramid Construction (\$133,944). The City awarded the construction contract at the October 14<sup>th</sup> City Council meeting to Pyramid Construction.

Follow up was made with the City Attorney during the fourth quarter and it was communicated that the transfer of the property to the City of Holtville was still in process. City Management communicated that on November 22<sup>nd</sup> the City submitted a Property Management Plan to the Department of Finance communicating the disposition

of the properties currently owned by RDA and how those properties would be handled by the City, including the Alamo River property.

A Notice of Completion was filed on December 19, 2013. THG worked on the close-out documents and reimbursement request, however, the reimbursement request was unable to be processed by the State until the transfer of the property to the City of Holtville was complete and a deed restriction is recorded.

After tallying all project invoices incurred to date, it was determined that there was a small amount of grant funds still available. A concrete drinking fountain and three trash receptacles were purchased by the City. THG submitted the First Reimbursement request on March 10<sup>th</sup>. It was communicated by the State that reimbursement requests could not be processed until the transfer of the property to the City of Holtville was complete and a deed restriction was recorded. City Management continued to handle this with assistance from the City Attorney.

The final invoice and close-out packet was submitted to the State in July. Please note that the final invoice was not be reimbursed until the transfer of the property to the City of Holtville was complete and a deed restriction was recorded. The transfer was still pending as of June 30<sup>th</sup>. City Management continues to handle this with assistance from the City Attorney. The City paid the final July invoice in September, thus allowing submission for final reimbursement to the State along with the Close-Out Packet. A Close-Out packet was officially submitted to the State on September 30, 2014.

A total of \$193,000 was pending reimbursement from the State as of December 30th. The City cannot be reimbursed until the transfer of the property from RDA to the City of Holtville is complete and a deed restriction is recorded. The transfer was still pending as of September 30<sup>th</sup>. City Management will continue to handle this with assistance from the City Attorney. A reminder email was sent to City Management/City Attorney on December 22<sup>nd</sup>, 2014 and staff forwarded a status update to the State in early January.

On February 25, 2015, a HCF Status Report was submitted to the Office of Grants and Local Services reporting that 100% of the project was completed as of September 2014, with total grant funds in the amount of \$193,700.00, and that the project was within budget and scope. The deed transfer was still pending. City Manager Wells indicated in January that the Department of Finance was reviewing the City submittals. As of June 30, 2015, there were no updates to be made.

As of September 30, 2015, there were no updates on grant progress, however, at the request of the City Manager, The Holt Group prepared Redevelopment Agency Land Profiles for submission to the Department of Finance in support of the land transfer.

City Manager Nick Wells continued to work on Supplemental information for all the properties during the month of December with a successful outcome for the Habitat Conservation Fund project area. Subsequently, the City Planner forwarded restrictive language to be used for the Grant Deeds in compliance with the State requirements. As soon as the Deeds are filed by the City Attorney, a copy would be sent to the State and the funds may be drawn.

***The City Planner followed up with Steve Walker on January to provide Deed restriction language and again in February to check on status. As of March 31, 2016 the transfer and Deed Restriction were still pending. The final draw, therefore, has not been able to be initiated.***

5. **4<sup>th</sup> Street Curb/Gutter/Sidewalk (Cedar to Walnut) – CMAQ Grant (\$844,000.00)** – As of January 3, 2012 this project had not been previously contemplated or designed and was being considered under the application process for CMAQ funding available for fiscal year 2011-2012. ICTC overlooked funding availability and projects had to be ready to be obligated in the fiscal year. The required application was submitted on January 5,

2012. Most of the south side of Fourth Street from Cedar Avenue to Walnut Avenue had no existing sidewalk. Shoulder was composed of dirt or native material adversely contributing to air quality standards during the peak season of the packing sheds.

It was recommended to not submit the CMAQ application for funding available for fiscal year 2011-2012 due to the estimated project costs and the few funding available for the following fiscal year. ICTC announced a CMAQ call for projects on February 27, 2012 for fiscal years 2012-2013 to 2015-2016 with applications due no later than April 13, 2012. It was reasoned that the Fourth Street Sidewalks project had a better opportunity of receiving funding if an application was submitted for this round of CMAQ. It was determined that the project had to be divided into two phases to increase the opportunities of getting funding with a total estimated cost of \$844,000.00. Holtville City Council approved on April 9, 2012 the submittal of the application for the Fourth Street Sidewalks project. A minimum local match of 11.47% estimated in the amount of \$96,000.00 combined was required.

The complete CMAQ Application (10 hard copies) and emission calculations were submitted on April 13, 2012. On April 30, 2012, the City was informed that \$755,000 had been secured for the fourth street project. The funds were not programmed as June 30, 2012. Design funds would be available on FY 12-13 and construction funds were anticipated to be available on FY 13-14.

THG gathered all pertinent information to authorize the design phase. Communication was received on October 15, 2012 from Caltrans stating that the City was in non-conformance with OMB Circular A-133 Single Audit Requirements as the FY 10/11 Single Audit was still pending. As a result, Caltrans suspended new federal authorizations for the City of Holtville until the single audit reporting was met.

The FY 10/11 Single Audit was completed and submitted to Caltrans on November 15<sup>th</sup> for compliance with OMB Circular. THG completed the Request for Authorization for Preliminary Engineering and submitted the packet to Caltrans on November 28<sup>th</sup>. Emission reductions calculations were submitted to Caltrans on January 11<sup>th</sup>. The State Controller's Office was not forwarded the 2010/11 Single Audit Report until January 21<sup>st</sup>, which had posed some delay. Caltrans had communicated that they would need clearance from the State Controller's Office in order to proceed with the project. Caltrans received clearance from the State Controller's Office and proceeded with the project.

It was communicated by ICTC on February 28, 2013 that due to a reduction in CMAQ funds for the 12/13 FY, the City of Holtville's funds for Preliminary Engineering would be reduced from \$56,000 to \$49,000. The City submitted a revised Exhibit 3-O Finance Letter on March 19<sup>th</sup> per Caltrans request with revised CMAQ amount. THG drafted a memo to City Management to ensure that the LTA Budget reflects these changes.

The City received a Supplemental Agreement for the Preliminary Engineering (PE) Phase of the project on May 2013. The agreement was executed and submitted to Caltrans on May 17<sup>th</sup>. It was noted that the agreement reflected the original allocation amount of \$56,000. The design was in progress and scheduled to be completed by August 2013. In the interim, a Request for Allocation of Right-of-Way Phase was needed to cover expenses associated with any utility relocation costs.

THG also identified a big discrepancy in programming of funds. The City originally requested Preliminary Engineering (PE), Right-of-Way (ROW), and Construction (CON) allocations from ICTC, but unfortunately ROW was not programmed. THG contacted ICTC in June to communicate the discrepancy and it was noted as their oversight. It was requested by ICTC that the City complete another Project Sheet for the Federal Transportation Improvement Plan (FTIP) modification. The Project Sheet intended to correct the programming omissions, and funds reduction in August, under Amendment No. 13-12.

It was subsequently communicated by ICTC staff on July 30<sup>th</sup> that a funding phase would not be added under an Administrative Modification. Thus, the 4th Street Project Programming was processed under Formal Amendment 13-13 on September 3, 2013. At the September 26<sup>th</sup> ICTC monthly meeting it was communicated that ICTC received revised CMAQ Apportionments for FY 13/14 and a reduction of \$47,000 would be applied to the project under Administrative Amendment 13-13. The City opted to reduce the project scope within the reduced budget. The Design Phase was in progress. A preliminary environmental study was completed by THG and submitted to Caltrans on June 14, 2013. Caltrans subsequently determined that a Phase I Environmental would be required. The City Manager contracted Rincon to perform these services at the cost of \$3,500.00. Rincon completed an Initial Site Assessment on November 14, 2013 that was submitted to Caltrans on November 22<sup>nd</sup> for review. The Initial Site Assessment was approved by Caltrans and a Categorical Exclusion was issued on December 4<sup>th</sup> by Caltrans.

Fourth Street is also a Class I Bike Path and as such, the sidewalk design was taken into account a future bike line. The City Manager requested keeping the same design as Grape Avenue for a shared sidewalk/bike-lane. The Design was in progress, however, there were numerous utility issues that could be affected by the Design of the ROW inclusive of future Class 1 bike-lane. The PRC met briefly to discuss the options on January 2, 2014, however, further directive was provided to staff for an aerial view of ROW and proposed improvements to be brought back to the PRC. The requested exhibit was completed by THG and delivered to the City on January 7, 2014.

It was anticipated that a Request for Authorization for Right-of-Way packet would be submitted to Caltrans on January 2014 and that all ROW issues would be cleared with utility companies by early February so that the final construction packet could be submitted to Caltrans by the March 1, 2014 deadline. Design plans were completed in March. THG submitted the Right-of-Way Certification packet to Caltrans on February 21, 2014 and right-of-way certification approval was received on March 13, 2014. The Request-for-Authorization for Construction packet was submitted to Caltrans on March 13, 2014. The City received the E-76 authorization from Caltrans on May 6<sup>th</sup>.

The second reimbursement request was submitted to Caltrans on April 10<sup>th</sup> and reimbursed May 6<sup>th</sup> for design services. Council authorized the City Engineer to advertise the bid for construction services on May 27<sup>th</sup>. Bids were due to the City on July 22<sup>nd</sup> and Council awarded the construction contract on July 28<sup>th</sup>. City management is currently in the process of procuring for construction management and Quality Assurance Program and Testing services. The City will need to have in place CM and QAP services prior to award of construction contract.

Bids were received and finalized for QAP Services, Construction Management Services and Construction Services and taken to City Council on August 13, 2014 for action. The selected firms were MTGL for QAP Services, The Holt Group for Construction Management Services, and Hazard Construction Company for Construction Services. Additionally, reimbursement #3 was submitted to Caltrans on September 15, 2014 in the amount of \$14,700.14 for the final design costs.

Reimbursement #3 was received by the City on October 8, 2014. A construction contract was not entered until November. The Award Packet was submitted to Caltrans on November 20, 2014 and a Notice to Proceed was officially issued to Hazard Construction on November 25<sup>th</sup>, 2014. Some traffic control took place in December, but the project did not officially begin construction until after the holidays.

On March 10, 2015, Construction Contract Change Order #1 was approved for Pyramid construction to authorize completion of the segment between Orange Avenue and Walnut Avenue (the initial amount was \$17,807.00, with 42 calendar days also being added as part of the change order). As quantities were expended for that last segment, additional

costs would be incurred. On March 25, 2015, Reimbursement Request #4 was submitted to Caltrans in the amount of \$219,025.12. This Reimbursement Request included Pyramid Construction Payment Requests #1 (\$93,600.65), #2 (\$9,405.00), and #3 (\$137,379.50) for Construction services, and construction engineering services.

On April 13, 2015, Caltrans communicated that Reimbursement Request #4 would not be reimbursed pending Construction Management documentation of proper procurement from management. On April 27, 2015, Reimbursement Request #4A(Progress) was submitted to Caltrans in the amount of \$212,812.97, which only included Construction services. On May 28, 2015, Reimbursement Request #5 was submitted to Caltrans in the amount of \$124,009.76. On June 12, 2015, Caltrans contacted The Holt Group to inform them that Caltrans had made a filing error and had no filed documentation of submitted Reimbursement Request #4A(Progress). To correct this, Reimbursement Request #4A and #5 were combined and would be processed as Reimbursement Request #4A(Progress) in the combined amount of \$336,822.73.

The project was completed on May 11, 2015 and a Notice of Completion was filed on June 1, 2015. A reimbursement for the final retention costs would be processed in July, however, staff will be unable to draw \$80,627 in engineering and QAP costs until the procurement issues are cleared by management.

On June 24, 2015, Reimbursement Request #5 in the amount of \$137,996.96, which only included Construction costs, was submitted to Caltrans. Reimbursement from the State was received by the City on July 29, 2015, in the same amount of \$137,996.96.

On September 2, 2015 FHWA and Caltrans held a Compliance Assessment Program review. Present at the review were representatives from FHWA, Caltrans, the City Manager, and The Holt Group staff. The review went over the process and documentation for procurement, bidding, and construction. The City was found compliant after the review and only required the submittal of a Certification and Subcontract document from the Construction Contractor for post-review follow up.

The project is in the close-out phase. The final Construction invoice resulted in the total Construction costs exceeding the federal funds allocated for Construction. City Staff was preparing a Cost Adjustment to shift unused Right of Way funds to Construction. It is anticipated that a Cost Adjustment, Close Out Packet, and Final Invoice will all be submitted in October.

A Cost Adjustment packet was submitted to Caltrans on October 9, 2015 to shift unused Right of Way funds to Construction. On November 10, 2015, the Close out packet was submitted to Caltrans. The Close out packet included Reimbursement #6/FINAL in the amount of \$114,970.35. On January 6, the City was notified of some costs deemed ineligible in the amount of \$1,443. Staff was reviewing the request before determining required modifications.

***On January 28, 2016, the City submitted a revised Cost Adjustment packet to Caltrans that was similar to the previous Cost Adjustment request in shifting unused Right of Way funds to Construction, but at the same time shifted \$1,443 CE funds as non-participating per Caltrans request. On February 16, 2016, Caltrans District 11 communicated that Caltrans had approved the Adjustment as presented and would now forward it to FHWA to coordinate their approval.***

***On March 3, 2016, the City submitted a modified Close out packet to change documentation to reflect cost adjustment. The Close out packet included Reimbursement #6A/FINAL in the amount of \$113,692. On March 21, 2016, Caltrans requested justification for unclaimed amount of \$0.03 reported on Reimbursement Request #6A/FINAL and City Staff drafted justification on invoice, submitted, and was approved by Caltrans. Since the City received final payment, this item will be removed from further reporting.***

6. **Walnut Avenue South Improvements – RSTP Grant (\$591,000.00)** – As of January 3, 2012 this project was a fully designed project under ARRA II that remained unfunded. Funding was available under RSTP for fiscal year 2012-2013. The required application had to be submitted no later than February 24, 2012. This roadway section consisted of a 3 foot wide A.C. pavement section. The length of this street section was 2,750 feet: from Fourth Street to First Street. The street segment was in poor condition and exhibited areas of street failure due to the heavy truck traffic. Proposed improvements from Fourth to First Street line consisted of cold planing (grinding) the existing A.C. pavement 2 inches in depth with the existing cracks to be crack sealed. A stress absorbing membrane interlayer (SAMI) would be placed over the existing A.C. pavement after cold planing and crack sealing were completed to impede reflective cracking through the new A.C. pavement overlay. After SAMI is placed, a new 4 inch A.C. pavement overlay would be installed along the length of Walnut Avenue. It was also proposed to widen Walnut Avenue from the current 35 feet width to 50 feet in width, its designed capacity, to align with the newly improved Walnut Avenue Street section which was located north of Fourth Street. Curb, Gutter and Sidewalk along the Westside would also be needed but not currently into the design and may be an additional \$5,000 to design to grade. Also, a new 2-inch by 6-inch treated board was installed along the pavement edge of all other areas for support. Total project costs was estimated to be \$591,000.00 and an additional \$10,000 - \$15,000 for the additional sidewalk if preferred.

An RSTP application was submitted on February 24, 2012 requesting \$591,000.00 in funding identifying the Walnut Avenue Project as second priority. ICTC announced that projects would be selected for funding by a scoring process. Each agency that had applications submitted had a representative to form part of the quorum that would be scoring the project applications. Holtville's City Manager attended the scoring process on April 12, 2012. The Walnut Avenue South Improvements project scored high enough and was awarded 82% of the funds requested in the total amount of \$498,000 to be programmed in the 15-16 fiscal year. It was requested by City Management to decrease the scope of work for the Walnut Avenue Improvements project to be within budget of the amount.

Environmental documents and a Federal ID Packet were prepared and submitted to Caltrans on April 10, 2015 with a finance number assigned on April 23, 2015. Administration staff was in the process of clearing right-of-way issues and has contacted all utility agencies. It is anticipated that a Caltrans ROW Certification would be obtained no later than August 2015. A ROW Certification packet was completed and submitted to Caltrans on July 30, 2015. The packet included documentation on all utilities in the project area from the City of Holtville, AT&T, Time Warner Cable, SoCal Gas, IID Power, and IID Water. The packet included information on utilities that would be relocated, including: 11 power poles by IID Power (at no cost to the City), and a City owned water valve which would be included as a construction bid item. IID Water initially claimed that the project would require an IID Water encroachment permit due to the project encroaching on the Pear City Ditch Canal. However, after more detailed research into the matter, it was determined the project would not encroach on IID Water facilities. Once this was cleared and a new utility claim letter was submitted by IID Water, a Right of Way certification was issued by Caltrans on September 17, 2015. An approval to advertise was planned to be presented to City Council in late October or early November, but delayed. The City Manager would need to also concurrently procure construction engineering services during the same timeframe following E-76 approval.

On November 18, 2015, the Request for Authorization to Proceed with Construction packet was submitted electronically and via mail to Caltrans. The E-76 Authorizing the City to Proceed had not been received from Caltrans as of December 2015. Caltrans had not initiated a review of the packet due to backlog.

*Caltrans reviewed the packet in January and on January 27, 2016, the E-76 Authorizing the City to Proceed with Construction was issued by District 11. The E-76 authorized a total project cost of \$562,295, with \$497,799 of federal funds. At a City Council meeting on February 8, 2016, the City Engineer was authorized to advertise for Construction services. The advertisement was published on Friday February 12<sup>th</sup> and 19<sup>th</sup> with the bid opening on March 22, 2016. A pre-bid conference was held on February 26, 2016 at Holtville City Hall. Three (3) construction bids were received from Granite Construction, Hazard Construction, and Hal Hays Construction. The lowest construction bid was received from Hal Hays Construction for \$486,684. The City Manager also procured services for construction management. Award of contracts will be considered by City Council at the April 11th meeting.*

7. **Cedar Sidewalk between 4<sup>th</sup> Street and 5<sup>th</sup> Street CMAQ Grant (\$135,000.00)**-The City Manager submitted a CMAQ project application on April 13, 2012 to replace three vehicles currently used by the Public Works and Fire Department with new CNG fuel operated vehicles. On April 30<sup>th</sup>, the City was informed that \$120,000 had been granted for the CNG vehicles, however, as a result of the Federal Highway Administration notification issued on May 1<sup>st</sup> regarding new policies on purchases of alternative fuel vehicles, the City would be unable to benefit from an adequate reimbursement. The City decided to transfer \$120,000.00 in CMAQ funds for the 15/16 FY to the Cedar Avenue Sidewalks Improvement Project via Resolution 12-46 on July 9<sup>th</sup>. Cedar Avenue lacked sidewalks and was considered as one of the more logical alternatives. The east side of Cedar Avenue was proposed to be improved with curb, gutter, and sidewalk between 4<sup>th</sup> Street and 5<sup>th</sup> Street. There was no activity to report during the third quarter due to funds being programmed until FY 15/16. No activity will be reported until FY 15/16.

Administrative Staff completed Environmental documents. On August 6<sup>th</sup>, a PES Certification Packet was submitted to Caltrans, which included the Preliminary Environmental Study and CEQA Notice of Exemption. Certification by Caltrans was received on September 15 and staff has moved forward to the Right-of-Way Certification Phase. On September 2, 2015, Initial Consultation letters with Utility Claim Forms were delivered to AT&T, IID Water and Power, City of Holtville Public Works, Time Warner Cable, and Southern California Gas Company. The Right of Way certification packet was in progress and should be submitted to Caltrans for review by the end of October 2015.

On October 13, 2015, City Staff received communication from Jason Rhines of the SoCal Gas Company that SoCal Gas possibly had facilities in the project vicinity that would be affected by the project. Mr. Rhines communicated that once design plans are complete, he would review them to make a determination on facilities affected. City Staff communicated with Jason to inform him that the SoCal Gas facilities were outside of the project scope. On October 26, 2015, AT&T and IID Power submitted executed Utility Claim forms stating that no facilities of their respective agencies would be affected by the project. On November 4, SoCal Gas and Time Warner Cable submitted executed Utility Claim forms stating that no facilities of their respective agencies would be affected.

On November 10, 2015, Right of Way Certification packet was submitted to Caltrans. Caltrans communicated to City staff that ROW Certification could not be issued until an encroachment permit was obtained. The Design firm would obtain the encroachment permit. City Management had not yet procured for the design services as of the end of 2015 but it was anticipated services will be procured in early 2016.

*The procurement data was prepared in March 2016 with the assistance of the City Engineer due to the environmental mitigation measures required to be addressed by the design team and the varying grades along the street due to the old railway. Professional services were advertised in late March and an award is anticipated to go to City Council in April.*

**8. SR 115/5<sup>th</sup> Street STIP Program Phase II Project - North side (~~\$157,320~~ \$314,626)-**

It was communicated in February by ICTC and Caltrans that new STIP funds had become available that could be used to complete the north side of the SR 115/5<sup>th</sup> Street project. Directive was provided by City management to pursue these STIP funds for a phase II project. ICTC provided directive for the submittal of Project Programming Request and an Allocation Request packet through Caltrans. The Allocation Request packet was submitted to Caltrans on March 24<sup>th</sup>.

Subsequent to the Allocation Request, City staff updated and satisfied the standard certification packets as follows: 1) Preliminary Environmental Study for Environmental Clearance and Categorical Exclusion determination; 2) a Right-of-way certification packet; and 3) an Authorization for Construction packet. A Preliminary Environmental Study (PES) was updated and re-submitted to Caltrans on March 27<sup>th</sup>. On March 28<sup>th</sup>, THG submitted Exhibit 13-A Short Form ROW Certification to Caltrans with required utility exhibits. THG was also in the process of completing the Request for Authorization for Construction packet. Environmental clearance and ROW certification were pending as of March 31<sup>st</sup>. The City received Environmental clearance on April 16<sup>th</sup> and ROW certification on April 17<sup>th</sup>. Environmental documents were also submitted directly to CTC on May 27<sup>th</sup> per Caltrans directive.

It was communicated in June by ICTC that STIP funds would not be available for the project at a local level and the project did not make it to the CTC agenda. Subsequently, ICTC communicated that there were unused CMAQ funds that would be allocated to the project for the 13/14 FY. ICTC issued a concurrence letter to Caltrans in July communicating allocation of project funds. An updated RFA for Construction packet was submitted in July reflecting new funding source. Per ICTC, the allocation by CTC was scheduled to occur in July under an administrative modification.

The City was approached by Mr. Luis Medina of Caltrans to request twice the funding based on the amount of funds that had been returned to the region from other projects that had lost their obligations. The Holt Group Submitted a revised allocation packet on July 18, 2014 with the intent of adding scope modifications at a later date, including the installation of the bus shelter as planned and designed by the City. The funds were successfully allocated and a total of \$314,625 in grant funding was issued to the City per the E-76 which authorized the City to proceed with construction. Staff's intentions are to modify the project scope to include the bus shelter with the additional funds allocated. This will entail a revalidation of the environmental documents and a recertification of the right-of-way documents. The Holt Group has already initiated these actions and clearance is anticipated by the end of October so that the bids can include the added scope of work. We anticipate bringing this project back to City Council for action no later than November.

Environmental clearance and re-validation was still pending as of the end of December. The existing location of an AT&T utility pole caused additional review by Caltrans Environmental. On December 4, 2014, Sandi Marks of AT&T submitted a Claim Form which claimed that two AT&T cable poles in the project scope required relocation with 100% of the costs charged to the City. However, it was communicated to AT&T in an e-mail on December 18, 2014 that the City has senior rights over the street and that utility relocation should be an AT&T responsibility. This required a resubmittal of the AT&T Claim Form which was approved on January 6th. These changes should enable staff to obtain ROW clearance in January.

On February 5, 2015, Chris Cortez of Time Warner Cable submitted a Claim Form which claimed that Overhead lines in the project scope required relocation, with Time Warner Cable covering 100% of the relocation costs. On February 12, 2015, Joel Perez of the Imperial Irrigation District submitted a Claim Form which claimed that IID had Overhead Power lines in the project scope which would not require relocation. With all necessary

claim forms submitted, The Holt Group completed the Right-of-Way Re-Certification packet and submitted to Caltrans on February 10<sup>th</sup>, 2015. On February 17<sup>th</sup>, 2015, Bruce Berlau, the Local Program Coordinator from Caltrans approved the right of way certification.

The project was advertised for construction services on February 25, 2015, with a bid opening of March 31<sup>st</sup>, 2015. The bid results were Pyramid Construction submitting a bid of \$228,733.25 and Granite Construction submitting a bid of \$329,309.00. Consequently, City Management issued an RFP for construction management services on March 18, 2015 and proposals are anticipated in April.

Due to unforeseen delays, the lapse of time between E-76 issuance and an initial reimbursement draw was over a six month period and placed the project at risk of de-obligation. Strategically it was determined to submit a reimbursement for the bid advertisement which is unusually and typically not authorized due to size of reimbursement, however a special concession was made by Caltrans. On March 16, 2015, Reimbursement Request #1 was submitted to Caltrans in the amount of \$1,863.68. Reimbursement Request #1 included a February 24, 2015 IV Press Advertising Invoice for construction services. Reimbursement #1, in the amount of \$1,863.68, was received by the City on April 16, 2015.

The City issued a Request for Proposal for Construction Management services on April 17, 2015 with proposals due on May 18, 2015. Two bids for Construction Management services were received on May 18, by Dynamic Consulting Engineering (\$57,165) and Development Design and Engineering (\$41,890). Due to only two (2) bids being received, which falls shorts of the required three (3), and the lack of adequate publication (web-site or newspaper), it was determined that the process did not meet the minimum requirements established by Caltrans and the City Manager has gone out to bid again.

Proposals for Construction Management services were re-submitted to the City on June 15, 2015. Four (4) firms submitted a proposal: Development Design & Engineering (\$47,335), Athalye Consulting Engineering (\$50,819.84), Dynamic Consulting Engineers (\$55,770), and Hill International (\$73,867.50), with Development Design & Engineering being the low bidder. On July 27, 2015, the City awarded the Construction contract to Pyramid Construction for Construction services in the amount of \$228,733.25 and the Construction Management contract to Development Design & Engineering for Construction Management services in the amount for \$47,335. The Pyramid Construction contract included QAP services to be performed by Kleinfelder and the Development Design & Engineering contract included QAP services to be performed by Sierra Materials Testing and Inspection. CM services exceed allowable percentage by 5.69%, and thus a special exemption was required.

An Award Packet was submitted to Caltrans on October 1<sup>st</sup>, 2015. Reimbursement Request #2, for advertisement costs in the amount of \$2,700.16, was submitted to Caltrans on October 1<sup>st</sup>, 2015, as well, since the project was at risk of de-obligation due to lapse of time between reimbursement requests.

On October 22, 2015, Anh-Vu of Caltrans communicated to City Staff that Caltrans had questions regarding increase in scope for Award Packet. Justina Arce responded via e-mail that the increase in scope was due to the addition of a bus shelter, which was previously approved by Caltrans thus clearing changes in cost.

DD&E had some difficulty obtaining a double rider permit from Caltrans and construction didn't initiate as of the end of December 2015. Pyramid Construction was still working on material submittals and construction was expected to initiate on February 1, 2016.

***Construction did not initiate in during the first quarter as previously expected. A meeting was scheduled with Caltrans on March 30, 2016 to try to resolve the ongoing issues.***

9. **RSTP 6<sup>th</sup> Street Call for Projects 2015 (\$584,000)** — The Regional Surface Transportation Program (RSTP) 2015 Call for Projects was opened on August 1<sup>st</sup>, 2015. After a review of which streets in Holtville were in need of improvements and would have a strong score in the application, it was determined by City Council, at the September 14, 2015 City Council meeting, to submit two applications for the RSTP program. The RSTP Project Application with priority #2 was for 6<sup>th</sup> Street Pavement Improvements between Holt and Melon Avenue in the grant amount of \$584,000. The applications were to be scored in October.

On October 28, 2015, a meeting was held at ICTC offices to review RSTP by all agencies and allocate funds to the projects. The City of Holtville's RSTP Project received a high score and was chosen to receive funding in Fiscal Year 16/17 strictly based on scoring. Virginia Mendoza of ICTC shared the project scores for all RSTP projects. The City of Holtville received the 3<sup>rd</sup> highest scores for the 6<sup>th</sup> Street project, out of 16 RSTP applications.

***Virginia Mendoza of ICTC reported that the projects would be submitted for approval by ICTC in the April 26, 2016 formal amendment. Planning Staff will initiate environmental and right-of-way documentation during the second quarter of 2016.***

10. **9<sup>th</sup> Street Phase III RSTP/CMAQ Call for Projects 2015 (\$559,000)** — The Regional Surface Transportation Program (RSTP) and Congestion Mitigation and Air Quality Improvement Program 2015 Call for Projects was opened on August 1<sup>st</sup>, 2015. After a review of which streets in Holtville were in need of improvements and would have a strong score in the application, it was determined by City Council, at the September 14, 2015 City Council meeting, to submit two applications for 9<sup>th</sup> Street, one under the RSTP program and one for CMAQ along with a corresponding match commitment. The RSTP Project Application with priority #1 was for 9<sup>th</sup> Street Phase III Pavement Improvements and Utility Underground from Palm to Olive Avenue in the grant amount of \$432,000. The CMAQ Application submitted for 9<sup>th</sup> Street was complimentary for Sidewalk Installation from Palm to Olive Avenues in the amount of \$127,000. Both applications were submitted on September 23, 2015. The applications were to be scored in October.

On October 22, 2015, a meeting was held at ICTC offices to review 19 CMAQ applications submitted by all agencies and allocate funds to the projects. The City of Holtville's CMAQ Sidewalk Project received a very high score and was chosen to receive funding in Fiscal Year 16/17, in the full amount requested for CMAQ funding (\$127,000). The October 22 meeting only covered CMAQ projects, and it was determined that a meeting on November 19, 2015 would allocate funds for RSTP projects as well as formally accept allocated projects.

On October 28, 2015, Virginia Mendoza of ICTC shared the project scores for all RSTP projects. The City of Holtville received the 2<sup>nd</sup> highest scores for the 9<sup>th</sup> Street project, out of 16 applications. On November 19, 2015, a meeting was held at ICTC offices to allocate funding for RSTP projects. Both of the City's applications were successful in receiving funding.

***On January 26, 2016, programming sheets were submitted to ICTC to request the combination of the RSTP and CMAQ project into one federal aid project, instead of two separate projects. Virginia Mendoza of ICTC reported that the projects would be submitted for approval by ICTC in the April 26, 2016 formal amendment. Planning Staff will initiate environmental documentation during the second quarter of 2016.***

*Since the programmed funds are for right-of-way and construction, it is essential that the City have the project designed by September 2016 in order to meet the upcoming Caltrans deadlines.*

11. ***State Water Board DWSRF Application for Water Tank & System Improvements-*** *The City of Holtville has been experiencing Trihalomethane (TTHM) violations in the Water Treatment Plant since the second quarter of 2013. The existing 2.4 MG Water Storage Tank located on 4th Street was installed in 2010 and has been experiencing some corrosion caused by a high chlorine concentration. The Holtville Water Treatment plant is unable to comply with California Division of Drinking Water (DDW) requirements without an addition to the water treatment processes. Additionally, the electrical panel requires some modifications/improvements. Funding sources to clean the tank, install a Trihalomethane Removal System (TRS), and modify/improve the electrical panel were examined and the Drinking Water State Revolving Fund was a viable option for the City.*

*At a City Council meeting on February 22, 2016, City Council adopted Resolution 16-04 and Resolution 16-06 authorizing Submission of a Financial Assistance Application and approving a Reimbursement Agreement to the State Water Resources Control Board for the Water Tank & System Improvement Project for costs incurred. The application consists of four independent packages as noted below along with their progress:*

- *General Application Packet- The General Application Packet consisted of project summaries, general budget and schedules along with managerial information and site control data. The General Packet was submitted to the State on February 23, 2016.*
- *Environmental Packet- The Environmental Packet consisted of CEQA documents, and evaluations for Federal Environmental Coordination including but not limited to Clean Air Act, Endangered Species, Environmental Justice, Flood Plain Management, National Historic Preservation Act, Migratory Bird Treaty Act, Protected Wetlands, and Clean Water Act, along with their respective back-up and/or calculations. A Sacred Lands Request was submitted to the Native American Heritage Commission on January 26, 2016, and a response of no sacred lands was received on January 29, 2016, along with a list of Tribal Representatives to be contacted about the project. An Initial Tribal Consultation was delivered to these Tribal Representatives on February 1, 2016, with information on the project and an invitation to comment on behalf of their respective tribe. The Environmental Packet was submitted to the State on March 7, 2016.*
- *Technical Packet- The Technical Packet consists of several technical forms, water conservation documentation and water management procedures. Also required was the preparation of a Preliminary Engineering Report (including Maps of existing and proposed improvements, detailed estimates, detailed project schedule and compliance information). Under the Technical & Managerial Form the following back-up was required: Water System & Service Area Map, Operator Certifications, Water Conservation Efforts, Water Supply commitments, Identification of Potential Contaminants, Water Plans, Operations Plan, Training Plan, Emergency Response Plan and Management Policies, including a Financial Policy. Due to the absence of a Financial Policy a sample was drafted for management review. Additionally, City Management had to develop a 5 year CIP Program to be used for Projections and include a discussion on proposed Rate Increase (dependent on rate study) and Prop 218 compliance procedures. This packet was 90% complete as of March 31, 2016. The 5 Year CIP and Financial Policy are pending review and*

*approval by the City Manager and the Bid Packet is pending completion by the City Engineer.*

- *Financial Packet-The Financial Packet consists of information associated with the water rates and revenue and expenditure projections including existing debt and reserves. This packet will be contingent upon a rate study. Once the study is initiated by the City Manager and adopted by City Council, it may be necessary for City Council to pledge revenues to any potential new debt not covered by the DWSRF grant. It is anticipated that this packet will not be completed until May 2016.*

12. **United States Bureau of Reclamation Holtville Wetlands Grant (\$3,000,000)-** *The Holtville-Alamo River Wetlands Project (Project) has been a long-time collaboration among the City of Holtville, the Imperial Irrigation District (IID), the County of Imperial, the Salton Sea Authority (SSA), the local wildlife conservation group Desert Wildlife Unlimited (501.3c), and Reclamation. In the early 2000's, Reclamation deeded 15 acres to the City of Holtville, IID deeded 16 acres, and the City of Holtville added the remaining acres for the 57.71 acre Project site. All engineering, environmental analysis, permitting, and other work was completed by 2006 in anticipation of construction funding, which did not come to fruition with the nation's economic downturn.*

*In February 2016, the City of Holtville was apprised of a potential funding opportunity and on March 2<sup>nd</sup> a Stakeholder meeting was held at Holtville City Hall with IID, Wildlife Unlimited, Ms. Valerie Simon, BOR Staff/Salton Sea Manager. Subsequently the team worked together to put in a proposal for full allocation of the grant funds. On March 23<sup>rd</sup>, Ms. Simon informed the project team that the project met the criteria as a non-competitive grant and a fully executed contract is anticipated by June of 2016.*

Should you have any questions and/or concerns regarding the information in this report, please feel free to contact me at (760) 337-3883.