

AGENDA
REGULAR MEETING OF THE HOLTVILLE PLANNING COMMISSION
CIVIC CENTER – 121 WEST 5TH STREET
Monday, July 20, 2015 – 6:00 p.m.

Chairperson: Ross Daniels
Vice Chairperson: Georgina Camacho
Planning Commission Members:
John Britschgi, Matt Turner, Grecia Meza

Legal Counsel: Steve Walker
Interim Secretary: Denise Garcia
Executive Officer: Nick Wells
Ex Officio Member: Richard Layton

1. **Meeting Convenes**
2. **Pledge of Allegiance**
3. **Commission Secretary Re: Verification of Posting of Agenda**
4. **Approval of Minutes:** Regular Minutes of March 16, 2015
5. **Public Comments:** This is the time for the public to address the Planning Commission on any item not appearing on the agenda that is within the subject matter jurisdiction of the Planning Commission. The Chairman reserves the right to limit the time. The Chairman 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.
6. **Unfinished Business:**
None
7. **New Business:**
 - a. **PUBLIC Hearing/Discussion/Related Action to Adopt RESOLUTION 15-02**
Approving a Parking Exemption and Design for the Humble Farmer Brewery at 438 Walnut Avenue – Justina Arce, City Planner
 - b. **PUBLIC HEARING/Discussion/Related Action to Adopt RESOLUTION 15-03**
Approving a Variance from Setback Standards for 860 Fig Avenue – Justina Arce, City Planner
8. **Reports from Planning Commissioners**
9. **Reports from City Officers**
 - a. **Executive Officer Report**
 - b. **City Attorney Report**
 - c. **Quarterly Planning Report**
 - d. **Quarterly Grant Report**
10. **Information Only:**
None

Adjournment:

I, Denise Garcia, Interim Secretary of the Planning Commission of the City of Holtville, California, **DO HEREBY CERTIFY** that the foregoing agenda was duly posted at Holtville City Hall on July 17, 2015.

NOTICE

In compliance with the American Disabilities Act (ADA), the City of Holtville will make reasonable efforts to accommodate persons with qualified disabilities. If you require special assistance, please contact the City Clerk's office at 760-356-3013 at least 48 hours in advance of the meeting.

Any writings or documents provided to a majority of the Holtville City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's office located at City Hall, 121 W. 5th St, during normal business hours.

4

MEETING DATE:	7-20-15
APPROVED FOR AGENDA	
CITY MANAGER	
FINANCE MANAGER	
CITY ATTORNEY	

**THE MINUTES OF THE REGULAR MEETING OF
THE HOLTVILLE PLANNING COMMISSION
March 16, 2015**

The regular meeting of the Holtville Planning Commission was held on Monday, March 16, 2015 at 6:00 p.m. in the Civic Center. Commissioners present were John Britschgi, Matt Turner, Grecia Meza, and Georgina Camacho. Chairperson Ross Daniels was absent. Staff members present were Nick Wells and Denise Garcia. City Planner Justina Arce, City Attorney Mitch Driskill were also present.

PLANNING COMMISSION OPEN SESSION MEETING CALLED TO ORDER:

Vice Chairperson Camacho called the meeting to order at 6:06 p.m.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Ms. Camacho.

VERIFICATION OF POSTING OF AGENDA:

Denise Garcia, Interim Secretary verified that the agenda was duly posted at City Hall on March 13, 2015.

APPROVAL OF MINUTES

A motion was made by Mr. Turner and seconded by Mr. Britschgi to approve the Regular Minutes of December 15, 2014. The motion carried in the form of a roll call vote.

- AYES: Turner, Camacho, Britschgi
- NOES: None
- ABSENT: Daniels
- ABSTAIN: None

PUBLIC COMMENTS:

Arnold Lovio distributed flyers on the anticipated luxury apartments to be built near Melon and 9th Street.

REPORTS OF CITY OFFICERS

City Planner

Ms. Arce provided the Commission with an overview of the Quarterly Planning Staff & Grant Reports.

REPORTS OF PLANNING COMMISSIONERS

Ms. Camacho reported that she will be attending the PopWarner/Domestic Violence 5K Run organized by Betty Predmore. She also requested more attention be placed on the traffic concerns in the area of 7th Street, specifically Fig and Beale Streets.

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Swearing in of Newly Appointed Planning Commissioner, Grecia Meza – Denise Garcia, Interim Secretary

Grecia Meza was sworn in by the Interim Secretary as a new Planning Commissioner filling the vacant spot left by former Commissioner Jerry Brittsan.

PUBLIC HEARING –Discussion/Related Action to adopt RESOLUTION #15-01 Recommending a Service Area Plan Prepared by Mooney Planning Collaborative for Adoption by the City Council – Nick Wells, Executive Officer

Mr. Brian Mooney, of Mooney Planning Collaborative, presented a slide presentation. A motion was made by Mr. Turner and seconded by Mr. Britschgi to approve Resolution 15-01 recommending a Service Area Plan prepared by Mooney Planning Collaborative for Adoption by the City Council. All members present were in favor and the motion carried in the form of a roll call vote.

AYES: Turner, Camacho, Britschgi, Meza

NOES: None

ABSENT: Daniels

ABSTAIN: None

ADJOURNMENT: Vice Chairperson Camacho adjourned the meeting at 6:42 p.m.

Georgina Camacho, Vice Chairperson

Denise Garcia, Interim Secretary

7a



MEETING DATE:	7-20-15
APPROVED FOR AGENDA	
CITY MANAGER	_____
FINANCE MANAGER	_____
CITY ATTORNEY	_____

pc staff report

Report #1

To: Nicholas Wells, City Manager
Planning Commission

From: Justina G. Arce, City Planner

Date: July 20, 2015

Project: **Humble Farmer Brewery, 438 Walnut Avenue (APN 045-294-009)**
Design Review & Parking Exemption

Summary:

Applicant:	Dan Williams (dba Humble Farmer Brewery)
Project Location:	438 Walnut Avenue (See Exhibit A-Project Vicinity)
Pending Action:	Design Review & Parking Exemption Approval via Resolution 15-02
Zoning:	(D-B) Downtown-B Zone
General Plan:	(RC) Mixed Use
Environmental:	Exempt per Section 15301 Existing Facilities

INTENT AND PURPOSE

The purpose of the Design Review is to provide a process under which to promote the orderly and harmonious growth of the downtown and central business district within the desired character, and to ensure physical and functional compatibility between uses. The City Manager determines when projects might necessitate Project Review Committee review (typically those requiring ultimate City Council action or new development). The Planning Commission approves, conditionally approves, or denies the proposed design concept and parking exceptions. The Project Review Committee did not convene for this project. The Planning Commission is the final authority on Design Review determinations and/or parking exemptions. The purpose of this staff report is to present the proposed project and seek a determination on design and parking exemption.

INTRODUCTION AND BACKGROUND

The Humble Farmer Brewery is proposed to be located at 438 Walnut Avenue (south of Del Sol Market). On July 2, 2015, Dan Williams, Applicant dba Humble Farmer Brewery, submitted a site plan review application that was deemed complete. The site is within the Downtown B Zone and subject to the Downtown Code. A Design Review Application request was forwarded to Mr. Dan Williams on July 7, 2015 as required by the Downtown Code, for the proposed improvements at the existing building that would necessitate a parking exemption. The improvements are intended to accommodate a brewery tasting room and pub proposed to be open to the public.

ISSUES FOR DISCUSSION AND REVIEW

Land Use & Zoning- The proposed land use consists of a 526 SF Tap Room that would be open to the public in addition to cold rooms and brewing areas not open to the public. The proposed land use, as a primary commercial service facility with on-site alcohol sales, is allowed by right in the Downtown B Zone, subject to an ABC License. The proposed land uses result on an off-site parking demand of seven (7) spaces (1 space/400SF), however, Section 17.41.090 of the Downtown Code allows for parking exemptions for certain uses, including commercial recreation and entertainment facilities, at the discretion of the Planning Commission.

Proposed Improvements- The proposed project would involve the addition of a patio to an existing building and on-site customer parking facilities (See **Exhibit B-Site Plan**). The existing primary building has a total area of 2,100 SF. There is a second existing storage facility that measures 450 SF. The proposed addition involves the new construction of a 270 SF patio area and rear parking lot improvements consisting of three (3) on-site parking spaces (to be accessed by the alleyway) and one (1) ADA parking, proposed to be accessed from Walnut Avenue as depicted on the site plan.

DESIGN REVIEW FINDINGS

- **Site Layout and Orientation-** The proposed layout accommodates an existing building that proposes restricted parking in the front yard (one ADA stall). Although not consistent with the Downtown Code, the conditions are pre-existing. No additional requirements were noted regarding site layout and building orientation.
- **Building Height, Form and Mass-** The proposed patio, including the existing building, is recessed, and adds to the design as illustrated in the elevation drawing (**Exhibit C-Elevation**). Some container plants along the front façade also add to pedestrian appeal. No additional requirements were noted.
- **Architectural Style & Colors-** New development should enhance the existing character of Downtown Business District with historical elements. Projects should be designed using a limited assortment of materials, textures, and colors. The proposed project intends to use neutral colors consistent with the standards. The porch is proposed to be wood and wrought iron/rustic style. No additional requirements noted.
- **Lighting-** The Applicant has no decorative lighting proposed, just existing security lighting around building and in parking lot area. The Planning Commission may choose to require gooseneck lighting along the front façade.
- **Signs-** No signage is being proposed at this time. The Applicant will be advised that a sign permit and formal review and approval is required.
- **Refuse, Storage, and Fencing-** The Applicant is proposing a trash enclosure with 6-foot high masonry walls, consistent with the Code. No additional recommendations were noted.
- **Parking, Traffic & Safety –** There is currently insufficient parking. The parking demand is calculated at seven (7) spaces and only four (4) are accommodated. The

alleyway is the primary access for the on-site rear parking facility and it is currently an unimproved alleyway. As it relates to traffic, it is not expected that the proposed project will generate significant traffic. The Planning Commission will need to consider an exemption from the required parking per Section 17.41.090 of the Holtville Municipal Code.

- **Consistency with General Plan and Downtown Code-** The proposed project is generally consistent with the Downtown Code. As it relates to the General Plan, the project is also consistent. Per Land Use Goal 3 of the General Plan, Downtown Redevelopment is encouraged. Policy 3.1 further states to "encourage land uses that support and generate retail sales in the downtown." It is anticipated that the proposed project will generate retail sales. No additional recommendations were noted.

Public Review- All parking exemptions considered under a design review require a Public Hearing and notice to all property owners within 300'. A Notice of Public Hearing for the proposed exemption was posted at City Hall on July 8, 2015 by the City Clerk. The Notice of Public Hearing was also mailed to all property owners of record owning property within 300-feet of the proposed project site on July 10, 2015.

Environmental Review- The proposed project was reviewed for consistency with the California Environmental Quality Act (CEQA) and it was determined that the project was exempt from CEQA. The project is exempt per Section 15301- Existing Facilities.

PENDING ACTION

The following findings must further be made by the Planning Commission in accordance with adopted procedures of the Downtown Code, consistent with section 17.63.070:

1. The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, the Downtown Vision Plan, improvement standards, and other applicable standards and regulations adopted by the City.

The proposed project is consistent with the objectives of the General Plan, specifically, Policy 3.1: Encourage land uses that support and generate retail sales in the downtown. It is anticipated that the proposed project will generate retail sales.

2. The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.

The alleyway is the primary access for the on-site rear parking facility and it is currently an unimproved alleyway. As it relates to traffic, it is not expected that the proposed project will generate significant traffic or cause conflict.

3. The site layout (orientation and placement of buildings and parking areas), as well as landscaping, lighting, and other development features are generally compatible with and compliment the existing surrounding environment and ultimate character of the General Plan and where there are deficiencies Conditions of Approval have been incorporated.

The proposed patio, including the existing building, is recessed, and adds to the design. The proposed layout accommodates parking in the front yard (of one ADA stall), which is discouraged in Downtown zones. Although not consistent with the Downtown Code, the conditions are pre-existing.

4. The proposed development generally complies with the regulations of the Downtown Code, promotes the spirit of the City's downtown by integrating public and private built environment and compliments the architectural quality of the downtown.

The proposed project is generally consistent with the Downtown architectural quality.

5. The proposed land use may be eligible for a parking exemption if it would facilitate commercial activities, and would not negatively impact the parking supply in the downtown zone.

The parking demand of the proposed use is calculated at seven (7) spaces, and only four (4) are accommodated. The proposed development will be a retail commercial use, and there is sufficient off-site parking nearby; thus, no negative impacts are anticipated from the issuance of a parking exemption.

Upon receiving testimonies for and against the project during the public hearing, and unless there is significant testimony to the contrary, Staff recommends that the Planning Commission adopt the Resolution 15-02, attached as Exhibit D APPROVING the design and parking exemption for Humble Farmer Brewery based on the above referenced findings with or without modifications as deemed appropriate by the Planning Commission.

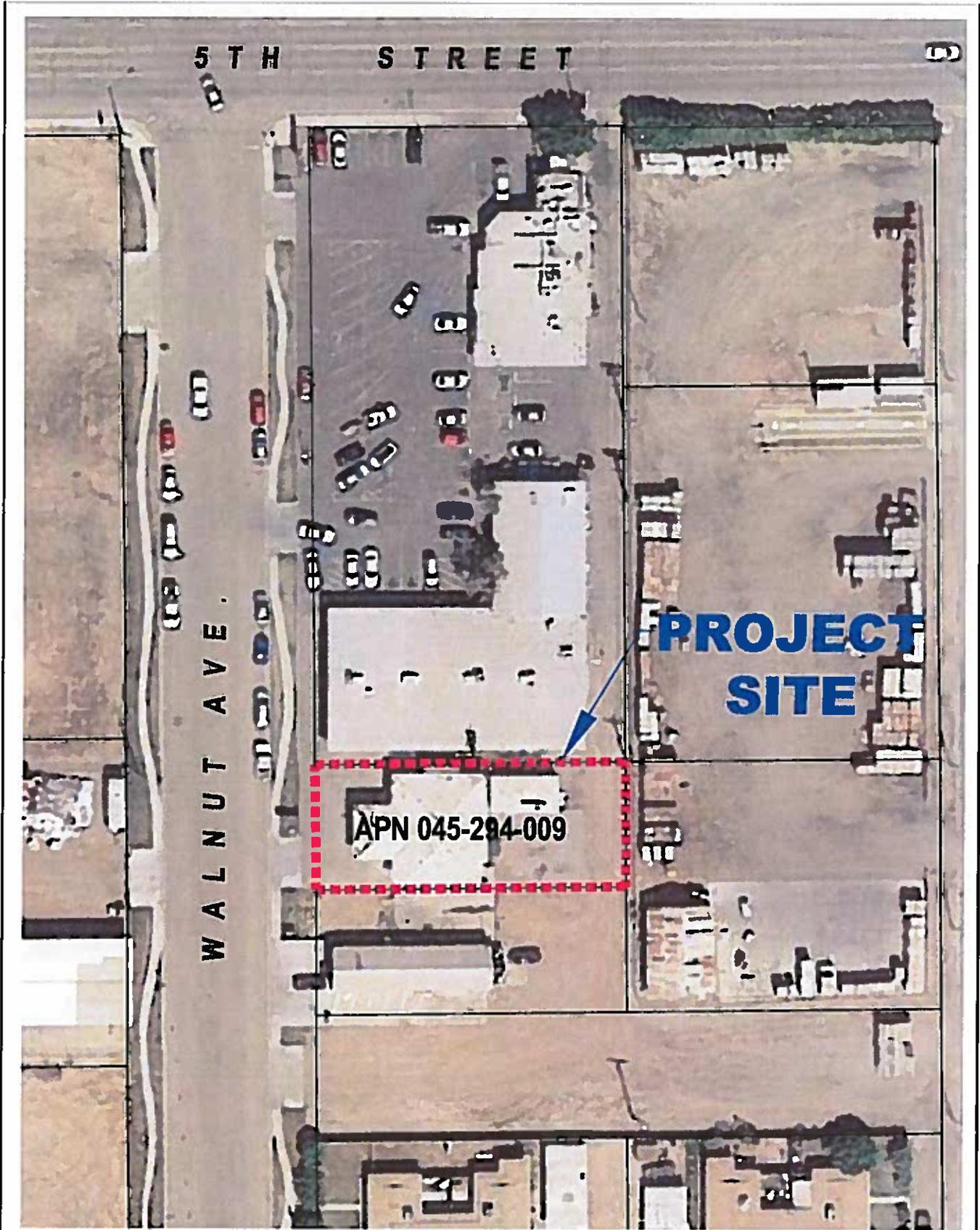
Should you have any questions and/or concerns regarding the information in this report, or would like additional information, please feel free to contact me at (760) 337-3883 or Justina@theholtgroup.net.

Attachments

Exhibit A- Vicinity Map
Exhibit B- Site Plan
Exhibit C- Elevation
Exhibit D- Resolution 15-02

cc: Project Review Committee
Dan Williams, Humble Farmer Brewery

EXHIBIT A



The Holt Group, Inc.
ENGINEERING · PLANNING · SURVEYING

1601 N. Imperial Ave. El Centro, California 92243 (760)337-3883



NOT TO SCALE

438 WALNUT AVENUE
HOLTVILLE, CA 92250

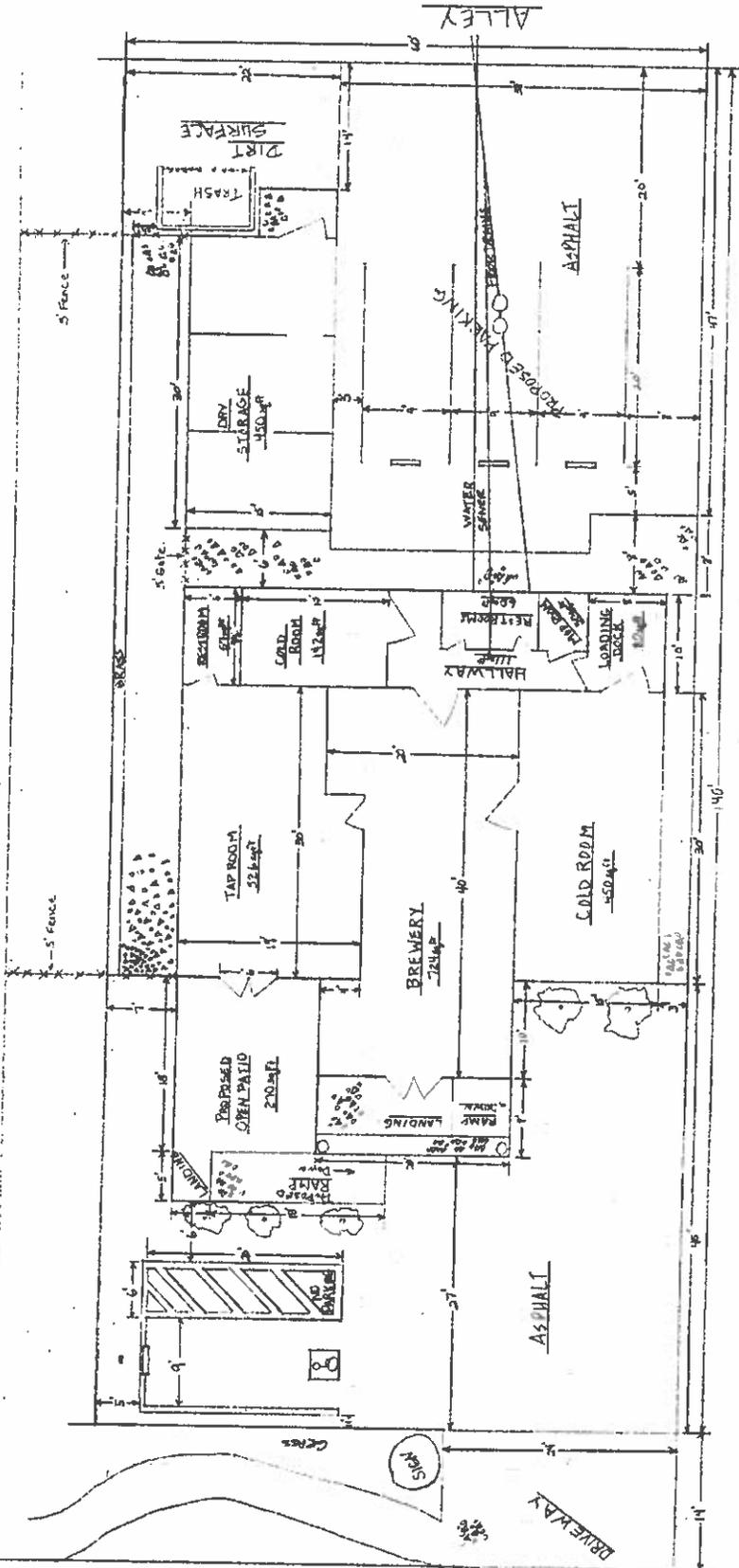
VICINITY MAP

Project No. 116.047

Date 07-10-2015

EXHIBIT B

APN: 045-294-009
 498 WALNUT AVE.
 HOLTVILLE, CA. 92250



Total Area = 2,550 SF
 1 parking sp. per 400 SF
 $2,550 / 400 = 6.375$
 7 parking sp. required

HUMBLE FARMER BREWING CO. INC.

DATE SUBMITTED: 07/13/2015

Scale: 1/8" = 1'-0"
 ELEVATION: 18' ASHLE ASPHALT

WALNUT AVE

EXHIBIT C



scale
1/8" = 1'

Humble Farmer Breeding Co., Inc.

DATE SUBMITTED: 07/13/2015

EXHIBIT D

RESOLUTION NO. PC 15-02

**A RESOLUTION OF THE HOLTVILLE PLANNING COMMISSION
APPROVING A PARKING EXEMPTION FOR HUMBLE FARMER BREWERY
TO BE LOCATED AT 438 WALNUT AVENUE (APN 045-294-009)**

WHEREAS, Mr. Dan Williams, dba Humble Farmer Brewery, has duly initiated a request for Parking Exemption under Design Review of a new microbrewery facility to be located at 438 Walnut Avenue in the City of Holtville within the Downtown B Zone; and

WHEREAS, all new development within the Downtown B Zone is subject to design review pursuant to Chapter 17.63 of the Holtville Municipal Code; and

WHEREAS, the Holtville Planning Commission has reviewed a proposed Site Plan, Elevations, and parking areas as submitted by the Applicant; and

WHEREAS, the project does not meet the parking requirements pursuant to Section 17.41.090 of the Holtville Municipal Code; and

WHEREAS, retail commercial land uses in the Downtown B Zone may be eligible for parking exemptions, granted at the discretion of the Planning Commission, pursuant to Section 17.41.090.C of the Holtville Municipal Code; and

WHEREAS, the Planning Commission has taken into consideration recommendations provided by staff and the Project Review Committee and found the proposed improvements to be generally in conformance with the adopted Downtown Code; and

WHEREAS, the project is exempt from CEQA per Section 15301, Existing Facilities; and

WHEREAS, a public hearing for the proposed project was posted on July 8, 2015, and the notice was distributed to all property owners within 300 feet of the proposed project on July 10, 2015; and

WHEREAS, the public hearing was held on July 20, 2015, by the Holtville Planning Commission and upon hearing and considering all testimony and arguments, for and against, and analyzing the information submitted by staff and considering any written comments received regarding the proposed project the Planning Commission took action:

NOW THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Holtville as follows:

- A) That the foregoing recitations are true and correct; and

B) The project has been reviewed in accordance with the requirements set forth by the City of Holtville for implementation of the California Environmental Quality Act; and

C) That based on the evidence presented at the public hearing, the Planning Commission hereby **APPROVES** a parking exemption for the Humble Farmer Brewery retail commercial facility to be located at 438 Walnut Avenue, subject to the following findings and consistent with Section 17.63.070 of HMC:

1. The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, the Downtown Vision Plan, improvement standards, and other applicable standards and regulations adopted by the City.

The proposed project is consistent with the objectives of the General Plan, specifically, Policy 3.1: Encourage land uses that support and generate retail sales in the downtown. It is anticipated that the proposed project will generate retail sales.

2. The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.

The alleyway is the primary access for the on-site rear parking facility and it is currently an unimproved alleyway. As it relates to traffic, it is not expected that the proposed project will generate significant traffic or cause conflict.

3. The site layout, (orientation and placement of buildings and parking areas) as well as landscaping, lighting, and other development features are generally compatible with and compliment the existing surrounding environment and ultimate character of the General Plan and where there are deficiencies Conditions of Approval have been incorporated.

The proposed patio, including the existing building, is recessed, and adds to the design. The proposed layout accommodates parking in the front yard (of one ADA stall), which is discouraged in Downtown zones. Although not consistent with the Downtown Code, the conditions are pre-existing.

4. That the proposed development complies with the regulations of the Downtown Code, promotes the spirit of Downtown by integrating the fabric of its public and private built environment and compliments the architectural quality of the Downtown.

The proposed project is generally consistent with the Downtown architectural quality.

5. The proposed land use may be eligible for a parking exemption if it would facilitate commercial activities, and would not negatively impact the parking supply in the downtown zone.

The parking demand of the proposed use is calculated at seven (7) spaces, and only four (4) are accommodated. The proposed development will be a retail commercial use, and there is sufficient off-site parking nearby; thus, no negative impacts are anticipated from the issuance of a parking exemption.

PASSED, ADOPTED AND APPROVED by the Planning Commission of the City of Holtville, this 20th day of July 2015.

Ross Daniels, Commission Chairperson

I, Denise Garcia, Planning Commission Secretary of the City of Holtville, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the Planning Commission of said City of Holtville at a meeting thereof held on the 20th day of July 2015 and that the same was adopted by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Commission Secretary



76

MEETING DATE:	7-20-15
APPROVED FOR AGENDA	
CITY MANAGER	_____
FINANCE MANAGER	_____
CITY ATTORNEY	_____

pc staff report

Report #1

To: Nicholas Wells, City Manager
Planning Commission

From: Justina G. Arce, City Planner

Date: July 20, 2015

Project: 860 Fig Avenue Variance Consideration from Set-Back Requirements

Summary:

Applicant:	Ruben Rangel
Project Location:	860 Fig Avenue (APN 045-143-014) (See Exhibit A-Vicinity Map)
Pending Action:	Approval of Resolution 15-03
Zoning:	R-2 Two Family Residential Zone
General Plan:	LDR Low Density Residential
Environmental:	Exempt Per Section 15305, Minor Alteration In Land Use Limitations

INTRODUCTION

The subject property has a history of non-conforming construction. The City and property owner first became aware of the issues in 2012, when then property owner Mr. Javier Fregoso wanted a permit to reconstruct a carport after a storm resulted in a tree causing major damage to the existing structure. It was determined at that time that the carport encroached onto private property and was not permitted for reconstruction. The property was subsequently sold to Mr. Ruben Rangel, apparently without proper disclosure of the existing conditions.

Mr. Rangel was advised of the existing conditions by the City Planning Department on June 4, 2015, after the City reviewed their building permit application and site plan for the reconstruction of a garage. In order to resolve the compliance issues, the applicant proposed to reconstruct a carport strictly within the property boundaries, but in order to meet acceptable carport width requirements, the set-back would be encroached upon by 4 feet. The subject matter of this report is to request the consideration of the Planning Commission for the issuance of a formal variance, after holding a duly noticed Public Hearing.

ISSUES FOR DISCUSSION AND REVIEW

Existing Conditions – The residential property has a non-habitable structure that is currently encroaching into the southern property by 4.5 feet. Additionally, the City's Zoning Ordinance, properties located in the R-2 Two Family Residential zone require a minimum 5-foot side yard setback from property line, thus 9.5 feet of structure extend beyond the limit. The current property owner would like to correct this encroachment by demolishing the garage and constructing a carport/patio within property limits but only at a 1-FT side yard set-back (Please see existing and proposed **Site Plan Exhibit B-1 and B-2**) enabling a 12-FT wide carport.

Variance - In order for the property to meet the side yard setback requirements it would be required that the structure NOT accommodate a carport/garage on the property. There is further no alleyway to enable access from the rear of the lot for a rear carport. Compliance with the side yard requirements to the south would deprive the property owner from accommodating a carport, but not as a result of lot size but rather inadequate building layout. Deviation from any adopted code standards, such as a side-yard set-back, requires a Variance.

A Variance is a permit issued to a landowner by the Planning Commission to build a structure or engage in some action not otherwise permitted under the current zoning regulation. Issuance of a Variance is governed by California Government Code Section 65906 which stipulates: "*the owner must demonstrate how absent this Variance he/she would otherwise suffer unique hardship under the general zoning regulations because this particular parcel is different from the others to which the regulation applies due to its size, shape, topography, location, or surroundings.*"

Findings Required - The issuance of a Variance is subject to findings of hardship and assurances which may be considered by the Planning Commission after holding a duly noticed Public Hearing. Per Section 17.62.020 of the Holtville Municipal Code, the following findings must be made by the Commission in order to justify issuance of a variance:

- **Finding #1** Because of special circumstances applicable to subject property, including size, shape, topography, location or surroundings, the strict application of the provisions of the Holtville Zoning Code would deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classifications;
- **Finding #2** The Variance granted shall be subject to such conditions as will assure that the adjustment authorized by the Planning Commission shall not constitute a grant of special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which subject property is situated;
- **Finding #3** The granting of the Variance will not be materially detrimental to the public health, safety, convenience or welfare, or injurious to property and improvements in the same vicinity and zone in which the project is located; and
- **Finding #4** The granting of the Variance will not adversely affect the general plan adopted by the City of Holtville.

Additionally, per Section 17.62.030 of the Holtville Zoning Ordinance, an applicant for a Variance shall set forth and state fully the reasons and grounds for the Variance request. Please refer to **Exhibit C- Variance Certification Form** submitted by the owner.

Public Review- All Variances require a Public Hearing and notice to all property owners within 300' in lieu of publication. A Notice of Public Hearing for the proposed Variance was posted at City Hall on July 8, 2015 by the City Clerk. The Notice of Public Hearing was also mailed to all property owners of record owning property within 300-feet of the proposed project site on July 9, 2015.

Environmental Review- The proposed project was reviewed for consistency with the California Environmental Quality Act (CEQA) and it was determined that the project was exempt from CEQA per Section 15305, Minor Alteration In Land Use Limitations.

FINDINGS & PENDING ACTION

If the proposed Variance meets all the aforementioned findings, the Planning Commission may grant the Variance after a Public Hearing is held. Staff recommends that the Planning Commission conduct the public hearing for the proposed Variance as required by Section 17.60.050 of the Zoning Ordinance. Upon listening to testimonies for and against and reviewing the applicant's request, and attached support documentation, the Commission may wish to discuss and consider additional Conditions of Approval to ensure the safety and welfare of the community. Staff is recommending the following findings be made in accordance with adopted procedures and State Statutes in support of the project and granting of a Variance, should the Planning Commission wish to grant the Variance:

- 1. Because of special circumstances applicable to subject property, including size, shape, topography, location or surroundings, the strict application of the provisions of the Holtville Zoning Code would deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classifications;**

The residential property is accessed by a street and no alley, enabling only front yard access from the public roadways. The strict application of the side yard setback to the south would deprive the property of public improvements (carport/garage) that are otherwise enjoyed by similar properties within same zone given the conditions of the built environment.

- 2. The Variance granted shall be subject to such conditions as will assure that the adjustment authorized by the Planning Commission shall not constitute a grant of special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which subject property is situated;**

The granting of the variance would alleviate an encroachment condition that currently affects private property to the south of the subject site.

- 3. The granting of the Variance will not be materially detrimental to the public health, safety, convenience or welfare, or injurious to property and improvements in the same vicinity and zone in which the project is located;**

The project will not be materially detrimental to the public health, safety, convenience or welfare, or injurious to the general public as the variance will allow relief from an encroachment condition and not affect the southern parcel given that a permanent wall exists at the subject location that will remain unchanged.

- 4. The granting of the Variance will not adversely affect the general plan adopted by the City of Holtville.**

The proposed variance does not change any of the General Plan's Goals and Objectives.

Upon receiving testimonies for and against the project during the public hearing, and unless there is significant testimony to the contrary, Staff recommends that the Planning Commission consider adoption of Resolution 15-03, attached as **Exhibit D** APPROVING Variance (15-03) based on the above referenced findings with or without modifications as deemed appropriate by the Planning Commission.

Attachments

- Exhibit A- Vicinity Map
- Exhibit B- Site Plans
- Exhibit C- Variance Certification Form
- Exhibit D- Resolution 15-03



9TH STREET

FIG AVE.

860 FIG AVENUE
APN 045-143-014

BRENTWOOD AVE.

Masonry
Fence

The Holt Group, Inc.
ENGINEERING · PLANNING · SURVEYING



NOT TO SCALE

860 FIG AVENUE
HOLTVILLE, CA 92250

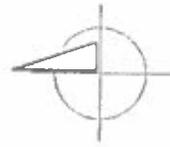
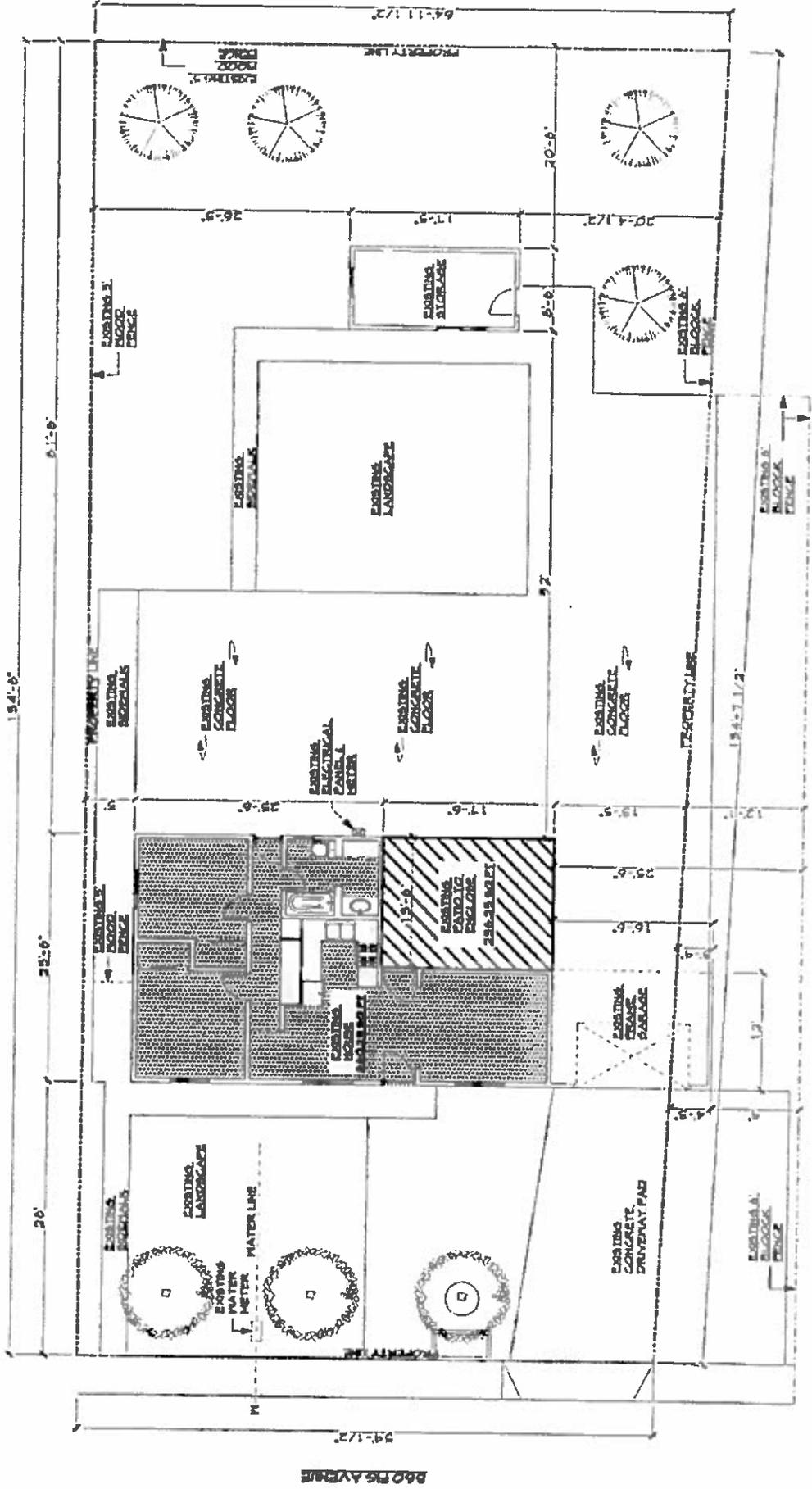
Exhibit A

1601 N. Imperial Ave. Ft. Centro, California 92243

(760)337-3883

Project No. 116.444

July 8, 2015



EXISTING SITE PLAN

SCALE: 1/8" = 1'-0"



Exhibit C

Variance Certification

Requesting Deviation from Adopted Regulation

Applicant	<u>Ruben Rangel</u>	Date	<u>06/26/15</u>
Property Address	<u>860 Fig. Ave. Holtville</u>	Phone	<u>(626) 235-3080</u>
Zoning	<u>Residential</u>	Parcel	<u>045-143-014-000</u>

A Variance is a permit issued to a landowner by the Planning Commission to build a structure or engage in some action not otherwise permitted under the current zoning regulation. Issuance of a Variance is governed by California Government Code Section 65906: *the owner must demonstrate how absent this Variance he/she would otherwise suffer unique hardship under the general zoning regulations because this particular parcel is different from the others to which the regulation applies due to its size, shape, topography, location, or surroundings.*

Variance Request:

Per Section 17.62.030 Applicant shall set forth and state fully the reasons and grounds for the Variance request:

Please list the special circumstances applicable to subject property, including size, shape, topography, location or surroundings, where the strict application of the provisions of the Holtville Zoning Ordinance would deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification

The residence was constructed in property that assumed a public right-of-way along the south boundary line and subsequently assumed the ROW was vacated when in reality the referenced area belongs to a public housing complex. This mis-conception was further encouraged by a masonry wall that excludes an estimated 12' legally belonging to the public housing complex. The situation was uncovered after the prior owner illegally constructed a garage over the property lines.

We would like to correct this situation by demolishing the current garage and constructing a 12-foot wide carport within the legal property boundary. A 12-foot wide carport, however, would encroach into the 5-foot required setback by 4 feet. A carport/garage is essential in our hot climate. Carports and garages are further enjoyed by other residents in the same vicinity, thus a variance would not be a special privilege but relief against the existing circumstances.

The issuance of a Variance is subject to findings of hardship and assurances which will be considered by the Planning Commission after holding a duly noticed Public Hearing.

Identify Hardship:

I certify that I am presently the legal owner of the subject property, or the authorized representative of the described property and that all of the above information is true and correct.*

Signature	<u>Ruben Rangel</u>	Date	<u>June 22, 15</u>
Title	<u>OWNER</u>		

*If not the legal owner, provide a notarized document under which the owner(s) have authorized you to represent them.

EXHIBIT D

RESOLUTION NO. PC 15-03

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HOLTVILLE
APPROVING VARIANCE (15-03) FROM SIDE YARD SETBACK REQUIREMENT
FOR RESIDENTIAL UNIT LOCATED AT 860 FIG AVENUE (APN 045-143-014)**

WHEREAS, Mr. Ruben Rangel, the property owner and Applicant of 860 Fig Avenue, proposes the demolishing of an existing garage, which encroaches into the southern parcel line by approximately 4 feet; and

WHEREAS, the Applicant submitted a site plan to the City of Holtville on June 2, 2015, for the construction of a new 270 SF carport/patio; and

WHEREAS, the proposed carport/patio would be constructed entirely within property boundaries, but would encroach on the minimum 5-foot side-yard setback by approximately 4 feet; and

WHEREAS, the Applicant filed a Variance Application and respective Certification Form with the City of Holtville on June 26, 2015, for relief from the strict application of the setback requirements, given the unusual circumstances of the surrounding property; and

WHEREAS, a Public Hearing Notice was posted on July 8, 2015, and all property owners within 300-feet of the proposed project were sent the Notice of Public Hearing regarding the aforementioned project; and

WHEREAS, a Public Hearing was held on July 20, 2015, by the Holtville Planning Commission on the subject matter; and

WHEREAS, upon hearing and considering all testimony and arguments, analyzing the information submitted by staff and considering any written comment received, the Planning Commission considered all facts related to the proposed project, Variance (15-03) and

NOW THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Holtville as follows:

- A) That the foregoing recitations are true and correct; and
- B) The project has been reviewed in accordance with the requirements set forth by the City of Holtville for implementation of the California Environmental Quality Act (CEQA) on the following:
 1. The proposed project is exempt from CEQA per Section 15305 of the CEQA Guidelines in support of Minor Alterations to Land Use Limitations.
- C) That based on the evidence presented, the Planning Commission hereby **APPROVES** Variance (15-03) from the side-yard setback requirement at 860 Fig Avenue (APN 045-143-014), based on the following findings:
 1. Because of special circumstances applicable to subject property, including size, shape, topography, location or surroundings, the strict application of the provisions of the Holtville Zoning Code would deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classifications;

EXHIBIT D

The residential property is accessed by a street and no alley, enabling only front yard access from the public roadways. The strict application of the side yard setback to the south would deprive the property of public improvements (carport/garage) that are otherwise enjoyed by similar properties within same zone given the conditions of the built environment.

2. The Variance granted shall be subject to such conditions as will assure that the adjustment authorized by the Planning Commission shall not constitute a grant of special privilege inconsistent with the limitations upon other properties in the vicinity and zone in which subject property is situated;

The granting of the variance would alleviate an encroachment condition that currently affects private property to the south of the subject site.

3. The granting of the Variance will not be materially detrimental to the public health, safety, convenience or welfare, or injurious to property and improvements in the same vicinity and zone in which the project is located; and

The project will not be materially detrimental to the public health, safety, convenience or welfare, or injurious to the general public as the variance will allow relief from an encroachment condition and not affect the southern parcel given that a permanent wall exists at the subject location that will remain unchanged.

4. The granting of the Variance will not adversely affect the general plan adopted by the City of Holtville.

The proposed variance does not change any of the General Plan's Goals and Objectives.

PASSED, ADOPTED AND APPROVED by the Planning Commission of the City of Holtville, this 20th day of July 2015.

Ross Daniels,
Planning Commission Chairperson

AYES:

NOES:

ABSTAIN:

ABSENT:

I, Denise Garcia, Commission Secretary the City of Holtville, DO HEREBY CERTIFY that the foregoing resolution was duly passed, approved, and adopted by the Planning Commission of said City of Holtville at a meeting thereof held on the 20th of July 2015, and that the same was approved by the Chairperson of the City of Holtville on said date, and that the same was adopted:

ATTEST:

Denise Garcia,
Commission Secretary



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planning staff report

MEETING DATE:	7-20-15
APPROVED FOR AGENDA	
CITY MANAGER	
FINANCE MANAGER	
CITY ATTORNEY	

2015 Quarterly Report No. 2

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

From: Justina G. Arce, City Planner

Date: July 8, 2015

Projects: Private Planning Permits (in order of submittal)

1. Daniels Tentative Parcel Map
2. Melon LLC Annexation GP Amendment & Pre-zone
3. Bornt Lot Line Adjustment & Lot Merger
4. Auto Zone Sign and Site Plan Review
5. *Clear Talk Tower CUP*
6. *Rangel Variance From Set-Backs*

City Planning Projects

7. Wetlands Trail Easement Acquisition from IID
8. Service Area Plan Update Coordination
9. Off-site Improvements for Family Dollar Store

This Planning Staff Report covers the period from *April 1, 2015 through June 30, 2015*, 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. **Daniels Tentative Parcel Map** - Ross Daniels submitted a Uniform Application to the City to process a Parcel Split (Minor Tentative Parcel Map) and paid review fees on September 19, 2013. A Tentative Map with Legal Descriptions was submitted to the City for review, as prepared by Nicklaus Engineering. A letter was sent to the project Engineer on October 1, 2013 informing them that the submittal was being rejected as it did not comply with the requirements in the submittal checklist.

A revised Tentative Parcel Map was resubmitted on January 14, 2014 and redlines were subsequently provided on January 22, 2014 as several of the original comments had not been addressed. A third submittal of the annexation map was provided by Nicklaus Engineering on February 25, 2014 and, after minor modifications, it was accepted by the City on February 26, 2014.

The City proceeded with notifying potentially impacted utility and public agencies, including several City departments, regarding the proposed Parcel Split on March 4, 2014. The City received comments from three (3) agencies and their comments were incorporated into a Report of Investigation and Conditions of Approval prepared by City Staff for consideration

by the Planning Commission. The Planning Commission held a public hearing on March 17, 2014 to consider Parcel Split, but then tabled the item until April.

On April 21st the Planning Commission approved PC Resolution 14-15, approving the Tentative Parcel Map 14-01 and recommending conditions of approval to the City Council. The recommended Conditions of Approval included recommendations on off-site improvements consisting of curb gutter and sidewalk, and half width street improvements along the project frontage with Cedar Avenue. The City Council met on May 12th to consider adopting the Conditions of Approval recommend by the Planning Commission. The Applicant voiced his disagreement with conditions requiring the off-site improvements. City Council agreed to table the item for the next meeting in order for the City Attorney to prepare alternatives. In a letter sent to the City Council on May 22, 2014, the applicant requested the City Council waive the off-site improvement requirements per Municipal Code Section 16.09.030 citing "extraordinary" circumstances. City Council approved the exception and modified the Conditions of Approval to remove off-site requirements on May 26 via Resolution 14-15. A letter was sent to the Applicant with instructions on Final Map requirements on June 18th. The applicant had not submitted the final documentation as of June 30, 2014.

A Final Map was submitted on August 25, 2014 by Nicklaus Engineering, however the Final Map as presented did not comply with the Subdivision Map Act requirements. Additionally, a licensed surveyor had not signed the plans. A letter providing direction was sent to Andy Klakulak of Nicklaus Engineering on August 28, 2014. The City was informed that the project's original California licensed surveyor had passed away during the summer. Another agent in the firm would be obtaining his California license before the end of the year and a resubmission would be done at that time.

As of December 31, 2014, the City had not received an updated plan. The anticipated surveyor did not receive his license. Alternative options were being considered by the applicant. As of March 31, 2015, the City had still not received an updated plan.

New plans were received on May 22, 2015 but were inadequate. The Surveyor was notified on June 8, 2015 and base maps were provided for his use. Follow up was also made with Ross Daniels with options on how to proceed. Revised plans were not resubmitted as of the end of June 2015.

- 2. 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 a new multifamily proposal.

As of the end of June 2015, a project had not been submitted to planning staff for review.

3. **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 Bornts 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 would involve an additional parcel also owned by Don Osborne. Mr. Lyons followed up on July 1st 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.

4. **Auto Zone Sign, Design and Site Plan Review**- Real Estate agents contacted the City Manager early in the summer of 2014 regarding the proposed location of an Auto-Zone store at the southwest corner of 5th street and Walnut. Although some conceptual drawings had been submitted, no official applications had been received. Auto-Zone did request in September the confirmation of sign standards and a letter was forwarded to the attention of Mr. Isaac Uitenbroek of Jones Sign regarding sign standards and restriction. On September 23, Terra Mar Engineering contacted the City requesting information on entitlement process and development standards, all of which were forwarded that same week. As of September 30, 2014 no additional inquiries had been made.

An application and fee for a Site Plan Review was submitted to City Hall on Friday, November 7, 2014. An application for Design Review was also part of the packet. The Project Review Committee met on November 10, 2014 to review the project and make recommendations to the Planning Commission. A Public Hearing was duly noticed in the Holtville Tribune. On December 15, 2014, the City of Holtville Planning Commission reviewed the Sign, Design, and Site Plans and issued on conditions of approval. One of the conditions was to incorporate a more traditional design to the building instead of the modern block style.

On December 19, 2014 Terra Marr submitted revised floor plans and elevations to incorporate design recommendations made in the Design Review. Planning Staff reviewed the modifications, as authorized by the Planning Commission. On December 22, a letter was sent to TerraMar Engineering communicating additional modifications to the elevations attached with a redlined version of the elevations showing these modifications.

On January 8, 2015, a letter was sent to TerraMar regarding the required payment of Development Impact Fees, which was determined to total \$62,058.88. The letter gave instructions on completing the City Fee Payment Certification form prior to building permit issuance. On January 28, 2015, a letter was sent to Ms. Arce from Caltrans regarding access on SR-115. The letter explained that Caltrans was no longer opposed to the use of the driveway for this project, and that any work performed within the Caltrans right-of-way would require review and approval by Caltrans and an Encroachment permit.

On February 2, 2015, TerraMar Engineer submitted a final submittal of design elevations, Project Specifications, Geotechnical Investigation Report and Structural Calculations. On February 3, 2015, a response letter was sent to TerraMar Engineering that determined that the design elevations submitted by TerraMar on February 2, 2015 were generally consistent with recommendations provided to them and that the City formally approved the design.

On February 19, 2015, a letter was sent to the I.C. Planning Department, I.C. Assessor's Office, I.C. Building Department, City of Holtville Fire Department, Holtville Police Department, Holtville Public Works, City of Holtville, IID Power, IID Water, AT&T, Time Warner Cable, Southern California Gas Company, and the Holtville Postmaster regarding the address re-assignment for APN 045-293-001. The letter explained that the aforementioned APN was a vacant property that is seeking a building permit for a new commercial operation and will be reassigned an address from 453 Walnut Avenue, Holtville, CA to 390 East 5th Street, Holtville, CA.

On February 20, 2015, TerraMar Engineering submitted a complete civil and building packet to the City of Holtville which included the following: Grading Plans, Building Plans, Geotech Report, Drainage Report, Title Report, Cost Estimates, Building Plans, and Building Plan Calculations. On March 4, 2015, Plan Check #1 was completed and a letter was sent to TerraMar Engineering explaining the plan check findings, the conditions of approval still pending, and included redlined plans.

On April 14, 2015, TerraMar Engineering submitted a revised set of plans to the City of Holtville. On April 21, 2015, a Final Plan Check was completed and a letter was sent to TerraMar Engineering explaining the plan check findings, conditions of approval still pending, and included redlined plans.

On April 27, 2015, TerraMar Engineering submitted a Roadway Dedication packet, which included a first draft of the legal description and plat map. A review of this packet was completed and a letter was sent to TerraMar Engineering on May 11, 2015, explaining the review findings and including a redlined legal description and plat map. The final dedication documents were received on May 19, 2015 and were found acceptable. The Grant of Easement was drafted by Staff in late June and forwarded to AutoZone Parts, Inc on June 30th for execution.

5. **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.*
6. **Rangel Variance on Set-Back Requirements**- *The subject property, 860 Fig, has a history of non-conforming construction. The City and property owner first became aware of the issues in 2012 when then property owner Javier Fregoso wanted a permit to reconstruct a carport after a storm resulted in a tree causing major damage to the existing structure. It was determined at that time that the carport encroached onto the private property of the abutting parcel and was not permitted for reconstruction. The property was subsequently sold to Ruben Rangel, apparently without proper disclosure of the existing conditions.*
Mr. Rangel was advised of the existing conditions by the City Planning Department on June 4, 2015 after the City reviewed their building permit application and site plan for the reconstruction of a garage and patio. In order to resolve the compliance issues, the applicant proposed to instead reconstruct a carport strictly within the property boundaries, but in order to meet acceptable width requirements, the side set-back would be encroached upon by four feet and a Variance was formally applied for on June 26, 2015. The Planning Commission is scheduled to consider the variance at the July 20, 2015 meeting.

CITY PLANNING PROJECTS

7. **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.

8. **Mooney Service Area Plan Update Assistance** - The City Engineer and City Planner met with staff from the Mooney Planning Collaborative regarding the Service Area Plan update and then provided them with the following requested items via email and FTP Site:

General Information - Current Land Use Plan, Current Zoning Map and Adopted Standards Details and Specifications; Water Information - CAD Water Pipeline Map and Smith Subdivision Water Loop Study; Wastewater - Wastewater Treatment Plant Final Project Description, Sewer Pipeline Map, and Current Sewer Rate Table; Fire Protection - Public Safety Building Site Plan and Project Description; Law Enforcement - Executed Contract with Imperial County Sheriff's Office; Transportation- Sidewalk Study, Downtown Code Street Regulating Plan, and Bicycle Master Plan; Parks & Recreation - Wetlands Trail Link Plan, Park Location Map and Skate Park Master Plan; Solid Waste - Contract with CR&R; Drainage - Melon Road & 9th Street Drainage Study Prepared for Rancho Mira Vista Subdivision and 3rd Street Drainage Study.

A draft of the Service Area Plan was provided for review to the City Planner and City Engineer on April 24, 2014. Planning and engineering comments and supplemental data were prepared and provided to Mooney Planning Collaborative via email on May 3, 2014 consisting of supporting information for Administrative Facilities, Drainage Facilities, Wastewater Facilities, and Water Facilities. Mooney Planning Collaborative forwarded to planning staff a list of additional information required on May 13, 2014 and staff provided the following information to the Mooney Planning Collaborative: Planning & Engineering Fee Schedule, Plans for City retention basins, IVDA and City of Holtville Memorandum of Understanding, 9th Street Traffic Counts, Street Master Plan, and City Booster Pump Station plans.

The Final Draft of the focused Service Area Plan was submitted to City Management on August 14, 2014. Upon review, the City Manager may begin processing for formal adoption by initiating a Public Hearing at the Planning Commission level. Since Melon LLC has determined not to have a project, this project is no longer a priority item. No additional updates were available as of December 31, 2014. The Holtville Planning Commission reviewed the draft Service Area Plan at the March 16, 2015 meeting and recommended adoption to City Council. LAFCo held a public hearing on March 26, 2015 and approved the Service Area Plan as submitted. Council is anticipated to take adoption action in April via Resolution. *City Council adopted the Service Area Plan on April 27, 2015. This item will be removed from further reporting.*

9. **Family Dollar Retail Store Off-Site Improvements Compliance** - The Family Dollar was issued a Certificate of Occupancy on December 13, 2013 on the understanding that several pending items be addressed. Of primary concern are the two street lights associated with the project, which were not installed prior to the time that the Certificate of Occupancy was issued by the City Manager, as they were on back order and not available until January 2014. During the week of January 12, 2014 the two street lights were installed, however, IID notified City Staff on January 21, 2014 that the street lights were missing the electrical wiring necessary to light them. The City was asked to wire the light poles.

City Staff contacted Boos Development West on January 21, 2014 regarding the missing electrical wires asking them to coordinate the pending work. On March 10, 2014 City Staff contacted IID staff and verified that no work had been completed. The same day the City sent a letter to Boos Development West communicating that the street lights remain to be installed properly which is their requirement. As of the date of this report, there has been no response from Boos Development West.

Additionally, the City Planner issued a final inspection on November 13, 2013 which stipulated the need for a bond, or some other acceptable assurance from the Owner, to ensure that the plants and trees will be replaced if they fail to mature within a two year period of Occupancy Permit Issuance. The City Manager accepted a warranty letter on December 13, 2013. The three California palm trees planted along 5th Street within City easement did not survive, as did other landscaping. A letter was sent on March 26, 2014 to Golden Valley Construction, the contractor who planted the palm trees, requesting they honor the one year guarantee and replace them. Michael Honz, General Manager for Golden Valley Construction, communicated to City staff that he intended on honoring the guarantee and expects to replace the palm trees by the end of April 2014.

The last contact with Golden Valley Construction was on July 8, 2014 and July 9, 2014. Michael Honz, General Manager, stated that he has been asked by the City Manager to substitute the palm trees with a different tree species. He will contact the City Manager for confirmation on how to proceed with the replacement.

Vasanthi Okuma, project development manager for Boos Development West, was last contacted on July 9, 2014. She stated that Boos Development West and the IID were in dispute regarding who is responsible to install the wire, as IID's street light construction diagrams provided to the Family Dollar construction contractor, did not indicate to wire the street light. Boos Development West is no longer directly involved with the property, as it has been transferred to Family Dollar, but will continue working with City Management to resolve this pending issue.

No additional updates were available as of December 31, 2014. Staff will determine the cost of the remaining work to present to management for consideration of City action to complete said work and/or petition to IID for cost subsidy. On January 26, 2015, City Staff contacted Joel Perez of IID via phone and e-mail to inquire on the possibility of IID completing the wiring of the street lights. On January 28, 2015, Joel Perez communicated via e-mail that after reviewing the project's documentation, IID would complete the energizing of Street Lights #1217799 and #1217800 at no cost to the City, as long as IID received a letter from the City that authorizes IID to put the two street lights on the City's Street Lighting Billing account. On February 2, 2015, a letter was e-mailed to Joel Perez of IID from the City that requested the wiring of the two street lights along with the authorization to place the lights on the City's Street Lighting Billing account. Mr. Perez responded on February 2 that IID would move forward with the process. The corner light was energized but the light on Cedar Avenue had challenges. City was notified in March 2015 by IID that the pole on Cedar Avenue was unable to be wired, perhaps due to a split conduit underground, and that a contractor would need to investigate the reason for the wire not being able to go through.

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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quarterly grant report

MEETING DATE:	7-20-15
APPROVED FOR AGENDA	
CITY MANAGER	
FINANCE MANAGER	

April - June 2015 Report

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

From: Justina G. Arce, Grant Administrator

Date: July 8, 2015

Projects: City Grant Applications/Projects

1. Alamo River Recreational Trails – Department of Parks & Recreation
2. BECC Application for Outfall Main & Residential Project (PDAP/BEIF)
3. BECC Application for Wastewater Treatment Plant (PDAP/BEIF) FY 10/11
4. CWSRF Application for Wastewater Treatment Plant
5. HCF Program Grant Application for Alamo River Conservation Project
6. USDA Grant Application for Outfall Main and Residential Collection Project
7. 4th Street Cedar to Walnut- Curb Gutter & Sidewalk-CMAQ Grant Application
8. 9th Street & Ditch Underground (Cedar to Palm)-RSTP Grant Application
9. Walnut Avenue South to 2nd Street Improvements- RSTP Grant Application
10. Cedar Sidewalk between 4th Street and 5th Street
11. Sustainable Communities Planning Grant for General Plan & SAP Update
12. SR 115/5th Street STIP Program Phase II Project (north side)

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 April 1, 2015 thru June 30, 2015*, 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 \$296,000. 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 proposed design was presented to the PRC on August 8, 2012 and subsequently to the PC on August 20, 2012. Selected amenities were forwarded to Mia Lehrer. Also, the Third Progress Status Report was prepared and submitted to the DPR on September 10, 2012. The 60% design plans were submitted on November 2, 2012 and staff requested that Mia Lehrer make additional revisions to the trail pathway, landscaping and civil grading as well as alternative restroom options. The 90% design plans were submitted on December 6, pending only the final geotechnical report. Authorization to advertise the bid for the construction of the Project was approved by City Council on December 10th. 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 18th. The bid opening date had been extended to July 16th 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 4th 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 15th 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 27th and subsequently THG issued a memorandum to Mia Lehrer on July 2nd 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 1st, 2014 and the City was reimbursed on December 9th, 2014. A Notice to Proceed was issued by Mia Lehrer to the contractor on November 18th 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 8th, 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 15th, 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 20th, 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 May 12, 2015, The Holt Group submitted Reimbursement #7 to the State for Construction costs from Pyramid Construction in the total amount of \$131,480. Two payment requests remain to be paid. The final walkthrough by Mia Lehrer was completed in May 19, 2015, however a Notice of Completion had not been filed as of June 30, 2015 due to pending guard rails schedule to be install between July 20 and July 24. A Close-Out packet will be submitted as soon as the Notice of Completion is filed.

2. **BECC/NADBank Wastewater Collection System Application for Outfall Main (& Residential Collection System) (Anticipated Project Cost \$4,895,000.00, however, as of December 31, 2013 Final Cost was \$7,337,500)** – THG, Inc was given directive to prepare capital improvement applications through BECC by City Manager, Laura Fischer. The project was for the replacement of the existing Outfall Main between Olive Avenue and the Holtville Wastewater Plant as described in the existing 2006 study

prepared by THG which included related costs for environmental compliance and ROW acquisition. The application was forwarded to the BECC Office on October 13, 2008. City Management was notified on November 3, 2008, that the City had met all the eligibility criteria for this project and that it would move on to the next phase. In late November of 2008, BECC Staff requested additional information regarding billing efficiency and collection ratios. BECC Project Engineers drove through the Project Site of the Outfall Main on January 21, 2009 and were provided with back-up information. On June 4, 2009, the City Manager, Laura Fischer, was notified by BECC that the project was selected for EPA's US-Mexico Border Planning and Development Assistance Program for planning and technical assistance. Construction amounting up to \$2,786,557 for the project had not been secured yet, but BEIF funds could possibly become available upon completion of the certification process.

On June 19, 2009, representatives from BECC, NADBank, and EPA met with City Staff and THG Staff to discuss the project's scope. The City was informed that by June 2, 2011, the City should have completed all design work, environmental clearance, and public participation in order to complete BECC's Certification requirements. A meeting was coordinated and held by BECC with City Staff on August 5, 2009, to discuss the project's scope of work, project development schedule, construction fund sources, and roles and responsibilities.

RFP coordination was handled by BECC and City Management and the scope of work was drafted by BECC. On November 10, 2009, BECC conducted a kick off meeting at City Hall with the selected consultant to discuss the project scope and timeline. The PER was 30% complete and was submitted to BECC for review on December 18, 2009. On December 29, 2009, the Environmental Initial Consultation Letter was sent out to Project Stakeholders. The environmental consultation period ended January 18, 2010. On April 19, 2010, the 90% PER was completed by THG Engineering Staff and submitted to the City, BECC and Utility providers for review and comment. The project team met with IID, Southern California Gas Company, IC Planning, IC Public Works, and IC Environmental Health on May 5, 2010, to review potential ROW and utility conflict issues. On May 28, 2010, THG Engineers submitted the 100% complete PER to BECC. The project's PER was reviewed and approved by BECC on June 14, 2010.

The Environmental Information Document (EID) under NEPA and the Initial Study under CEQA was completed in draft and was submitted on May 5, 2010 for City EEC Review and BECC/EPA review. In addition, a Biological Study was deemed necessary and was requested from Marie Barrette and was completed on June 14, 2010. The MND Certification was drafted and approved for recommendation by the PC on July 19, 2010. On July 26, 2010, the City Council reviewed and approved the Certification of the MND and a Notice of Determination was filed at the County Recorder's office.

City Management proposed the use of short term bonds to finance the project. The information was presented to City Council on March 14, 2011. City Council approved the financial plan and asked Management to move forward with pursuing short term bonds. On March 22nd, City Manager Laura Fischer prepared a letter to Mr. Mora regarding project status. The City Engineer completed the Scope of Work and received City Council approval on April 25th. The RFP was advertised on May 10th and the bid opened on May 27th. The proposal was awarded to Albert A. Webb and Associates on June 13, 2011, during the City Council meeting. The award was approved via resolution 11-14 in the amount of \$381,800.

On June 21, 2011, City Management, BECC Staff, and Albert A. Webb and Associates attended a Final Design Kick-off meeting held at City Hall to discuss the Scope of Work of the Final Design. On June 22nd, BECC Staff coordinated a Financing meeting between City Management, USDA, EPA, NADBANK, City Council, and Planning Commission to discuss viable financing options available thru USDA and NADBANK. A second

meeting was conducted on the same date of June 22nd, between BECC Staff, City Planner, City Engineer, Councilmember Ludwig, Planning Commissioner Predmore, and Public Works Supervisor to discuss the Public Participation Process of the project by the Local Steering Committee.

On September 13, 2011, a meeting was conducted with Webb & Associates, Hale Engineering, THG, and BECC to review the 30% design work in progress. Webb & Associates communicated that they had completed the surveying and mapping for the sewer pipeline and that utility research was 95% complete. Webb & Associates also communicated that they under budgeted their costs and submitted a proposal on August 3rd to the City and BECC for review for a total of \$99,288.00 for additional title reports, easement, right-of-way, legal descriptions, plats, and record of survey. In addition, additional fees were submitted for land appraisal and property negotiation fees for an estimated \$154,000.00. Accelerated Land Services also provided a cost estimate of \$67,000.00 for property negotiations, completing land appraisals, and other required items to obtain right of ways and easements. The City Engineer believed Accelerated Land Services costs to be more reasonable and presented the additional costs to Council for review at the October 10th meeting, and were approved by Council.

The Public Participation Presentation for the project was prepared by THG and a meeting was held on October 28, 2011 with the Local Steering Committee to review the First Public Meeting and to schedule the same. On November 4th, the City posted the First Public Meeting Notice and published it in the Holtville Tribune for November 21st. The City also distributed Project Fact Sheets on December 19, 2011 to local partners (Holtville Chamber of Commerce, Holtville Unified School District, Campesinos Unidos, California Rural Legal Assistance) for project awareness.

A Second Public Meeting Notice was also posted on December 28, 2011 and published in the Holtville Tribune for February 6, 2012 to discuss project environmental findings and project status. Copies of the Second Public Meeting Notice were sent to all residents abutting the Wastewater Outfall Main and Residential Lines. A meeting was held on January 31, 2012 with the Local Steering Committee to review Second Public Meeting Presentation, progress and status of the Outfall Project 60% design. The Second Public Meeting was held on February 6, 2012 and comments were received from three (3) residents. A response on comments were issued to the residents in February 2012.

Three (3) easements were secured for the residential alley between Cedar and Pine Avenue and one (1) right-of-way for the residential alley between Orange and Fern Avenue. One (1) easement had also been secured for the outfall main pipeline as of April 12, 2012. As of June 29th, 2012, the City had secured all nine (9) alleyway easements and one (1) easement for the outfall main pipeline. The 90% plans were completed on September 12th. At that time an updated EOOPC dated August 15, 2012 was prepared which identified a \$1,661,400 gap. A follow up meeting was held in which BECC, EPA, NADBank and USDA reviewed the revised EOOPC. It was communicated by NADBank that the gap would be covered through BEIF if funding was secured through USDA. Council took action on September 18, 2012 to secure the agency commitments.

Council authorized the City Attorney to file for eminent domain proceedings at the October 10, 2012 special meeting. All easements were secured by early December. On December 11th THG submitted a copy of all easements, encroachment permits, Service Agreement between THG and City and Operation and Maintenance Schedule to NADBank.

The 100% plans were completed and submitted to BECC on December 14th. Teleconference meetings were conducted with BECC to discuss the Outfall Main Project Construction Management Procurement and Certification Schedule. The updated EOOPC along with other requested documents were also submitted to BECC on December 17th.

A meeting was held at THG office with Roberto Molina from BECC and Mr. Alex Meyerhoff (via phone) on February 21, 2013 to discuss the Outfall Main Project Construction Management Procurement and Certification Schedule. It was discussed at the meeting that items that remained pending were associated with Financial Data from the City Finance Manager and if audited financials were submitted by the end of March, then the project would be placed on the NADBank Board certification by May 9, 2013.

During January thru March 2013 review period, THG also submitted three (3) Reimbursement Requests to BECC for design with the final one submitted on March 7, 2013. A First and Second Project Status Report were also submitted by March 7, 2013. A Technical Assistance Agreement (modification 2) was also issued on March 26, 2013 to the City allowing an extension request to April 5, 2013, since the previous agreement had expired on February 15th.

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 9th Board Certification meeting. The Final Public Meeting was also held on April 29th. THG also completed the Final Public Participation Report and submitted it to BECC on May 8th. The City Mayor executed a Financing Agreement in the amount of \$1,359,887 on June 12th. This amount did not fulfill the identified gap of \$1.6 million, further identified in City Council Resolution 12-56 forwarded to EPA. Apparently there was an oversight by NADBank under which they assumed USDA funds were covering all construction costs (and refinance) when in actuality the USDA funds were reimbursing the City for other soft costs. EPA had requested a verification of soft costs from USDA before they could consider increasing the grant funding through BEIF. THG had been coordinating these submittals to USDA with the assistance of Ms. LeeAnn Chimits.

Procurement Phase: THG/City Engineer had been disqualified by NADBank as eligible for the provision of Construction Management Services associated with this project. The City Engineer had, however, been provided with directive by the City Manager to perform all bidding and construction manager procurement duties on behalf of the City. Construction procurement documents that had been prepared and submitted by Webb in December were reviewed and revised by NADBank, USDA, and subsequently by THG on behalf of the City. Publication was authorized by NADBank on July 3rd and the RFP was published on July 9th.

As of October 1, 2013, there were a total of twelve procurement meetings held with the City, THG, NADBank, EPA, BECC, and USDA to discuss progress of construction procurement documents and procurement of a construction manager. Final costs had been determined based on bids received. The City submitted a request to NADBank to amend sub-agreement as the executed Financing Agreement in the amount of \$1,359,887 did not fulfill the full identified gap. EPA approved a final Deal Sheet for \$2,139,093 on September 30, 2013 to fulfill this gap.

Construction Management Procurement – An Expression of Interest (EOI) was advertised by the City Engineer on July 26, 2013. Responses to the EOI were received on August 5, 2013 from a total of eight firms from which a short list was established. Full proposals were requested from five firms. The City received a total of two proposals by the August 30th deadline. Evaluations were completed on September 9, 2013. The lowest proposal was from Dynamic Consulting Engineers for \$536,717 and subsequently negotiated down to \$497,147. City Council took action on September 23rd for Award of Construction Management Contract with the condition that a contract not be executed by the City and Contractor until funding was secured for the remaining gap. NADBank rejected the resolution and requested that City Council hold a second meeting to review and adopt a revised resolution awarding the contract after a Deal Sheet was in place in order to remove the contingency language. Council awarded the contract via a modified resolution.

Construction Contractor Procurement –The Request for Proposals for Construction Services were advertised on July 9th and July 16th. A non-mandatory pre-bid for interested contractors took place on July 25, 2013 and the construction bid opening took place on August 16, 2013 and a total of 5 bids were received. Evaluations were completed in August. The lowest responsive bid was from The Van Dyke Corporation at \$4,941,950 which was awarded by City Council at the October 14th regular meeting.

THG had also prepared Monthly Progress Reports for October, November and December as required by the Construction Assistance Grant Agreement BEIF No. CA-3030 (Annex 1). A quarterly Wastewater Connections Report was also submitted on October 31st per Annex 3.

Dynamic Consulting Engineers (Construction Manager) had a contract date of October 9, 2013 and The Van Dyke Corporation of November 19, 2013. A No Objection to Contract for The Van Dyke Corporation was requested by the City on November 20th but not approved by NADB until December 10th due to the insurance suitability being questioned by NADB. A Notice to Proceed was issued to Van Dyke on December 10, 2013.

THG had prepared Monthly Progress Reports for January, February, and March inclusive of Annex 1 (Project Progress Report), Annex 2 Funding Sources and Annex 3.1 (quarterly Wastewater Connections Report). Construction was in process with an eighty-five percent (85%) completion status for the Residential Collection project and twenty percent (20%) complete for the Outfall Main project as of March 31st. There had been a total of three change orders for this reporting period amounting to \$65,667 and covered by contingency set-aside. During this period, staff also processed sewer connection agreements for seven (7) property owners and obtained LAFCo authorization for the same. The new connections should have been fully connected in early April.

Monthly Progress Reports for April, May, and June were prepared. Construction was one hundred percent (100%) complete for the Residential Collection project and fifty-eight percent (58%) complete for the Outfall Main project as of June 30th. There were a total of five change orders for April to June reporting period amounting to \$40,768 and covered by contingency set-aside. There were also two new water connections for properties outside the City Limits that were not anticipated and that did not receive formal authorization from City Council. It was anticipated that these new water connections along with several other sewer connections that were identified as not having a service agreement in place would be brought before City Council at the end of July or early August.

Monthly Progress Reports for July and August were prepared and submitted to NADBank. There have been a total of two change orders during the July through September reporting period amounting to -\$75,435.47 and returning to the contingency set aside. Construction of the Outfall was 86.2% complete as of the end of September. Connection of private sewer laterals had not yet begun for this phase of the project. During this report period, the extension of a new 8" diameter pipeline, from Melon Avenue to serve the residents along Alamo Road, was discussed and conceptually approved by the funding agencies to be covered by contingency monies. Mr. Jack Holt began preparing the specifications in September for the proposed extension. An engineer's opinion of probable cost had not yet been prepared as of the end of September.

Monthly Reports for September, October, and November were submitted to NADBank. There were two approved change order during this report period totaling \$34,015.99 with an extension of time on one through January 2, 2015 for the contractor and a subsequent change order for an extension of time through March 3rd, 2015.

Construction was in progress with 95% completion for the Outfall Main project as of December 30th. The 8" diameter pipeline extending over to the Eberli properties was

under construction. There were also a total of four new private lateral connections constructed during the last quarter.

Monthly Reports for December, January, and February were submitted to NADBank. Construction was 100% complete for the Outfall Main project as of March 3rd 2015. Dynamic communicated that there were still some change orders that needed to be administratively processed before the project could be fully closed out. The Final Close-Out packet from the Construction Management team is still pending to NADBank as of March 31st as Dynamic continues to work on "as built" drawings.

NADBank Monthly Reports were completed for April, May and June. A Notice of Completion was filed on June 8, 2015. However, as of June 30, 2015, Dynamic continues to work on clearing all County permits for laterals and final retentions had not been paid by any of the funding agencies. Close-Out documentation will be provided to City Management by Dynamic as soon as the City Council takes action to accept the project as constructed. Planning Staff has completed the respective resolution and Council will be considering project acceptance at the July 13, 2015 meeting.

3. **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.

Mr. Mora scheduled a meeting for July 13, 2011, to discuss the project's pre-selection status and the tasks necessary to move forward with the project. The meeting attendees were City Management, BECC, EPA, NADBANK, USDA, and the Regional Water Board. The primary purpose of the pre-selection meeting was to review 11/12 fiscal year Prioritization Process Results, discuss BECC Program guidelines and expectations, review the eligible WWTP Project considered for funding and required activities to advance funding opportunities, BECC Certification, and project implementation. Subsequently, the City submitted a formal commitment letter to BECC on September 27, 2011 informing of the City's commitment to proceed with the WWTP Project.

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[®] 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.

The City's response to BECC's comments and RFP documentation was submitted on July 30, 2012 to Mr. Joel Mora. The RFP was tentatively scheduled to be advertised on October 19, 2012, but delayed since EPA had not received project clearance from the State Historic Preservation Officer (SHPO).

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 13th. The project advertised on December 20th 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 21st 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 14th. A Selection Committee assembled by City Management met on February 19th to review the consulting engineering proposals and recommend a design consultant on a qualification based selection. At the February 25th 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 15th. The City and THG also held a meeting with NADBank on June 11th 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 24th to review the 90% design plans. The Local Steering Committee also met on August 6th 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 18th with only the Building Permit pending.

The Building Permit was submitted to BECC on October 23rd. A Second Public Meeting was also held on October 14th. 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 25th 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 6th. 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. The responses to the EOI were received on March 13, 2014 from a total of three firms from which a short list was established. 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 15th, 2014. NADBank responded on December 19th, 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 is scheduled before the July 13, 2015 Council Meeting.

4. **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 21st 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 6th 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 25th 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 4th.

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 25th 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 18th. 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 9th Board Certification meeting. An extension was requested from SRF on April 24th 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 28th and the executed document was submitted to the State on October 31st. 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 3rd 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 2nd. 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.

5. **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 and also notified regarding a mandatory HCF Grant Administration Workshop on September 19th in Costa Mesa California. The City Finance Manager and THG Grant Manager attended the workshop. It was communicated at the workshop that the project could not be initiated without the execution of a State contract.

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 17th & April 24th and bids opened on May 21st. 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 14th 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 22nd 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 10th. 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 30th. 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 30th. 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 22nd, 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.*

6. **USDA Outfall Main Pipeline & Residential Collection System Project –Rural Development Waste Disposal Grant Program (Anticipated Project Cost \$4,895,000.00, however, as of December 31, 2013 Final Cost was \$7,337,500)**- The City had actively been seeking grant funding for the Wastewater Outfall Main Pipeline and Residential Collection System project. A Pre-Application for the Wastewater Outfall Main Pipeline and Residential Collection System project was mailed to the United States Department of Agriculture Rural Development local office on October 7, 2011 per City Management directive. The submission entailed the preparation of the application form and sixteen required attachments. BECC communicated to the City that in order to move forward with the project, the City needed to search for viable financing sources and obtain matching funds for the project. Please refer to the BECC Wastewater Collection System Application for Outfall Main and Residential Collection System Section above for more information on grant funding issued through BECC for this project.

On October 12, 2011, the USDA Area Specialist requested Health and Safety Violation letters issued to the City and the three most recent City Financial Audits. The Violation letters were provided to USDA and it was communicated that the Financial Audits would be submitted as soon as they were available from the auditors. The City's FY 2008/09 and 2009/10 Financial Audits were later submitted to Mr. Daniel Cordona, Area Specialist, on December 5th. THG submitted a Sources and Uses Table to Mr. Cordona on December 20th per his request for review on possible refinance options for the City. The City Manager also forwarded the unaudited financial statement for 10/11. The City submitted the Short Lived Asset Schedule to USDA on February 27, 2012.

A site visit was scheduled by Mike Starinsky, USDA State Engineer and Pete Yribarra, Community Programs Specialist in early March. Subsequently, USDA issued a letter on March 19, 2012 inviting the City to submit a formal application for \$6,128,000 (\$4.5 million loan + \$1,628,000 grant). The application needed to be submitted by April 13, 2012. On March 26, 2012, City Council provided directive for the noticing, posting, and publishing of a public hearing to be held before City Council on April 9, 2012 to discuss and consider the submission of the USDA application. The Public Hearing was held on April 9th and directive was provided to move forward with the full application.

On April 13, 2012, the complete grant application was submitted to USDA. USDA issued an Obligation Commitment and Letter of Conditions to the City on April 26th, obligating \$4.5 million in loan funds and \$1,628,000 in grant funds. At the end of June, THG gathered all documentation to satisfy conditions, should the City wish to move forward with these terms. There are eighteen (18) loan conditions, which conditions include City Certification, Reserve Accounts, Insurance, Security Requirements, Permits, Emergency Response Plan, and similar documentation.

An updated EOOPC dated August 15, 2012 was prepared, which identified a \$1,661,400 gap. A follow up meeting was held in which BECC, EPA, NADBank, and USDA reviewed the revised EOOPC. It was communicated by NADBank that the gap may be covered through the BEIF Program if funding was secured through USDA. City Council reviewed USDA loan conditions on September 18, 2012 and approved funding through USDA and BEIF.

THG worked with City Management on gathering loan conditions for submission to USDA. A memo dated November 26th was issued to the City Finance Manager with pending loan conditions to be fulfilled by the Finance Department. On December 14th a binder with loan conditions completed by THG was submitted to USDA. The loan

conditions submitted were the following: Insurance & Bonding Requirements, 5.b and 5.c; Civil Rights & Equal Opportunity, 6.a-d; Written Agreements for Professional Services, 7.b; Land & Rights-of-Way, 8.a-b; Permits, 9.a; Environmental 10.a; Engineering & Construction Documents, 11.a and 11.c; Operating Budget, 15.a-b. Per follow up with USDA on January 9th all the outstanding loan conditions were pending from the City's Finance Department.

A site visit was scheduled for January 9, 2013 with the California Rural Water Association for the preparation of a Vulnerability Assessment (VA) Plan and update to the City's Emergency Response Plan (ERP) to satisfy condition number 16. These plans were completed on January 17, 2013. The preparation and update of the plans were at no cost to the City as USDA covered the costs. THG worked with City Management on gathering loan conditions for submission to USDA this quarter. On January 15th THG submitted loan condition documents to USDA with the exception of financial documents pending from the Finance Manager.

Subsequent to the letter dated February 15th to USDA, NADBank and BECC communicated a conflict in project schedules between the anticipated NADBank Certification process and USDA's loan closing schedule. An extension request letter was submitted to USDA in April 2013, which was more consistent with the NADBank certification process, under the assumption that audited financials would be submitted by March 30, 2013. USDA also communicated that there were other outstanding loan conditions pending from the City's Finance Department including bond documentation.

USDA approved an extension to October 25, 2013 via an Amendment to Letter of Conditions, dated April 24th. City Management had also been working with RW&G on completing the USDA bond documents. THG also submitted a reimbursement request and soft cost invoices to USDA in order to determine the full gap in financing to submit to NADBank. The only items holding the USDA funding was completion of bond documents, procurement through NADBank process, and financials from City Management including Certification of Users, Documentation of Property Insurance & Fidelity Bond, copy of Bond Counsel Services Agreement, and Updated Operating Budget at Time of Loan Closing. Copies of other soft cost contracts also needed to be submitted including Construction Management Service Contract and Contractor Contract Agreement which were currently under procurement.

Under the directive of RW&G, City Council formed a new joint powers authority. "Holtville Parking Authority" was formed due to uncertainty regarding the status of the Public Financing Authority once the Successor Agency ceases to exist. This was in consideration of the fact that the existing Holtville Public Financing Authority was formed pursuant to an agreement between the City and the former RDA. Being that the USDA bonds would have a term of 40 years, which was a long span, it was recommended the formation of a new joint powers authority, to avoid the uncertainty. The draft USDA bond documents were submitted to USDA in September by RW&G for review. The USDA bond documents were scheduled for adoption at the October 14th Council meeting, however was postponed due to USDA being on shutdown and not being able to review the documents. Please refer to item No. 2 in this report for the procurement status of this project.

The USDA Bond documents were reviewed by USDA in December and adopted by City Council on December 9th. All conditions were submitted to USDA with the exception of the final bond and close-out documents, which were expected to be submitted by RW&G by the third week of January 2014. The USDA loan officially closed on December 10th and a disbursement in the amount of \$2,123,547 (for soft costs, bond refinance & construction completed) was made to the City on December 12th.

The final bond and close-out documents were submitted to USDA by RW&G in January 2014. Three disbursements were made to the City during this quarter in January

(\$123,362 for soft costs & construction costs), February (\$366,936 for construction costs) and March (\$182,197 for construction costs). Construction was in progress with eighty-five percent (85%) complete for the Residential Collection project and twenty percent (20%) complete for the Outfall Main project as of March 31st. There were a total of three change orders for this reporting period amounting to \$65,667 of which USDA covers 70% as of March 31, 2014.

Three disbursements were made to the City during this quarter in April (\$234,593 for construction costs), May (\$253,392 for construction costs) and June (\$246,169 for construction costs). Construction was in progress with one hundred percent (100%) completion for the Residential Collection project and fifty-eight percent (58%) completion for the Outfall Main project as of June 30th. There were a total of five change orders for this reporting period amounting to \$40,768 of which USDA covers 70%. There were a total of eight (8) change orders to date.

There were three disbursements made to the City during this quarter in July (\$252,402.31 for construction costs), August (\$248,648.45 for construction costs) and September (\$249,109.33 for construction costs). Construction is currently in progress with one hundred percent (100%) completion for the Residential Collection project and 86.2% completion for the Outfall Main project as of September 30th. There have been a total of two change orders for this reporting period amounting to -\$75,435.47.

There were three disbursements made to the City during in October (\$271,588.11 for construction costs), November (\$263,245.40 for construction costs) and December (\$153,226.47 for construction costs). Construction was in progress with one hundred percent (100%) completion for the Residential Collection project and 95% completion for the Outfall Main project as of December 30th.

There was one disbursement made to the City during this quarter in January (\$260,885.11 for construction costs). Construction was one hundred percent (100%) complete for the Residential Collection project and 100% complete for the Outfall Main project as of March 31st. Final payments and reimbursements were still pending for and Dynamic Engineering was working on final "as built" plans to complete project close-out.

A Notice of Completion was filed on June 8, 2015. However, as of June 30, 2015, Dynamic continues to work on clearing all County permits for laterals and final retentions had not been paid by any of the funding agencies. Close-Out documentation will be provided to City Management by Dynamic as soon as the City Council takes action to accept the constructed project as required by USDA. Planning Staff has completed the respective resolution and Council will be considering project acceptance at the July 13, 2015 meeting.

7. **4th 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 15th for compliance with OMB Circular. THG completed the Request for Authorization for Preliminary Engineering and submitted the packet to Caltrans on November 28th. Emission reductions calculations were submitted to Caltrans on January 11th. The State Controller's Office was not forwarded the 2010/11 Single Audit Report until January 21st, 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 19th 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 17th. 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 30th 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 26th 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 22nd for review. The Initial Site Assessment was approved by Caltrans and a Categorical Exclusion was issued on December 4th 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 I 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.th

The second reimbursement request was submitted to Caltrans on April 10th and reimbursed May 6th for design services. Council authorized the City Engineer to advertise the bid for construction services on May 27th. Bids were due to the City on July 22nd and Council awarded the construction contract on July 28.th 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 25th, 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 will 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 will 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.

8. **9th Street Underground & Street Improvement (Cedar to Palm) – RSTP Grant (\$453,000.00)** – 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 was to be submitted no later than February 24, 2012. It was proposed to widen and rehabilitate the north side of 9th street between Cedar Avenue and Palm Avenue and underground the Pear Lateral, an earth-lined, open channel to include curb, gutter, and sidewalks. It was also proposed to improve the road from the current 22 feet width to its designed width of 60 feet. Total project costs were estimated to be \$453,000.00.

An RSTP application was submitted on February 24, 2012 requesting \$453,000.00 in funding identifying the 9th Street Project as first 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 scored the project applications. Holtville's City Manager attended the scoring process on April 12, 2012. The 9th Street Underground and Street Improvements project had an excellent score and was awarded the full \$453,000 requested to be programmed in two fiscal years, 12-13 and 13-14.

THG gathered all pertinent information to authorize the right-of-way phase. The City Planner worked on completing the Preliminary Environmental Study for 9th Street Cedar to Palm. The Initial Consultation and Claim letters were mailed to utility agencies on October 15, 2012 for review and comment on the project.

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 had been pending. As a result, Caltrans suspended new federal authorizations for the City of Holtville until the single audit reporting requirements were met. The City's auditor informed THG that they anticipated the FY 10/11 Single Audit to be finalized by October 2012. The FY 10/11 Single was completed and submitted to Caltrans on November 15th for compliance with OMB Circular.

A meeting was held on November 11th with the IID-Power Department to discuss improvements to the Pear Ninth Street Ditch Canal. THG also contacted and obtained Claim Letters from six utility companies and to complete the Right-of-Way Certification packet for submittal to Caltrans. The Preliminary Environmental Study was also submitted to Caltrans on December 14, 2012. It was communicated that the review period would last 30 days. In the interim, property owners were being notified of the upcoming scheduled improvements.

This project had a Request for Authorization deadline of April 1, 2013. When the environmental division requested additional studies on March 13, 2013, the City Manager placed the project on hold until further LTA information became available. The City Manager authorized the preparation of the pending \$2,500 Air Quality Analysis on April 1, 2013, but Urban Crossroads could not perform the traffic study to determine operational impacts until after the Easter break to obtain an accurate traffic count. As of April 16, 2013, the information was not available.

Staff submitted the environmental documentation requested, including environmental information document and requested studies on April 25, 2013. On the same day Caltrans Staff informed that they would be contacting City Staff for a meeting regarding the environmental status of the proposed project. A meeting was held on May 20, 2013, which included the City Manager, at which time Caltrans Staff stated that an environmental information document was not necessary. City Staff noted previous email communication sent by Caltrans regarding said requests and it became evident that the Lead Environmentalist was not familiar with his staff requests and the City's submissions. At the meeting, City Staff agreed to send additional documentation requested by Caltrans as follows: Visual Impact Assessment, Historic Property Survey Report for residences abutting the project site and a Historic Resources Evaluation Report for the canal area (IID Lateral). The Visual Impact Assessment was prepared and sent to Caltrans on June 4, 2013 by THG and was subsequently reviewed by a Landscape Architect and approved by Caltrans on June 13, 2013. As it relates to the Historic Property Survey Report and Historic Resources Evaluation Report, the study had to be prepared by a licensed archeologist, and thus THG contacted various qualified archaeological firms and the Chambers Group was able to complete the work at a cost of \$8,000. The City Manager executed the contract with Chambers Group on June 13, 2013. The Chambers Group drafted both the Historic Property Survey Report and Historic Resources Evaluation Report on June 26, 2013 and the report was forwarded to Caltrans Staff on the same day. The documents were under review by Caltrans' Archacologist.

Environmental issues had delayed the scheduled obligation of this project and resulted in the potential loss of funds. As of August 29th, the obligation deadline, Caltrans had not completed their review which was further pending concurrence of findings from the State Historic Preservation Officer. THG provided City Management with a memo dated September 6th on project delay issues and a letter was submitted to Mark Baza of ICTC on the same day to request a programming shift of the right-of-way funds from 12/13 FY to 13/14. Both the right-of-way allocation and construction allocation was expended in the 13/14 FY. ICTC communicated that they would do their best to secure ROW funds for the City for the 13/14 FY and make this project a priority given the City's due diligence to clear environmental and comply with all requests and Caltrans continued support of the project. The City received Categorical Exclusion for the project on September 25th and as soon as the funds were reprogrammed the right-of-way authorization packet was re-submitted.

It was determined by Caltrans, on November 6th, that the RFA for ROW packet would not need to be re-submitted. Caltrans issued the E-76 for ROW on October 30th authorizing the expenditure of right-of-way funds. Agreements and deposit amounts were pending from IID Water and IID Power in order to move forward with the right-of-way improvements phase of the project. The City issued deposit checks to IID Power on February 6th and IID Water on February 10th in order to move forward with the right-of-way phase of the project. Prior to moving forward into the street construction phase, the City needed to obtain right-of-way certification. There were some issues with IID Water Department not wanting to submit a utility agreement but issues were cleared and a utility agreement was received on April 1st. All right-of-way issues were cleared and a right-of-way certification approval was issued by Caltrans on April 4th. The request-for-authorization to move forward with construction was also submitted to Caltrans on April 4th and was still under review. The first reimbursement request was submitted to Caltrans in March and reimbursed on April 22nd for right-of-way services. The E-76 authorization for construction was approved by Caltrans on May 6th.

City Council authorized the City Engineer to advertise the bid for construction services on May 12th. The construction services were advertised for bid on May 16, 2014. The project bid opening occurred on June 17, 2014 at 2 P.M. and bids were received from Pyramid Construction and Aggregates (\$275,929), Hazard Construction Company

(\$289,589) and Masters Construction (\$296,616). The lowest bid came in at \$275,929 from Pyramid Construction. The City Manager procured services for construction management and Quality Assurance Program and Testing services. Construction, construction management, and QAP services were awarded by Council in late July.

Bids were received and finalized for QAP Services, Construction Management Services and Construction Services and taken to City Council on July 14, 2014 for action. The selected firms were Sierra Material Testing and Inspection for QAP Services, The Holt Group for Construction Management Services, and Pyramid Construction & Aggregates for Construction Services. Construction began in September, first by IID for the undergrounding of the lateral and by the end of the month by Pyramid Construction & Aggregates to initiate construction of street improvements. Additionally, reimbursement #2 was submitted to Caltrans on September 30, 2014 in the amount of \$31,209.55 for the first construction invoice. The project is anticipated to be completed by the end of October.

The undergrounding of the Pear Ninth Street Canal was completed on October 17, and Reimbursement #2 was received by the City on October 28, 2014. The IID pipe leaked after the initial installation of by the IID during the construction period which caused some delays. There was also a compaction issue that was presented to the City one day before the water needed to be conveyed through the pipeline.

Pyramid began street work at the project site on October 20, 2014. Change Order Number 1 was approved by the City of Holtville on November 4, 2014. Change Order 1 approved the installation of a new 4 foot diameter manhole within Ninth Street to be aligned with an 8 inch diameter branch pipeline. The associated work resulted in an additional \$9350 in cost. Change Order #2 was presented to Council on November 10, 2014 to improve the 10.5 foot wide deteriorated pavement strip along the south side of Ninth Street and the northwest intersection of Cedar and Ninth Street.

Reimbursement #3, in the amount of \$82,587 was prepared and submitted to Caltrans on November 11, 2014. Reimbursement #4, in the amount of \$132,810 was prepared and submitted to Caltrans on December 11, 2014. As of the end of the year, reimbursement #3 had already been received by the City.

Change Order #3 was approved by the City of Holtville on December 17, 2014. Change Order #3 approved providing temporary traffic control sign and devices for an extended period. The associated work resulted in an additional \$2,023.00. Change Order #4 was approved by the City of Holtville on December 17, 2014 and approved the balancing of overruns and underruns on certain Construction items. The associated work resulted in an additional \$12,631. These changes resulted in a final project cost of \$596,690 or \$41,379 over the original budget. Staff worked on getting additional grant funding in the amount of \$39,381. The cost adjustment request was completed before the end of the year and authorized by Caltrans on January 6th.

Reimbursement #4, in the amount of \$132,809.64, was received by the City on January 13, 2015. Change Order #5 was also approved by the City of Holtville in January 2015. Change Order #5 approved 64 additional days to the contract due to delays by IID, pipeline leaks, and final location of the planting of trees. The associated work did not result in any additional costs to the contract. All close out documentation was being obtained and it was anticipated that a close out packet would be submitted to Caltrans in early April. The Final Payment (#5) would be submitted at that time.

A close out packet was submitted to Caltrans on April 6, 2015, which included Reimbursement Request #5 for \$73,696.39, which included Construction and Construction Engineering invoices. On April 30, 2015, Caltrans communicated that Reimbursement Request #5 would not be reimbursed pending Construction Management documentation of proper procurement from management. On May 6,

2015, Reimbursement Request #5A(Progress) was submitted to Caltrans in the amount of \$26,173.93, which only included Construction services. On June 5, 2015, two packets with documentation of proper procurement for Sierra Material and The Holt Group were submitted to Caltrans. As of June 30, 2015, no determinations had been made on the submittals. The remaining \$53,679.50 in construction engineering costs are still pending to be authorized as eligible or not.

9. **Walnut Avenue South Improvements – RSTP Grant (\$91,000.00)** – 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.

THG staff was in communication with ICTC regarding the programming of the received RSTP funds. It was communicated that the funds would be submitted for programming to SCAG around August 2012. Since funds were to be programmed for FY 15-16, no immediate actions associated with this project were anticipated.

Environmental documents and a Federal ID Packet was prepared and submitted to Caltrans on April 10, 2015 with a finance number assigned on April 23, 2015. Administration staff is in the process of clearing right-of-way issues and has contacted all utility agencies. It is anticipated that a Caltrans ROW Certification may be obtained no later than August 2015.

10. **Cedar Sidewalk between 4th Street and 5th 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 30th, 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 1st 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 9th. 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 4th Street and 5th 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 is currently working on Environmental documents to receive environmental certification and to obtain a Federal ID Number.

11. Sustainable Communities Planning Grant Application for GP & SAP Update (\$295,000)

Directive was provided by City management to assess the opportunity to apply for funds under the Sustainable Communities Planning Grant. The Sustainable Communities Planning Grant was funded by Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. The purpose of the program was to assist local governments in meeting the challenges of adopting land use plans and integrating strategies to transform communities and create long term prosperity.

On January 27th, during a joint meeting with the Planning Commission and City Council, directive was provided on the submittal of a grant application for the update of the General Plan and Service Area Plan. Both of the planning documents were outdated and eligible for funding under the Sustainable Communities Grant Program. The application was submitted on February 24th. A notice on awards was anticipated prior to June 2014.

On June 6th an email was received from Natalie Garcia from the California Strategic Growth Council congratulating the City on a great proposal and to notify that an official award letter would be issued to the City within the next couple of weeks. As of June 30th, the award letter was pending issuance. The award letter outlined next steps, including a list of information needed to begin the contracting process.

The Holt Group Provided the State the following submittals on July 29, 2014 in order to obtain clearance and move forward with execution of a formal grant agreement: Payee Data Record (PDR) Original; Grantee Contact Information Form 2014; Attachment A- Work Plan; Attachment B- Budget. As of September 30, 2014, a grant agreement had not yet been received by City Management. Follow up was done with the State and delays were attributed to the assignment of a new project manager.

On November 25, 2014, the State contacted the Holt Group with notification that the State has been working on the grant agreement packets and they should arrive soon via email. After the agreements are signed and completed, it will take approximately 4-5 weeks for the grant agreements to go through the DOC approval and signature process. As of December 30, 2014, the agreements had not been issued by the State, thus a follow up was made to the State representative. Indeed they have had some delays in addition to the holidays and it is anticipated that agreements will reach the City in January.

State Agreements were received by the City and executed on January 14, 2015. Subsequently, the City authorized the procurement of grant administration services at the Council meeting of February 9, 2015. RFP's were issued on March 20, 2015 and proposals were due April 2nd and it is anticipated that awards would be made in April 2015. *Grant administration services were awarded to California Consulting at the April 27, 2015 City Council meeting. This item will be transferred to management reporting.*

12. SR 115/5th 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 115/5th 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 24th.

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 27th. On March 28th, 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 and anticipated submitting the packet in May, upon receipt of a Categorical Exclusion and ROW Certification which were submission requirements. Environmental clearance and ROW certification were pending as of March 31st. The City received Environmental clearance on April 16th and ROW certification on April 17th. Environmental documents were also submitted directly to CTC on May 27th 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 10th, 2015. On February 17th, 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 31st, 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.

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