



A G E N D A



**CITY OF IMPERIAL BEACH
CITY COUNCIL
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

APRIL 3, 2013

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

CLOSED SESSION MEETING – 5:00 P.M.

REGULAR MEETING – 6:00 P.M.

THE CITY COUNCIL ALSO SITS AS THE CITY OF IMPERIAL BEACH PLANNING COMMISSION, PUBLIC FINANCING AUTHORITY, HOUSING AUTHORITY AND IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6:

Agency Negotiator: City Manager

Employee Organizations: Imperial Beach Firefighters' Association (IBFA)
Service Employees International Union (SEIU), Local 221
Unrepresented Employees

2. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Initiation of Litigation pursuant to Paragraph (4) of Subdivision (d) of GC Section 54956.9

No. of Potential Cases: 1

3. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Govt. Code section 54956.9(d)(2) (1 case)

RECONVENE AND ANNOUNCE ACTION (IF APPROPRIATE)

REGULAR MEETING CALL TO ORDER

ROLL CALL BY CITY CLERK

PLEDGE OF ALLEGIANCE

AGENDA CHANGES

MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/ REPORTS ON ASSIGNMENTS AND COMMITTEES

COMMUNICATIONS FROM CITY STAFF

Any writings or documents provided to a majority of the City Council/Planning Commission/Public Financing Authority/Housing Authority/I.B. Redevelopment Agency Successor Agency regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.

PUBLIC COMMENT - Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.5) - All matters listed under Consent Calendar are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items, unless a Councilmember or member of the public requests that particular item(s) be removed from the Consent Calendar and considered separately. Those items removed from the Consent Calendar will be discussed at the end of the Agenda.

2.1 MINUTES.

City Manager's Recommendation: Approve the minutes of the Regular Meeting of January 23, 2013.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

City Manager's Recommendation: Ratify the following registers: Accounts Payable Numbers 82168 through 82253 for a subtotal amount of \$942,677.65 and Payroll Checks/Direct Deposit 45148 through 45169 for a subtotal of \$122,883.99 for a total amount of \$1,065,561.64.

2.3 QUARTERLY INVESTMENT REPORT FOR THE 2ND QUARTER OF FY 2012-13. (0350-90)

City Manager's Recommendation: Review and consider the Quarterly Investment Report of fiscal year 2013 second quarter ending December 31, 2012 and render a finding that the City's cash and investments amount to and are sufficiently liquid to meet the next six months of expected expenditures by the City.

2.4 RESOLUTION NO. 2013-7317 TO ACCEPT SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING OF \$100,000 TOWARD A MOTORCYCLE TRAFFIC UNIT. (0260-15 & 0390-86)

City Manager's Recommendation: Adopt resolution.

2.5 RESOLUTION NO. 2013-7319 AUTHORIZING SALE OF SURPLUS PROPERTY. (0380-45)

City Manager's Recommendation: Adopt Resolution.

ORDINANCES – INTRODUCTION/FIRST READING/PUBLIC HEARING (3.1)

3.1 ORDINANCE NO. 2013-1137 AND PUBLIC HEARING ON SETTING THE ANNUAL SEWER CAPACITY FEE FOR FISCAL YEAR 2014 AND BEYOND. (0390-55)

City Manager's Recommendation:

1. Declare the public hearing open;
2. Receive public testimony; and
3. Continue the public hearing to April 17, 2013 at 6:00 p.m.

ORDINANCES – SECOND READING/ADOPTION (4.1-4.2)

4.1 ORDINANCE NO. 2013-1135; REX BUTLER FOR BIKEWAY VILLAGE LLC (APPLICANT) AND THE CITY OF IMPERIAL BEACH: ZONING CODE AMENDMENT (ZCA) 10008 FOR ECOTOURISM COMMERCIAL USES AT 536 13TH STREET & 535 FLORENCE STREET AND AIRPORT PARCEL 616-021-10-00 @ 500 13TH STREET. MF 1034 (0610-95)

City Manager's Recommendation:

1. Receive report;
2. Mayor calls for the second reading of the title of Ordinance No. 2013-1135 modifying Ordinance No. 2012-1127 that approved the Zoning Code Amendment (ZCA 10008) and rezoning to establish the Commercial/ Recreation-Ecotourism (C/R-ET) designation/ zone (Chapter 19.25) and applying this C/R-ET zone to the project site;
3. City Clerk to read Ordinance 2013-1135 by title only; and
4. Motion to waive further reading and adopt Ordinance No. 2013-1135 by title only.

Continued on Next Page

ORDINANCES – SECOND READING/ADOPTION (Continued)

4.2 ORDINANCE 2013-1136, AMENDING CHAPTER 10.28.020, SPECIAL SPEED ZONE DESIGNATED. (0750-95)

City Manager's Recommendation:

1. Receive report;
2. Mayor calls for the second reading of Ordinance No. 2013-1136;
3. City Clerk to read title of Ordinance 2013-1136; and
4. Motion to waive further reading and adopt Ordinance No. 2013-1136.

PUBLIC HEARINGS (5.1)

5.1 RESOLUTION 2013-7318 OF THE CITY OF IMPERIAL BEACH, CALIFORNIA ADJUSTING A REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN (RTCIP) FEE FOR FISCAL YEAR 2013-2014. (0680-95)

City Manager's Recommendation:

1. Declare the public hearing open;
2. Receive report;
3. Take public testimony;
4. Close the public hearing; and
5. Adopt Resolution 2013-7318 - A Resolution of the City Council of the City of Imperial Beach, California establishing a \$2,209 Regional Transportation Congestion Improvement Plan Fee for each new residential dwelling Unit.

REPORTS (6.1-6.3)

6.1 DISCUSSION ON BICYCLING ON SIDEWALKS VERSES CITY ROADWAYS. (0680-95)

City Manager's Recommendation:

1. Receive report;
2. Hear a presentation by Mr. Andy Hanshaw regarding bicycling on sidewalks verses on roadways; and
3. Engage in a discussion with Mr. Hanshaw on the bicycling on sidewalks verses on Roadways. Also what age is appropriate for young people to be riding on roadways?

6.2 RESOLUTION NO. 2013-7316 APPROVING THE REMOVAL OF SEVEN (7) DESERT GUM (EUCALYPTUS RUDIS) TREES FROM SPORTS PARK. (0920-40)

City Manager's Recommendation:

1. Receive report;
2. Discuss the merits and drawbacks of the removal of the seven Desert Gum trees shown in attachment 2 of the staff report without replacement at this time; and
3. Adopt resolution.

6.3 RESOLUTION NO. 2013-7314 AUTHORIZING AN AGREEMENT WITH CHANDLER ASSET MANAGEMENT FOR INVESTMENT MANAGEMENT SERVICES. (0350-10)

City Manager's Recommendation: Adopt resolution.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7)

None.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

ADJOURNMENT

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT www.ImperialBeachCA.gov.

/s/
Jacqueline M. Hald, MMC
City Clerk

DRAFT

MINUTES

ITEM NO. 2.1

**CITY OF IMPERIAL BEACH
CITY COUNCIL
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

JANUARY 23, 2013

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

***CLOSED SESSION MEETING – 5:00 P.M.
REGULAR MEETING – 6:00 P.M.***

CLOSED SESSION MEETING CALL TO ORDER

MAYOR JANNEY called the Closed Session Meeting to order at 5:01 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present:	Patton, Bilbray (arrived at 5:07 p.m.), Spriggs
Councilmembers absent:	None
Mayor present:	Janney
Mayor Pro Tem present:	Bragg
Staff present:	City Manager Brown; City Attorney Lyon; City Clerk Hald

CLOSED SESSION

CITY ATTORNEY LYON announced all Closed Session items were properly noticed under the law and made the following corrections to the Government Codes as they appeared on the agenda:

Closed Session Item No. 1 should be: 54956.9(d)(1)
Closed Session Item No. 2 should be: 54956.9(d)(4)
Closed Session Item No. 4 should be: 54956.9(d)(2)

MOTION BY SPRIGGS, SECOND BY BRAGG, TO ADJOURN TO CLOSED SESSION UNDER:

- 1. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION**
(Paragraph (1) of Subdivision (d) of Govt. Code Section 54956.9)
Name of Case: Case No. 37-2012-00101257-CU-PO-CTL
- 2. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION**
Initiation of litigation pursuant to Paragraph (4) of Subdivision (d) of Govt. Code Section 54956.9 (2 cases)
- 3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
Pursuant to Government Code Section 54956.8:
 - a. Property: 735 Palm Ave., Imperial Beach, CA 91932, APN 626-250-03
Agency Negotiator: City Manager and Assistant City Manager
Negotiating Parties: Sudberry-Palm Ave., LLC
Under Negotiation: Price and terms of payment
 - b. Property: 741 Palm Ave., Imperial Beach, CA 91932, APN 626-250-04
Agency Negotiator: City Manager and Assistant City Manager
Negotiating Parties: Sudberry-Palm Ave., LLC
Under Negotiation: Price and terms of payment

- c. Property: 761-779 Palm Ave., Imperial Beach, CA 91932, APN 626-250-05
Agency Negotiator: City Manager and Assistant City Manager
Negotiating Parties: Sudberry-Palm Ave., LLC
Under Negotiation: Price and terms of payment
- d. Property: 739 & 743 8th Street and 801-849 Palm Ave., Imperial Beach, CA 91932,
APN 626-250-06
Agency Negotiator: City Manager and Assistant City Manager
Negotiating Parties: Sudberry-Palm Ave., LLC
Under Negotiation: Price and terms of payment

4. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Govt. Code Section 54956.9(d)(2)
(1 case)

MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: COUNCILMEMBERS: SPRIGGS, PATTON, BRAGG, JANNEY
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: BILBRAY

MAYOR JANNEY adjourned the meeting to Closed Session at 5:02 p.m. and he reconvened the meeting to Open Session at 6:01 p.m.

Reporting out of Closed Session, CITY ATTORNEY LYON announced City Council discussed Item Nos. 1 through 3, direction was given and no reportable action was taken. Closed Session Item No. 4 was removed.

REGULAR MEETING CALL TO ORDER

MAYOR JANNEY called the Regular Meeting to order at 6:02 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present:	Patton, Bilbray, Spriggs
Councilmembers absent:	None
Mayor present:	Janney
Mayor Pro Tem present:	Bragg
Staff present:	City Manager Brown; City Attorney Lyon; City Clerk Hald

PLEDGE OF ALLEGIANCE

MAYOR JANNEY led everyone in the Pledge of Allegiance.

AGENDA CHANGES

MOTION BY BRAGG, SECOND BY BILBRAY, TO TAKE ITEM NOS. 6.6 AND 6.5 AFTER THE CONSENT CALENDAR AND ADD ITEM NO. 6.8 TO THE CONSENT CALENDAR. MOTION CARRIED UNANIMOUSLY.

MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/ REPORTS ON ASSIGNMENTS AND COMMITTEES

MAYOR PRO TEM BRAGG announced that at the most recent MTS Board meeting she was elected as Chair to the Accessabilities Committee and elected to be an alternate on the Executive Committee. She reported that the Board voted to submit a proposal to become the managing agency for the Pacific Surfliner.

COMMUNICATIONS FROM CITY STAFF

CITY MANAGER BROWN announced there will be a meeting of the Imperial Beach Redevelopment Agency Successor Agency on February 6, 2013 at 6:00 p.m.

PUBLIC COMMENT

ED KRAVITZ complained about the following: that the City Council meeting agenda is not published in an adjudicated paper, not having access to the agenda and backup material while City offices were closed over the weekend and during the holiday closure, and that the Consent agenda is approved without discussion.

ALLISON ROLFE, Project Manager for Pacifica Hotels, reported the new hotel is scheduled to open in late spring, reservations will be accepted 30 days prior to the opening of the hotel, negotiations are taking place with the Cohen Family Restaurant Group for operation of the hotel restaurant and a job hotline has been established. She spoke in support for keeping options open with regard to pedestrian scale lighting.

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.10)

The following were submitted as Last Minute Agenda Information for Item No. 2.4:

- a. E-Mail correspondence from Paul R. O'Boyle, dated January 18, 2013
- b. E-Mail correspondence from Morton Park, dated January 23, 2013

MAYOR JANNEY announced that he received a letter from a citizen requesting more information on Item No. 2.10 and referred the matter to the City Manager.

MOTION BY PATTON, SECOND BY BILBRAY, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 THROUGH 2.10 AND ITEM NO. 6.8.

Discussion:

COUNCILMEMBER SPRIGGS stated that he could not support the motion because he had comments on Item No. 6.8.

With regard to Item No. 2.4, PAUL O'BOYLE, representing a telecommunications company, asked for confirmation that if a new node were to be installed in the public right away that it would be covered by one of the exemptions listed in the policy. He also asked that the policy be written to allow for flexibility to put elements on City infrastructure, bringing income to the City and eliminating the need for an extra vertical element.

VOTES WERE NOW CAST ON ORIGINAL MOTION BY PATTON, SECOND BY BILBRAY, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 THROUGH 2.10 AND ITEM NO. 6.8. MOTION BY THE FOLLOWING VOTE:

AYES:	COUNCILMEMBERS: BILBRAY, PATTON, BRAGG, JANNEY
NOES:	COUNCILMEMBERS: NONE
ABSTENTIONS:	COUNCILMEMBERS: SPRIGGS
ABSENT:	COUNCILMEMBERS: NONE

2.1 MINUTES.

Approved the minutes of the Regular and Special Meetings of December 5, 2012.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

Ratified the following registers: Accounts Payable Numbers 81633 through 81845 for a subtotal amount of \$5,160,454.25 and Payroll Checks/Direct Deposit 44996 through 45054 for a subtotal of \$428,802.55 for a total amount of \$5,589,256.80.

2.3 APPROVE RESOLUTION NO. 2013-7291 AND AUTHORIZE INVESTMENT OF CITY OF IMPERIAL BEACH MONIES IN THE LOCAL AGENCY INVESTMENT FUND OF THE CALIFORNIA STATE TREASURY. (0350-30)

Adopted resolution and authorized investment of City of Imperial Beach monies in the Local Agency Investment Fund of the California State Treasury.

2.4 RESOLUTION NO. 2013-7292 ADOPTING CITY COUNCIL POLICY NO. 615 "STREET PAVEMENT PRESERVATION". (0720-95)

Adopted resolution.

2.5 RESOLUTION NO. 2013-7286 AFFIRMING STAFF COMMENT LETTER ON TENTATIVE ORDER R9-2013-0001 TO THE SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD. (0770-70)

Adopted resolution.

2.6 RESOLUTION NO. 2013-7288 AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SIGN THE FISCAL YEAR 2011-12 ANNUAL REPORTS FOR THE SAN DIEGO BAY AND THE TIJUANA RIVER WATERSHED URBAN RUNOFF MANAGEMENT PROGRAMS. (0770-87)

Adopted resolution.

2.7 RESOLUTION NO. 2013-7295 CONFLICT OF INTEREST CODE UPDATE. (0420-30)

Adopted resolution.

2.8 RESOLUTION NO. 2013-7293 AUTHORIZING CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SAN DIEGO UNIFIED PORT DISTRICT (PORT DISTRICT) FOR THE ALLOCATION AND USE OF UP TO \$150,000 OF THE PORT DISTRICT'S APPROVED FISCAL YEAR 2014-2018 CAPITAL IMPROVEMENT PROGRAM FUNDS FOR CONSTRUCTION OF THE DATE AVENUE STREET END IMPROVEMENTS. (0150-70)

Adopted resolution.

2.9 RESOLUTION NO. 2013-7289 AUTHORIZING THE CITY MANAGER TO IMPLEMENT THE FULL-TIME CORE STAFFING STRATEGY FOR THE LIFEGUARD DIVISION IN THE PUBLIC SAFETY DEPARTMENT. (0510-95)

Adopted resolution.

2.10 RESOLUTION NO. 2013-7296 AWARDED A PROFESSIONAL SERVICES CONTRACT TO KOA CORPORATION FOR CONSTRUCTION SUPPORT AND DATA COLLECTION RE: ECO-BIKEWAY 7TH & SEACOAST CIP PROJECT S05-104. (0680-20)

Adopted resolution.

6.8 RESOLUTION 2013-7290 APPROVING A FIVE-YEAR AGREEMENT WITH THE SAN DIEGO COUNTY SHERIFF'S DEPARTMENT FOR THE PROVISION OF GENERAL AND SPECIALIZED LAW ENFORCEMENT AND TRAFFIC SERVICES WITHIN THE CITY OF IMPERIAL BEACH, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT. (0260-10)

Adopted resolution.

REPORTS (6.6 & 6.5)

6.6 RESOLUTION NO. 2013-7298 AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ISSUE AN RFP FOR A CAPITAL CAMPAIGN FEASIBILITY STUDY FOR A NEW PUBLIC LIBRARY. (0150-20)

CITY MANAGER BROWN reported on the item.

COUNTY SUPERVISOR COX announced that the estimated cost for a new 14,000 square foot library is \$6M to \$8M and that the County has set aside \$1M in neighborhood investment funds for this library. He spoke in support for issuing an RFP for a feasibility study to determine the ability to raise money from the private sector and philanthropic individuals and organizations for a new Imperial Beach library.

MOTION BY BILBRAY, SECOND BY SPRIGGS, TO ADOPT RESOLUTION NO. 2013-7298 AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ISSUE AN RFP FOR A CAPITAL CAMPAIGN FEASIBILITY STUDY FOR A NEW PUBLIC LIBRARY. MOTION CARRIED UNANIMOUSLY.

6.5 CONSIDERATION TO ADOPT A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN SANDAG AND IMPERIAL BEACH REGARDING THE REGIONAL BEACH SAND REPLENISHMENT PROJECT II. (0140-40 & 0220-70)

The following were submitted as Last Minute Agenda Information:

- a. Attachment 1 - Draft Memorandum of Understanding between San Diego Association of Governments and the City of Imperial Beach regarding Remedial Measures Associated with the Regional Beach Sand Replenishment Project II
- b. E-Mail correspondence from Daren Johnson, dated January 23, 2013
- c. E-Mail correspondence from Serge Dedina, dated January 23, 2013

COUNCILMEMBER SPRIGGS announced that he would recuse himself from discussion on the item and requested the opportunity to speak as a member of the public.

CITY ATTORNEY LYON stated that Councilmember Spriggs is recusing himself due to a potential conflict of interest because of the location of his residence. Pursuant to section 18702.4 of the California Code of Regulations, Councilmember Spriggs may leave the dais, sit in the audience and participate as any other member of the general public solely to represent his own personal interests. In this case, it is his private property.

COUNCILMEMBER SPRIGGS left the dais and sat in the audience at 6:30 p.m.

CITY MANAGER BROWN introduced the item.

SHELBY TUCKER, Project Manager from SANDAG, gave a PowerPoint presentation on the item. She reported on the Regional Beach Sand Replenishment Project and responded to concerns related to ponding that is occurring on the beach along south Seacoast Drive.

ALAN ALCORN, with Moffatt & Nichol, gave a PowerPoint presentation. He spoke about project design components, construction efforts and subsequent remedial measures taken by SANDAG. He noted that high tides will be monitored, subsequent wave action will be tracked and both people and equipment will be on hand to drain water out.

SHELBY TUCKER stated that SANDAG will be directing and overseeing all aspects of the work, that there has been an ongoing beach monitoring program and will continue to reach out to the public and meet with homeowner's associations.

City Council discussion ensued.

In response to Councilmember Patton's question regarding wave action and impacts to surfing, MR. ALCORN stated that as the winter storms drag material offshore, new bars will form and the surfing resources will return.

SHELBY TUCKER clarified that SANDAG has been working with Surfrider Foundation who will be implementing a surf monitoring program. She stated that in anticipation of high tides, staff will be ready and equipment will be mobilized to cut the east west swale as the tide is going out. The goal is to watch the tides and weather and know when a swale is coming and to be timely with a response.

ED SPRIGGS thanked Shelby Tucker and Alan Alcorn for their presentations. He stated that although there are a lot of concerns, they have been proactive in trying to address the issues and to correct what is happening and asked that they be treated with respect. He showed pictures of his garage that had water incursion and expressed concern about the structure's integrity. He stated that the elevator well has been inundated with water for the first time since 1992 when the building was built and that the pump continues to work to this day to keep water out of the well.

DAVE VAN DEWATER showed a PowerPoint presentation on the water that is appearing in his garage, in the landscaping, sidewalks and meter boxes. He expressed concern about potential impacts to his building's foundation.

BOB HANSEN stated that the project was poorly planned and poorly implemented. He questioned what the plan is for a long term fix and suggested contacting an expert who understands the beach.

JOHN IRELAND showed a DVD of water in motion. He supported a sloped beach as opposed to a level beach (additional speaking time donated by ELIZABETH IRELAND).

ALICE DE LA TORRE said that in the 17 years that she has lived at her residence, she has never experienced such enormous flooding in her garage, which she attributed to the design of the project. She expressed concern about the ongoing water seepage that is occurring in her garage. She asked that the following be kept in mind: design flaw, ongoing consequences and future effects, wrong slope of the sand, and that trenching is a band aid and not the answer.

DORIS ARGOUD spoke about saltwater going through the dune and exiting at the street. She expressed concern about sinking into the sand 6 to 8 inches when walking on it where in the past the sand was hard and compacted.

MIRIAM IOSUPOVICI stated that she used to walk on the beach every day but cannot do so anymore. She said that her garage is currently flooded and is concerned about damage. She expressed concern about future problems with high tides.

CINDY KILLMAN expressed concern about the amount of sand that was placed on the beach and she questioned the plans for south Seacoast Drive.

LINDA CORDERO stated that her company represents an owner who purchased property on Seacoast Drive approximately one month prior to the start of the project. She believed that sand was improperly placed and expressed concern about the safety of her tenant and other residents. She encouraged the City to get a second opinion.

TOM COOK, representing Surfrider Foundation, stated that SANDAG has been transparent through the whole process, was open to Surfrider's input, and the public comment had the opportunity to comment on the project. He gave a PowerPoint presentation on the video-based surf monitoring study. (additional speaking time donated by SCOTT TAYLOR).

MARK WEST, representing Surfrider Foundation, stated that there has been a decrease in the quality of surf as a result of this project. He expressed concern about safety and the need to readdress how the situation is being handled. He spoke in support for bringing back the Tidelands Advisory Committee (additional speaking time donated by KAORI KLAYKO).

MATTHEW LORD expressed concern about the surfing quality and for beach safety.

DAN MURPHY stated that he has not been able to surf in Imperial Beach because there haven't been any waves. He expressed concern about sand covering up the reef and impacting marine life, closure of the river mouth, and he spoke in support of the creation of the Tidelands Advisory Committee.

JEFF KNOX stated that a strongly sloped beach with a large berm is dangerous. He expressed concern with the way the sand is moving south and closing off the river mouth and impacts to the reef. He spoke in support for having an independent marine engineering firm or Scripps Institute look into solving the problem.

SERGE DEDINA, Executive Director of Wildcoast, showed a PowerPoint presentation. He noted that Wildcoast has been very involved with evaluating and monitoring the project. He recognized SANDAG and Moffatt & Nichol for being collaborative, transparent and for responding quickly to the concerns of the public. He encouraged the evaluation of flooding impacts on public infrastructure. He expressed concern about safety of beachgoers, potential closure of the river mouth, sand covering the reef and the elimination of wave quality. He suggested that the MOU be expanded or have another MOU to evaluate the impacts to surfing, beach safety, ecological resources and to public infrastructure. He spoke about the importance of the City and SANDAG to talk to managers at the estuary and to reinstate the Tidelands Advisory Committee (additional speaking donated by DAVE PARRA and STEVE BROWN).

MAYOR JANNEY called a recess at 7:53 p.m. and called the meeting back to open session at 8:01 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present:	Patton, Bilbray, Spriggs (disqualified from discussion of the item due to a potential conflict of interest)
Councilmembers absent:	None
Mayor present:	Janney
Mayor Pro Tem present:	Bragg
Staff present:	City Manager Brown; City Attorney Lyon; City Clerk Hald

MAYOR JANNEY clarified that the MOU is for SANDAG to pay the City for staff's time and use of City equipment.

SHELBY TUCKER responded to questions of the Mayor regarding mobilization of equipment.

MAYOR JANNEY made a request for SANDAG to return to City Council on February 20th with an update on the situation.

MOTION BY PATTON, SECOND BY JANNEY, TO APPROVE THE MOU BETWEEN SANDAG AND THE CITY OF IMPERIAL BEACH REGARDING THE REGIONAL BEACH SAND REPLENISHMENT PROJECT II AND INVITE SANDAG AND OTHER PROFESSIONALS TO THE FEBRUARY 20, 2013 CITY COUNCIL MEETING TO GIVE AN UPDATE REPORT.

MAYOR JANNEY suggested a friendly amendment to the motion to include a separate discussion on the status of the Tidelands Advisory Committee at the City Council meeting of February 20, 2013.

COUNCILMEMBER PATTON accepted the friendly amendment.

MOTION BY PATTON, SECOND BY JANNEY, TO APPROVE THE MOU BETWEEN SANDAG AND THE CITY OF IMPERIAL BEACH REGARDING THE REGIONAL BEACH SAND REPLENISHMENT PROJECT II AND AT THE FEBRUARY 20, 2013 CITY COUNCIL MEETING HAVE SANDAG AND OTHER PROFESSIONALS GIVE AN UPDATE REPORT ON THE MATTER AND HAVE AS A SEPARATE DISCUSSION THE STATUS OF THE TIDELANDS ADVISORY COMMITTEE. MOTION CARRIED BY THE FOLLOWING VOTE:

AYES:	COUNCILMEMBERS: BILBRAY, PATTON, BRAGG, JANNEY
NOES:	COUNCILMEMBERS: NONE
DISQUALIFIED:	COUNCILMEMBERS: SPRIGGS
ABSENT:	COUNCILMEMBERS: NONE

COUNCILMEMBER SPRIGGS returned to the dais at 8:15 p.m.

ORDINANCES – INTRODUCTION/FIRST READING (3)

None.

ORDINANCES – SECOND READING/ADOPTION/PUBLIC HEARING (4.1)

4.1 ORDINANCE NO. 2012-1132 REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE CONCERNING PERMANENT AND MOBILE FOOD FACILITIES. (0240-28)

MAYOR JANNEY declared the continued public hearing open.

CITY MANAGER BROWN introduced the item and reported that the proposed ordinance does not impact the vendors at the Farmer's Market.

CITY CLERK HALD announced no public speaker slips were submitted.

JACK MILLER, Director of the Department of Environmental Health for the County of San Diego, responded to questions of the City Council regarding the grading system and confirmed that a grade of B or C would need to be upgraded to an A. He provided City Council with a draft copy of an “A” grading card that would be displayed in a mobile food facility.

MAYOR JANNEY closed the public hearing and called for the second reading of the title Ordinance No. 2012-1132.

CITY CLERK HALD read the title of Ordinance No. 2012-1132 “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE BY ADOPTING BY REFERENCE TITLE 6, DIVISION 1 OF THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES CONCERNING PERMANENT AND MOBILE FOOD FACILITIES.”

MOTION BY PATTON, SECOND BY BILBRAY, TO WAIVE FURTHER READING AND ADOPT ORDINANCE NO. 2012-1132 BY TITLE ONLY. MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARINGS (5.1)

5.1 ADOPTION OF THE 2013-2020 IMPERIAL BEACH HOUSING ELEMENT (GPA 100060) AND ITS NEGATIVE DECLARATION. MF 1060. (0660-95)

MAYOR JANNEY declared the continued public hearing open.

CITY MANAGER BROWN introduced the item.

CITY PLANNER NAKAGAWA gave a PowerPoint presentation on the item.

VERONICA TAM, Principal at Veronica Tam and Associates, responded to questions of City Council regarding Regional Housing Needs Assessment goals.

CITY CLERK HALD announced no public speaker slips were submitted.

MAYOR JANNEY closed the public hearing.

MOTION BY BILBRAY, SECOND BY BRAGG, TO ADOPT RESOLUTION NO. 2013-7287 AMENDING THE GENERAL PLAN (GPA 100060) BY ADOPTING THE 2013-2020 IMPERIAL BEACH HOUSING ELEMENT AND ADOPTING ITS NEGATIVE DECLARATION. MF 1060. MOTION CARRIED UNANIMOUSLY.

REPORTS (6.1-6.8)

6.1 PAVEMENT MANAGEMENT PLAN UPDATE. (0720-95)

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN introduced the City’s Engineer, Carmen Kasner of Atkins North America.

CARMEN KASNER, stated that the recommendations were broken down into three major categories:

1. Major projects that can be funded with Transnet funding
2. Streets that will have pot holes over time but do not need a full overlay at this time
3. Slurry Seal program which extends the life of streets

PUBLIC WORKS DIRECTOR LEVIEN reviewed the priority list of streets needing an overlay. He recommended deferral of the major streets listed on the staff report with exception to the following streets which will be included in the next Transnet funded street program:

1. 12th Street
2. Granger Avenue
3. Oneonta Avenue
4. Grove Avenue

CONSENSUS OF CITY COUNCIL TO DIRECT STAFF TO PROCEED WITH THE DESIGN FOR CONSTRUCTION OF THE FOLLOWING STREETS WHICH WILL BE FUNDED THROUGH THE NEXT TRANSNET FUNDED STREET PROJECT:

1. **12TH STREET**
2. **GRANGER AVENUE**
3. **ONEONTA AVENUE**
4. **GROVE AVENUE**

6.2 FOLLOW-UP REPORT TO CITY COUNCIL ON INTERIM DESIGN STANDARD FOR UNIMPROVED ALLEYS. (0720-95)

CITY MANAGER BROWN reported that the City Council asked staff to return with an interim standard that would allow for the installation of gravel alleys. He noted that staff did not recommend approval of the standard.

JOHN ROCHE spoke about the poor condition of dirt alleyways.

MAYOR JANNEY spoke about walking door to door to encourage property owners to pave alleys to the City's designed standard.

COUNCILMEMBER SPRIGGS suggested that there be a one year trial period for the interim design standard to bring the condition of the dirt alleys to a higher level than it is now while the Mayor's suggestion is evaluated.

COUNCILMEMBER PATTON spoke in opposition to the interim design standard and supported the Mayor's suggestion.

COUNCILMEMBER BRAGG supported the comments of Councilmember Spriggs.

MOTION BY BRAGG, SECOND BY SPRIGGS, TO PROCEED WITH THE INTERIM DESIGNED STANDARD.

City Council discussion.

CITY ATTORNEY LYON stated that staff would have to return with a resolution or ordinance and the fees.

MAYOR JANNEY spoke in support for paved alleys as the interim design standard is not a satisfactory solution.

COUNCILMEMBER SPRIGGS questioned if there is an alternate plan.

MAYOR JANNEY suggested that he and Councilmember Bilbray work with Mr. Roche for the next three months on garnering support for pavement of the alleys.

COUNCILMEMBER BRAGG withdrew her motion. She expressed concern about the amount of time it would take to form an assessment district and about alleviating the concerns raised by the members of the public who wanted an interim design standard.

CONSENSUS OF CITY COUNCIL TO HAVE MAYOR JANNEY AND COUNCILMEMBER BILBRAY CANVASS PROPERTY OWNERS TO SUPPORT FORMATION OF AN ALLEY ASSESSMENT DISTRICT.

6.3 REPORT ON SEWER SERVICE CHARGE AND CAPACITY FEE STUDY BY CONSULTANT, KARYN KEESE, ATKINS NORTH AMERICAN, INC. (0830-37)

Attachment 1 – Consultant Preliminary Sewer Service Charge and Capacity Fee Study was submitted as last minute agenda information.

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN reported on the item.

KARYN KEESE, with Atkins North American, Inc., gave a PowerPoint presentation on the item and reported on her analysis for a new Sewer Service Charge and Capacity Fee. She stated that the recommended changes bring rates up to industry standards, establishes a base rate for all categories and complies with Prop 218.

Councilmember Bilbray supported a Sewer Capacity Fee in a range between those of the Cities of Chula Vista and San Diego.

MOTION BY BILBRAY, SECOND BY PATTON, TO RETURN TO CITY COUNCIL WITH THE FINAL STUDY REPORT AND A SEWER CAPACITY FEE OF \$4,000 AT THE FEBRUARY 20, 2013 COUNCIL MEETING. MOTION CARRIED UNANIMOUSLY.

6.4 RESOLUTION NO. 2013-7297 APPROVING CHANGE ORDER NO. 9 TO SOUTHLAND PAVING INC. CONTRACT – TO WIT: STREET IMPROVEMENTS RDA PHASE 4/5 CIP S11-105 AND THE TRANSFER OF \$310,000 FROM STREET IMPROVEMENT RDA PHASE 3B (CIP S04-108) AND FROM UNOBLIGATED STATE GAS TAX MONEY TO STREET IMPROVEMENTS RDA PHASE 4/5 CIP S11-105. (0720-25)

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN gave a PowerPoint presentation on the item.

BOB MILLER spoke in support for funding pedestrian scale street lighting rather than the proposed project. He suggested that another funding source be used to fund the change order.

MAYOR JANNEY stated that if a majority of City Council believes that pedestrian scale street lighting is a priority in this City then funding that is available at that time will fund it. In this case, there is an obligation to pay a contractor for doing street work with street money and supported staff's recommendation.

COUNCILMEMBER SPRIGGS stated that the business community along Seacoast Drive is interested in pedestrian scale street lighting to create a community environment. He supported preservation of the Street Improvement RDA Phase 3B funds until there is an opportunity to discuss pedestrian scale street lighting at next week's City Council workshop meeting. He suggested the use of another funding source such as gas tax funds.

COUNCILMEMBER BRAGG supported the use of gas tax funds to pay for the change order.

Discussion ensued regarding the risks of using redevelopment funds on pedestrian scale street lighting.

MAYOR JANNEY spoke about the obligation to pay the contractor and recommended the use of gas tax money to fund the change order.

MOTION BY JANNEY, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2013-7297 APPROVING CHANGE ORDER NO. 9 TO SOUTHLAND PAVING INC. CONTRACT – TO WIT: STREET IMPROVEMENTS RDA PHASE 4/5 CIP S11-105. MOTION CARRIED UNANIMOUSLY.

6.7 RESOLUTION NO. 2013-7294 AUTHORIZING THE FILING OF AN APPLICATION FOR FISCAL YEARS 2011-2013 SMART GROWTH INCENTIVE PROGRAM GRANT THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT. (0140-40 & 0620-50)

CITY MANAGER BROWN introduced the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE reported on the item and announced a revised Resolution No. 2013-7294 was submitted as Last Minute Agenda Information.

MOTION BY PATTON, SECOND BY BRAGG, TO ADOPT RESOLUTION NO. 2013-7294 AUTHORIZING CITY OF IMPERIAL BEACH STAFF TO SUBMIT AN APPLICATION TO SANDAG FOR FISCAL YEARS 2011-2013 SMART GROWTH INCENTIVE PROGRAM PLANNING GRANT FUNDS IN THE AMOUNT OF \$400,000 FOR THE PALM AVENUE COMMERCIAL & MIXED-USE CORRIDOR PROJECT AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT. MOTION CARRIED UNANIMOUSLY.

CITY ATTORNEY LYON stated that because there was a modification of the funding source for Item No. 6.4, she asked that City Council clarify the funding source in the motion.

MOTION BY JANNEY, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2013-7297 APPROVING CHANGE ORDER NO. 9 TO SOUTHLAND PAVING INC. CONTRACT – TO WIT: STREET IMPROVEMENTS RDA PHASE 4/5 CIP S11-105 AND THE TRANSFER OF \$310,000 FROM UNOBLIGATED STATE GAS TAX MONEY TO STREET IMPROVEMENTS RDA PHASE 4/5 CIP S11-105. MOTION CARRIED UNANIMOUSLY.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7)

None.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

None.

ADJOURNMENT

Mayor Janney adjourned the meeting at 11:13 p.m.

James C. Janney, Mayor

Jacqueline M. Hald, MMC
City Clerk



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: April 3, 2013
ORIGINATING DEPT.: ADMINISTRATIVE SERVICES DEPARTMENT *KV*
SUBJECT: RATIFICATION OF WARRANT REGISTER

BACKGROUND:
None

DISCUSSION:

As of April 7, 2004 all large warrants above \$100,000 will be separately highlighted and explained on the staff report.

<u>Vendor:</u>	<u>Check:</u>	<u>Amount:</u>	<u>Description:</u>
Southland Paving	82221	\$225,159.69	Street 4/5 Retention
San Diego County Sheriff	82240	\$470,486.19	January Law Enf.

The following registers are submitted for Council ratification.

<u>WARRANT #</u>	<u>DATE</u>	<u>AMOUNT</u>
<u>Accounts Payable</u>		
82168-82232	3/15/2013	\$422,981.51
82233-82253	3/21/2013	\$519,696.14
	Sub-total	<u>\$942,677.65</u>

Note:

Check number 82246-82248 was voided automatically by the system it is a part of check 82249

<u>Payroll Checks/Direct Deposit</u>		
45148-45169	P.P.E. 3/7/2013	\$122,883.99
	Sub-total	<u>\$122,883.99</u>
	TOTAL	<u>\$1,065,561.64</u>

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

Warrants are issued from budgeted funds.

DEPARTMENT RECOMMENDATION:

It is respectfully requested that the City Council ratify the warrant register.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Warrant Registers

PREPARED 03/26/2013, 12:58:06
 PROGRAM: GM350L
 CITY OF IMPERIAL BEACH

A/P CHECKS BY PERIOD AND YEAR
 FROM 03/15/2013 TO 03/21/2013

PAGE 1

BANK CODE 00

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
03/15/2013	82168	ACCONTEMPS	70	1,836.00
101-1210-413.21-01	03/06/2013	M, BAKER WE 3/1/13	37473532	130516 09/2013 1,836.00
03/15/2013	82169	AGRICULTURAL PEST CONTROL	123	95.00
101-6020-452.21-04	02/26/2013	WE 2/26 RODENT CONTROL	297263	130101 08/2013 95.00
03/15/2013	82170	AMERICAN MESSAGING	1759	132.93
101-3020-422.21-04	03/01/2013	MSG SVC MARCH 2013	L1074045NC	130118 09/2013 132.93
03/15/2013	82171	ARROWHEAD MOUNTAIN SPRING WATE	1340	37.79
101-1010-411.30-02	02/22/2013	1/21-2/20 CITY HALL	03B0031149578	130073 08/2013 37.79
03/15/2013	82172	AVI SYSTEMS, INC.	2227	720.14
101-1920-419.21-04	02/12/2013	COUNCIL VIDEO/AUDIO CHGS	37955900	130715 08/2013 720.14
03/15/2013	82173	AZTEC LANDSCAPING INC	310	1,540.00
101-5010-431.21-04	02/28/2013	FEB LANDSCAPE MAIT	0024516-IN	130091 08/2013 1,540.00
03/15/2013	82174	CALIFORNIA AMERICAN WATER	612	827.43
101-6040-454.27-02	03/06/2013	05-0092998-9 2/1-3/1	03-25-2013	08/2013 67.62
101-3030-423.27-02	03/06/2013	05-0093917-8 2/1-3/1	03-25-2013	08/2013 68.10
101-5010-431.27-02	03/06/2013	05-0094000-2 2/1-3/1	03-25-2013	08/2013 27.31
101-5010-431.27-02	03/06/2013	05-0094041-6 2/1-3/1	03-25-2013	08/2013 27.31
101-5010-431.27-02	03/06/2013	05-0094076-2 2/1-3/1	03-25-2013	08/2013 18.32
101-5010-431.27-02	03/06/2013	05-0094163-8 2/1-3/1	03-25-2013	08/2013 18.32
101-5010-431.27-02	03/06/2013	05-0094234-7 2/1-3/1	03-25-2013	08/2013 18.32
101-5010-431.27-02	03/06/2013	05-0094268-5 2/1-3/1	03-25-2013	08/2013 40.78
101-5010-431.27-02	03/06/2013	05-0094293-3 2/1-3/1	03-25-2013	08/2013 27.31
101-5010-431.27-02	03/06/2013	05-0094304-8 2/1-3/1	03-25-2013	08/2013 144.02
101-5010-431.27-02	03/06/2013	05-0094973-0 2/1-3/1	03-25-2013	08/2013 40.78
101-3030-423.27-02	03/08/2013	05-0155019-8 2/6-3/5	03-27-2013	08/2013 25.37
101-5010-431.27-02	03/08/2013	05-0155037-0 2/6-3/5	03-27-2013	08/2013 18.32
601-5060-436.27-02	03/08/2013	05-0392478-9 2/6-3/5	03-27-2013	08/2013 18.32
601-5060-436.27-02	03/08/2013	05-0505362-9 2/6-3/5	03-27-2013	08/2013 267.23
03/15/2013	82175	CALIFORNIA DENTAL	2480	603.20
101-0000-209.01-12	02/14/2013	PR AP PPE 02/07/2013	20130214	08/2013 312.16
101-0000-209.01-12	02/28/2013	PR AP PPE 2/21/2013	20130228	08/2013 312.16
101-0000-209.01-12	03/14/2013	APRIL 2013 DENTAL	002395	09/2013 21.12-
03/15/2013	82176	CDW GOVERNMENT INC	725	913.87
503-1923-419.30-02	03/01/2013	HP 500GB COMPUTER	Z451645	130120 09/2013 751.65
503-1923-419.30-02	02/28/2013	ACER MONITOR	Z397700	130120 08/2013 162.22
03/15/2013	82177	CHICK'S ELECTRIC MOTOR SV	783	134.21
601-5060-436.28-01	03/12/2013	MARATHON MOTOR	17216	130057 09/2013 134.21
03/15/2013	82178	CITY OF CHULA VISTA	823	587.46
101-3050-425.20-06	03/01/2013	AC SVCS FEB 2013	03-01-2013	130130 09/2013 587.46

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
03/15/2013	82179	CLEAN HARBORS	913			1,247.00
101-5040-434.21-04	02/28/2013	ENV DISPOSAL SVCS	6Y1397091	130029	08/2013	1,247.00
03/15/2013	82180	CORODATA MEDIA STORAGE, INC.	2334			135.63
503-1923-419.20-06	02/28/2013	FEB 2013 DATA STORAGE	DS1255934	130102	08/2013	135.63
03/15/2013	82181	COX COMMUNICATIONS	1073			216.60
503-1923-419.29-04	03/01/2013	CITY HALL CABLE SVCS	03-22-2013	130126	09/2013	37.60
601-5050-436.21-04	03/05/2013	950 OCEAN LN MARCH 2013	03-25-2013	130126	09/2013	179.00
03/15/2013	82182	CYNTHIA TITGEN CONSULTING, INC	2340			1,800.00
101-1130-412.20-06	02/28/2013	NOV/DEC 2012 HR CONSULT	201301	130075	08/2013	1,800.00
03/15/2013	82183	D.A.R. CONTRACTORS	1122			347.00
101-3050-425.20-06	03/01/2013	DEAD ANIMAL REMOVAL FEB	211301229	130211	09/2013	347.00
03/15/2013	82184	D&A DAILY MORTGAGE FUND III, L.	2			14,240.00
101-0000-221.01-05	03/11/2013	BOND REFUND TEP 13-06	03-11-2013		09/2013	14,240.00
03/15/2013	82185	DATAQUICK	1134			75.00
101-1210-413.21-04	03/01/2013	PROPERTY INFO DATA	B1-2129049	130207	09/2013	6.75
101-3070-427.21-04	03/01/2013	PROPERTY INFO DATA	B1-2129049	130207	09/2013	68.25
03/15/2013	82186	EAGLE NEWSPAPER	1204			145.00
210-1235-513.20-06	02/28/2013	IB CROSSWLK ADV	75698	130022	08/2013	145.00
03/15/2013	82187	FASTENAL	909			32.82
501-1921-419.30-02	03/05/2013	NYLOCK/FLASHLIGHTS	CACHU30420	130010	09/2013	32.82
03/15/2013	82188	FIDELITY SECURITY LIFE INSURAN	2476			190.83
101-0000-209.01-18	02/14/2013	PR AP PPE 02/07/2013	20130214		08/2013	99.62
101-0000-209.01-18	02/28/2013	PR AP PPE 2/21/2013	20130228		08/2013	91.21
03/15/2013	82189	FIRE ETC	924			365.66
101-3020-422.30-02	03/07/2013	CHEM GUARD	45629	130229	09/2013	365.66
03/15/2013	82190	GCR TIRE CENTERS	1702			1,494.50
101-6040-454.21-04	03/01/2013	TRK WHEEL SWITCH	832-19564	130050	09/2013	164.00
501-1921-419.28-16	02/26/2013	(2) 385/65/22.5/18 TIRES	832-19462	130050	08/2013	1,330.50
03/15/2013	82191	GO-STAFF, INC.	2031			828.61
101-3020-422.21-01	02/26/2013	A,MEDLEY WE 2/21	104343	130660	08/2013	323.36
101-3020-422.21-01	03/05/2013	WE 3/1 MEDLEY, A	104623	130660	09/2013	505.25
03/15/2013	82192	GOOGLE, INC.	2009			76.30
503-1923-419.20-06	03/05/2013	EMAIL SECURITY FEB-MARCH	5243357	130104	09/2013	76.30
03/15/2013	82193	GRAINGER	1051			531.50
601-5060-436.30-02	03/04/2013	HANDHELD SPRAYER	9082453250	130011	09/2013	179.82

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
101-5020-432.30-02	02/26/2013	PADLOCK /MEASURING WHL	9077553528	130011	08/2013	351.68
03/15/2013	82194	I B FIREFIGHTERS ASSOCIATION	214			300.00
101-0000-209.01-08	03/14/2013	PR AP PPE 03/07/2013	20130314		09/2013	300.00
03/15/2013	82195	ICMA RETIREMENT TRUST 457	242			5,945.48
101-0000-209.01-10	03/14/2013	PR AP PPE 03/07/2013	20130314		09/2013	5,945.48
03/15/2013	82196	INTERSTATE BATTERY OF SAN DIEG	388			73.55
501-1921-419.28-16	03/06/2013	BATTERY-IBLG #608	930005092	130012	09/2013	73.55
03/15/2013	82197	JANI-KING OF CALIFORNIA, INC.	2042			4,013.02
101-1910-419.21-04	03/01/2013	MARCH CONTRACT SVCS	SD03130632	130119	09/2013	4,013.02
03/15/2013	82198	JOHN DEERE LANDSCAPES	1986			101.90
601-5060-436.30-02	03/04/2013	ROUNDUP QUICKPRO	63831895	130031	09/2013	101.90
03/15/2013	82199	KANE, BALLMER & BERKMAN	1828			20,190.01
101-0000-221.01-02	01/04/2013	SEACOAST INN OPA	18723		09/2013	2,000.00
101-5000-532.20-06	01/04/2013	9TH & PALM-DDA	18721	130716	07/2013	5,650.00
303-1250-413.20-06	01/04/2013	SUCCESSOR AGENCY OPERATIO	18722	130716	07/2013	11,014.65
303-1250-413.20-06	01/08/2013	1/14 SHARED REDEVELOPMENT	18698	130716	07/2013	782.86
101-0000-221.01-02	03/07/2013	SEACOAST INN OPA	18927		09/2013	742.50
03/15/2013	82200	LLOYD PEST CONTROL	814			325.00
101-1910-419.21-04	02/08/2013	1075 8TH ST FEB 2013	3718722	130097	08/2013	53.00
101-1910-419.21-04	02/14/2013	495 10TH ST FEB 2013	3706139	130097	08/2013	53.00
101-1910-419.21-04	02/14/2013	950 OCEAN LN FEB 2013	3706454	130097	08/2013	60.00
101-1910-419.21-04	02/14/2013	825 IB BLVD FEB 2013	3718476	130097	08/2013	36.00
101-1910-419.21-04	02/14/2013	865 IB BLVD FEB 2013	3718477	130097	08/2013	36.00
101-1910-419.21-04	02/14/2013	845 IB BLVD FEB 2013	3718654	130097	08/2013	36.00
101-1910-419.21-04	02/20/2013	425 IB BLVD FEB 2013	3704265	130097	08/2013	51.00
03/15/2013	82201	MCDUGAL LOVE ECKIS &	962			14,168.33
101-1220-413.20-01	02/01/2013	CODE ENFORCEMENT	083207		08/2013	1,130.13
502-1922-419.20-01	02/01/2013	GENERAL TORT CLAIMS	83209		08/2013	1,192.13
502-1922-419.20-01	02/01/2013	PERSONNEL/LABOR RELATIONS	83210		08/2013	5,248.95
303-1250-413.20-01	02/01/2013	SUCCESSOR AGENCY TO RDA	83211		08/2013	2,010.84
303-1250-413.20-01	02/01/2013	SUCCESSOR AGENCY TO RDA	83211		08/2013	122.83
101-1220-413.20-01	02/01/2013	RINA KELLY V CITY OF IB	83247		08/2013	1,009.27
101-1220-413.20-01	02/01/2013	BRIANS V CITY OF IB	83248		08/2013	3,071.25
101-1220-413.20-01	02/01/2013	SANDAG	83249		08/2013	382.93
03/15/2013	82202	NASLAND ENGINEERING	1656			640.00
405-1260-513.20-06	02/28/2013	DATE ST END CONSULT SVCS	92960	090544	08/2013	640.00
03/15/2013	82203	NBS GOVERNMENT FINANCE GROUP	2299			3,800.00
303-1250-413.20-06	02/28/2013	2010 TAB DISCLOSURE	2130057	130717	08/2013	1,525.00
303-1250-413.20-06	02/28/2013	2003 TAB DISCLOSURES	2130063	130717	08/2013	2,275.00
03/15/2013	82204	OFFICE DEPOT, INC	1262			611.55
101-1110-412.30-02	02/05/2013	ORGANIZER/PENS	644044760001	130002	08/2013	82.43

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
101-1020-411.30-01	02/05/2013	TOSHIBA CANVIO	644044816001	130002	08/2013	96.07
101-1130-412.30-01	02/06/2013	KEYBOARD, DESK PADS	644143980001	130002	08/2013	19.38
502-1922-419.30-01	02/06/2013	KEYBOARD, DESK PADS	644143980001	130002	08/2013	38.65
101-1210-413.28-11	02/07/2013	FINANCE RETURN ENVELOPES	643808178001	130002	08/2013	134.24
101-1110-412.30-02	02/08/2013	BATTERIES/HIGHLIGHTERS	644596939001	130002	08/2013	53.79
101-3020-422.30-01	02/04/2013	RETURNED FRAME/POSTER	643291406001	130002	08/2013	509.74-
101-1110-412.30-02	02/08/2013	RETURNED ORGANIZER	644246051001	130002	08/2013	68.03-
101-3030-423.30-02	02/08/2013	FLAGS/CALENDER	644612620001	130002	08/2013	18.81
101-1020-411.30-01	02/14/2013	FINE PAPER	645254606001	130002	08/2013	19.93
101-3020-422.30-01	01/30/2013	PADS, MARKERS, ERASER	643253968001	130002	07/2013	34.96
101-3020-422.30-01	01/31/2013	TAG KEY, TAPE	643478064001	130002	07/2013	19.04
101-3020-422.30-01	01/31/2013	RETURNED TAPE	643639710001	130002	07/2013	6.21-
101-1110-412.30-01	04/23/2010	RETURNED CHAIR	516317123001	130002	08/2013	292.48-
101-1130-412.30-01	11/10/2010	RETURNED CALCULATOR	540736326001	130002	08/2013	13.46-
101-3020-422.30-01	11/11/2010	MEMBER FEE REFUND	540523604001	130002	08/2013	.01-
101-3020-422.30-01	02/11/2013	BATTERIES/BINDERS	644620218001	130002	08/2013	129.89
101-1130-412.28-11	02/13/2013	BUS CARDS/ ENVELOPES	644144022001	130002	08/2013	37.08
101-6030-453.28-11	02/13/2013	BUS CARDS/ ENVELOPES	644144022001	130002	08/2013	75.41
101-1210-413.30-01	03/04/2013	CORR TAPE, CC PAPER	647944271001	130002	09/2013	87.72
101-5020-432.30-01	03/08/2013	PW-WIPES, HIGHLIGHTER	648682961001	130002	09/2013	56.84
101-3020-422.30-01	02/18/2013	FOLDER/STAMP/ORGANIZER	645645094001	130002	08/2013	25.97
101-3020-422.30-01	02/19/2013	ORGANIZER	645645105001	130002	08/2013	8.55
101-5020-432.30-01	03/14/2013	PW, TONER, CLIPS	650241574001	130002	09/2013	162.73
101-1210-413.30-01	03/14/2013	CHAIRMAT, PEN, ORGANIZER	650353105001	130002	09/2013	73.30
101-3020-422.30-01	02/25/2013	DIVIDERS/FILES-PS	646895303001	130002	08/2013	326.69
03/15/2013	82205	ONE SOURCE DISTRIBUTORS	1071			197.92
101-6040-454.30-02	03/03/2013	6 FLUOR LAMP, 3 CLUSTER	S3964420.001	130014	09/2013	111.52
101-6040-454.30-02	03/03/2013	INT-MAT 120V	S3967550.001	130014	09/2013	86.40
03/15/2013	82206	PAL GENERAL ENGINEERING INC.	2411			77,932.39
402-5000-532.20-06	01/25/2013	ST IMP RDA PH3 1/2 RETENT	10061-6	120807	07/2013	77,932.39
03/15/2013	82207	PARS	2425			400.00
101-1920-419.20-06	03/11/2013	PARS TRUST JAN 2013	25291	130076	09/2013	80.00
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101-6040-454.20-06	03/11/2013	PARS TRUST JAN 2013	25291	130076	09/2013	80.00
03/15/2013	82208	PARTNERSHIP WITH INDUSTRY	1302			833.68
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101-0000-209.01-12	02/28/2013	PR AP PPE 2/21/2013	20130228		08/2013	748.40
101-0000-209.01-12	03/14/2013	APRIL 2013	03-14-2013		09/2013	319.77
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03/15/2013	82212	PRUDENTIAL OVERALL SUPPLY	72			253.58
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101-5020-432.25-03	03/13/2013	WE 3/13 PW UNIFORM RENTAL	30326266	130090	09/2013	123.89
03/15/2013	82213	RANCHO AUTO & TRUCK PARTS	1685			124.37
501-1921-419.28-16	02/26/2013	TRANS FIL KIT	7693-148810	130019	08/2013	14.35
501-1921-419.28-16	02/28/2013	OIL FILTERS	7693-149126	130019	08/2013	35.73
501-1921-419.28-16	03/06/2013	OIL FILTERS	7693-149808	130019	09/2013	137.06
501-1921-419.28-16	03/06/2013	RETURN AIR FILTER	7696-149880	130019	09/2013	62.77-
03/15/2013	82214	RCP BLOCK & BRICK INC	115			432.00
401-5020-432.30-02	03/04/2013	CRUSHED ROCK	1286318	130036	09/2013	216.00
401-5020-432.30-02	03/04/2013	CRUSHED ROCK	1286320	130036	09/2013	216.00
03/15/2013	82215	RICOH USA, INC.	2392			3,901.78
101-1110-412.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	706.67
101-1210-413.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	327.22
101-1230-413.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	511.67
101-3020-422.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	1,177.62
101-3030-423.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	327.95
101-5020-432.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	517.67
101-6010-451.28-01	03/04/2013	COPY MACHINES MARCH 2013	88640354	130133	09/2013	332.98
03/15/2013	82216	ROBERTSON'S	2454			793.15
101-5010-431.30-02	03/04/2013	PUMP/SHORT LOAD	99722	130199	09/2013	793.15
03/15/2013	82217	SAN DIEGO GAS & ELECTRIC	1399			15,308.20
601-5060-436.27-01	03/08/2013	85417701270	03-26-2013		08/2013	3,792.21
101-5020-432.27-01	03/08/2013	91692992261	03-26-2013		08/2013	920.16
101-6020-452.27-01	03/08/2013	85075178464	03-26-2013		08/2013	1,091.25
101-5010-431.27-01	03/08/2013	56497714749	03-26-2013		08/2013	6,516.36
101-3020-422.27-01	03/08/2013	10087869371	03-26-2013		08/2013	411.19
101-5010-431.27-01	03/26/2013	10088604389	03-08-2013		08/2013	491.15
101-3020-422.27-01	03/08/2013	19807697764	03-26-2013		08/2013	2,075.88
601-5060-436.27-01	03/08/2013	52635219238	03-26-2013		08/2013	10.00
03/15/2013	82218	SEIU LOCAL 221	1821			1,206.48
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03/15/2013	82219	SKS INC.	412			4,515.60
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101-5000-532.20-06	03/06/2013	59 GAL DIESEL FUEL	1254073-IN	130049	09/2013	317.87
101-5000-532.20-06	03/07/2013	37.3 GAL DIESEL FUEL	1254100-IN	130049	09/2013	234.27
03/15/2013	82220	SOUTH COUNTY ECONOMIC	484			1,487.13
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03/15/2013	82222	SPRINT	2040			149.97	
101-3020-422.27-05	03/01/2013	DATA CONNECTION CARDS	594768811-063		09/2013	149.97	
03/15/2013	82223	TERRA BELLA NURSERY, INC.	1946			362.62	
601-5060-436.30-02	03/12/2013	12 CU YD MULCH	88374	130034	09/2013	362.62	
03/15/2013	82224	TRAFFIC SAFETY MATERIALS, LLC.	2369			84.63	
101-3060-426.21-04	03/06/2013	CONCRETE WHEEL STOP	2639	130068	09/2013	24.68	
101-5010-431.30-02	03/13/2013	BRASS STENCIL	2652	130068	09/2013	59.95	
03/15/2013	82225	UNDERGROUND SERVICE ALERT OF	731			30.00	
601-5060-436.21-04	03/01/2013	DIG ALERT TICKETS	220130321	130003	09/2013	30.00	
03/15/2013	82226	US BANK	2458			1,102.76	
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03/15/2013	82227	VORTEX INDUSTRIES, INC.	786			385.88	
101-1910-419.21-04	02/28/2013	845 IB BLVD DOOR REPAIR	11-729158-1	130096	08/2013	385.88	
03/15/2013	82228	WAXIE SANITARY SUPPLY	802			1,178.83	
101-6040-454.30-02	02/20/2013	TP/TRASH LINERS/DEODORANT	73780259	130016	08/2013	1,010.83	
101-6040-454.30-02	02/21/2013	PAPER TOWELS	73783661	130016	08/2013	168.00	
03/15/2013	82229	WEST GROUP CTR	826			126.48	
101-1020-411.28-14	03/01/2013	FEB INFO CHGS	826715122	130226	09/2013	126.48	
03/15/2013	82230	WESTERN PUMP INC	752			237.50	
501-1921-419.28-13	02/28/2013	APCD PRE TEST	W14693	130048	08/2013	237.50	
03/15/2013	82231	WHITE CAP CONSTRUCTION SUPPLY	1434			247.26	
101-5010-431.30-02	03/04/2013	YELLOW CAST/ARMORTILE	10000131638	130018	09/2013	247.26	
03/15/2013	82232	ZUMAR INDUSTRIES INC.	875			3,547.80	
101-5010-431.21-23	02/27/2013	100 STOP SIGNS	0143829	130017	08/2013	3,547.80	
03/21/2013	82233	CALIFORNIA AMERICAN WATER	612			3,099.40	
101-5010-431.27-02	03/18/2013	05-0110529-0 2/12-3/13	04-08-2013		09/2013	20.81	
101-6020-452.27-02	03/18/2013	05-0111454-0 2/12-3/13	04-08-2013		09/2013	43.29	
101-1910-419.27-02	03/18/2013	05-0111478-9 2/12-3/13	04-08-2013		09/2013	72.11	
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101-5020-432.27-02	03/12/2013	05-0102217-2 02/07-3/7	04-01-2013		09/2013	126.51	
101-6020-452.27-02	03/12/2013	05-0102503-5 02/07-3/7	04-01-2013		09/2013	296.79	
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101-6020-452.27-02	03/13/2013	05-0106337-4 2/8-3/8	04-01-2013		09/2013	34.29
101-6020-452.27-02	03/15/2013	05-0109756-2 2/11-3/12	04-03-2013		09/2013	224.89
215-6026-452.27-02	03/11/2013	05-0402959-6 2/5-3/6	04-01-2013		09/2013	36.64
03/21/2013	82234	COX COMMUNICATIONS	1073			140.74
101-6010-451.29-04	03/15/2013	SP PARK CABLE SVCS	03-15-2013	130126	09/2013	140.74
03/21/2013	82235	DEPARTMENT OF JUSTICE	1154			49.00
101-1130-412.21-04	03/05/2013	FINGERPRINT/NEW HIRE	958846	130078	09/2013	49.00
03/21/2013	82236	DEPT. OF INDUSTRIAL REL.	1163			444.66
502-1922-419.20-07	12/06/2012	WKMANS COMP USER FUND	OSIP57905		09/2013	444.66
03/21/2013	82237	HANS KOHLER	1943			54.00
101-3030-423.28-04	03/01/2013	EMT RECERT FEE	012555		09/2013	54.00
03/21/2013	82238	MARLA PINSKI	2467			280.00
101-6030-453.20-06	03/11/2013	JAN 2013 YOGA/SENIOR	002	130582	09/2013	280.00
03/21/2013	82239	PRINCIPAL FINANCIAL GROUP	2414			3,494.42
101-0000-209.01-14	03/07/2013	PR AP PPE 03/07/2013	20130314		09/2013	541.11
101-0000-209.01-16	03/14/2013	PR AP PPE 03/07/2013	20130314		09/2013	524.09
101-0000-209.01-21	03/07/2013	PR AP PPE 03/07/2013	20130314		09/2013	671.41
101-0000-209.01-14	03/07/2013	PR AP PPE 03/07/2013	20130314		09/2013	541.11
101-0000-209.01-16	03/14/2013	PR AP PPE 03/07/2013	20130314		09/2013	524.09
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101-0000-209.01-16	03/21/2013	APRIL LIFE/STD/LTD	03-20-2013		09/2013	21.20
03/21/2013	82240	SAN DIEGO COUNTY SHERIFF	882			470,486.19
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101-0000-338.60-03	02/27/2013	JANUARY 2013 LAW ENF SVCS	02-27-2013		09/2013	579.81-
03/21/2013	82241	SDGE	289			3,046.83
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101-5010-431.27-01	03/04/2013	0646 753 193 8 1/29-2/28	03-19-2013		09/2013	10.20
101-5010-431.27-01	03/04/2013	3062 843 371 9 1/29-2/28	03-19-2013		09/2013	12.11
101-5010-431.27-01	03/04/2013	5153 272 671 7 1/29-2/28	03-19-2013		09/2013	14.10
101-5010-431.27-01	03/04/2013	9476 001 698 9 1/29-2/28	03-19-2013		09/2013	944.49
101-6020-452.27-01	03/05/2013	0175 275 3776 1/30-3/1	03-20-2013		08/2013	437.58
101-5010-431.27-01	03/05/2013	0824 329 2041 1/30-3/1	03-20-2013		08/2013	197.39
101-6020-452.27-01	03/05/2013	2081 689 1273 1/30-3/1	03-20-2013		08/2013	223.10
101-6010-451.27-01	03/05/2013	2081 692 3399 1/30-3/1	03-20-2013		08/2013	38.50
101-6020-452.27-01	03/05/2013	2083 847 9032 1/30-3/1	03-20-2013		08/2013	71.64
101-6010-451.27-01	03/05/2013	3206 700 9265 1/30-3/1	03-20-2013		08/2013	104.82
101-6020-452.27-01	03/05/2013	5456 692 8951 1/30-3/1	03-20-2013		08/2013	30.31
101-6020-452.27-01	03/05/2013	6921 003 2109 01/30-3/1	03-20-2013		08/2013	394.18
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03/21/2013	82242	SKS INC.	412			5,064.02
101-5000-532.20-06	03/08/2013	60.9 GAL DIESEL	1254125-IN	130049	09/2013	324.95
101-5000-532.20-06	03/11/2013	88.50 GAL DIESEL	1254153-IN	130049	09/2013	431.12
101-5000-532.20-06	03/12/2013	26.8 DIESEL	1254187-IN	130049	09/2013	192.93
501-1921-419.28-15	03/14/2013	200 GAL DIESEL, 901.1 REG	1254219-IN	130049	09/2013	4,115.02
03/21/2013	82243	T&M ELECTRIC INC DBA PERRY ELE	2486			4,821.80
502-1922-419.28-04	02/21/2013	DAMAGED LIGHT POLE REPAIR	M154-1		09/2013	4,821.80
03/21/2013	82244	THOMAS LINDGREN	1			80.24
101-5010-431.30-02	02/23/2013	TRENCHER RENTAL	158139		09/2013	80.24
03/21/2013	82245	TRANSWORLD SYSTEMS INC.	2160			570.62
101-1910-419.21-04	03/01/2013	FEB COLLECTION SVCS	656389		09/2013	570.62
03/21/2013	82249	U.S. BANK	1873			22,804.22
101-1230-413.28-12	10/24/2012	ASBPA MEMBERSHIP	210524904	130691	08/2013	100.00
101-1230-413.28-04	01/31/2013	APA CONFERENCE	APA12008.CART	130689	08/2013	695.00
101-1230-413.28-14	01/31/2013	CEQA STATUE-GUIDELINES	01-31-2013	130689	08/2013	65.00
101-3040-424.28-11	01/16/2013	CORRECTION NOTICE	641405594-001	130691	08/2013	67.92
101-3040-424.28-11	01/21/2013	INSECTON CARDS	IB1211	130691	08/2013	132.30
101-1230-413.28-04	02/13/2013	APA STORM WTR TRAINING	02-13-2013	130689	08/2013	10.00
101-1020-411.28-11	02/14/2013	MICROFICHE/497 11TH ST	21295	130691	08/2013	218.70
101-0000-209.01-03	01/25/2013	WADE, G COMPUTER LOAN	006514		08/2013	801.84
101-3030-423.28-01	01/28/2013	PWC REPAIR	40989	130708	08/2013	566.27
101-3030-423.30-02	01/29/2013	TOOLS/STAPLES	087090/5560009	130710	08/2013	25.60
101-3030-423.25-03	01/25/2013	UNIFORM CLEANING	D34-148	130711	08/2013	8.25
101-3030-423.28-01	02/01/2013	DIVE COMPUTER BATTERY	003	130708	08/2013	95.00
101-3030-423.30-02	02/03/2013	BATTERIES PWR TOOLS	077533/0021129	130710	08/2013	238.11
101-3030-423.30-02	02/06/2013	LITTER FOR SPILLS	031779	130710	08/2013	9.05
101-3030-423.30-02	02/06/2013	DETERGENT	037857/7293432	130710	08/2013	43.16
101-3030-423.30-02	02/13/2013	TRI VIEW MASK	5649	130710	08/2013	116.95
101-3030-423.30-02	02/14/2013	LG PARKING STICKERS	IB2141	130711	08/2013	100.00
101-3030-423.28-04	02/20/2013	PARKING FOR TRAINING	0249	130711	08/2013	10.00
101-3030-423.28-01	01/30/2013	RACK REPAIR HARDWARE	011113/4560111	130711	08/2013	28.65
101-3030-423.30-02	11/30/2012	IMPACT KEY	335370-1	130710	08/2013	10.78
101-3030-423.30-02	10/23/2012	MEDICAL GLOVES	0379179	130710	08/2013	110.38
101-1010-411.28-04	12/08/2012	COUNCIL MGT DINNER	8119	130694	08/2013	53.34
101-1010-411.28-04	01/23/2013	COUNCIL MGT DINNER	000001	130694	08/2013	58.08
101-1010-411.28-04	01/23/2013	COUNCIL MGT REFRESHMENTS	23380300673281	130694	08/2013	12.73
101-1010-411.28-04	02/07/2013	SPECIAL MGT DINNER	303818290817	130694	08/2013	21.00
101-1110-412.28-14	02/12/2013	NEWSLETTER SVC 2/12-3/11	1360668217764	130694	08/2013	30.00
101-1010-411.28-04	02/19/2013	COUNCIL MGT DINNER	8257	130694	08/2013	55.89
101-1010-411.29-04	02/12/2013	MEMBERSHIP DUES	1516652	130697	08/2013	175.00
101-1110-412.28-12	02/12/2013	MEMBERSHIP DUES	1516652	130697	08/2013	175.00
101-1230-413.28-12	02/12/2013	MEMBERSHIP DUES	1516652	130697	08/2013	175.00
101-6010-451.30-02	02/06/2013	SP CAFE ITEMS	255482888	130699	08/2013	424.87

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-3020-422.30-01	02/21/2013	15-COMPART LIT	923737-0208V	130705 08/2013 136.07
101-1010-411.28-04	01/30/2013	COUNCIL MGT DINNER	02496	130694 07/2013 39.45
101-1010-411.28-04	11/30/2012	COUNCIL MGT DINNER	8080`	130694 05/2013 55.76
101-1920-419.30-02	02/01/2013	AUTO ATTENDANT 2/13-3/12	31579	130695 08/2013 300.00
101-1130-412.28-07	02/04/2013	EMPLOYMENT AD	R5805405	130695 08/2013 150.00
101-1130-412.28-07	02/04/2013	EMPLOYMENT AD	3594053823	130695 08/2013 25.00
502-1922-419.21-04	02/05/2013	ERGONOMIC SUPPLIES	180	130695 08/2013 505.32
101-1130-412.28-04	02/11/2013	TRAINING/E. CORTEZ	147001	130695 08/2013 219.00
101-1130-412.21-01	02/12/2013	LIVE SCAN/CUSTODIO	6394	130695 08/2013 37.00
101-1010-411.30-02	02/13/2013	E-VERSION ON UNION TRIBUN	02-13-2013	130695 08/2013 7.92
101-3020-422.30-01	02/11/2013	FD CLEANING SUPPLIES	014954	130706 08/2013 156.07
101-0000-209.01-03	01/23/2013	REFUND COMPUTER LOAN	106-5583177-444	08/2013 208.94-
101-0000-209.01-03	02/02/2013	COMPUTER LOAN LANE, J	4228860337	08/2013 4.68
101-0000-209.01-03	02/02/2013	COMPUTER LOAN LANE, J	4228851089	08/2013 606.72
101-0000-209.01-03	02/02/2013	COMPUTER LOAN LANE, J	4228860337	08/2013 99.00
101-0000-209.01-03	02/02/2013	COMPUTER LOAN LANE, J	4228715157	08/2013 345.96
101-0000-209.01-03	02/02/2013	COMPUTER LOAN LANE, J	4228715157	08/2013 898.32
501-1921-419.28-01	01/25/2013	SERVICE DPF FILTER	1116304	130682 08/2013 562.08
503-1923-419.20-06	01/29/2013	DOMAIN RENEWAL	507022404	130712 08/2013 178.47
101-6040-454.30-02	02/19/2013	PAINT/ELECTRICAL SUPPLIES	053534/4024691	130675 08/2013 85.34
601-5060-436.30-02	02/05/2013	PIPE & COUPLING	CD996337	130679 08/2013 318.82
503-1923-419.30-22	02/06/2013	MTHLY MEMBERSHIP FEE	000001	130712 08/2013 10.00
503-1923-419.28-04	02/07/2013	LUNCH/TRAINING	092099	130712 08/2013 4.20
503-1923-419.30-22	02/07/2013	TAX RETURN	1183796	130712 08/2013 17.90
503-1923-419.20-06	02/13/2013	MICROSOFT SUPPORT	6002424604	130712 08/2013 259.00
503-1923-419.30-22	02/15/2013	PC DIAGNOSTIC	210219	130712 08/2013 49.00
503-1923-419.30-22	02/21/2013	GMAIL BACKUP	SYS130221-5475-	130712 08/2013 99.00
503-1923-419.30-22	02/21/2013	REFRESHMENTS	02-21-2013	130712 08/2013 1.76
101-1210-413.28-04	02/21/2013	TRANSPORTATION/TRAINING	02-21-2013	130714 08/2013 17.00
503-1923-419.30-22	03/05/2013	PHONE REPAIR	89925421	130712 08/2013 300.00
101-5010-431.30-02	01/29/2013	SPRAY BOTTLES	063742/5260063	130666 08/2013 24.49
101-5010-431.30-02	01/31/2013	PAINT/UTILITY KNIFE	071449/3260170	130666 08/2013 92.76
101-1910-419.30-02	01/28/2013	ELECTRICAL CONNECTORS	040163/6575562	130670 08/2013 33.46
101-1910-419.30-02	01/28/2013	PAINT/PLUG	093340/6582591	130670 08/2013 50.79
501-1921-419.30-02	01/28/2013	PAINT/PLUG	093340/6582591	130670 08/2013 23.86
101-1910-419.30-02	01/29/2013	ELECTRICAL OUTLET SUPPLIE	074619/5570009	130670 08/2013 27.66
101-1910-419.30-02	01/30/2013	PAINT SUPPLIES	045568/4120068	130670 08/2013 47.13
101-5010-431.30-02	02/04/2013	PROPANE TANKS	004822/9260435	130666 08/2013 47.43
101-5010-431.30-02	02/04/2013	PROPANE TANKS	047845/9260483	130666 08/2013 38.49
601-5060-436.30-02	02/21/2013	CONCRETE	109179146-001	130666 08/2013 275.40
101-1910-419.30-02	02/06/2013	TOILET PAPER	052249/7560966	130670 08/2013 26.96
101-1910-419.30-02	02/07/2013	DOOR KNOBS	065530/6583660	130670 08/2013 19.38
101-1910-419.30-02	02/13/2013	CAP/WATER & AIR LINE	074960/0584320	130670 08/2013 7.85
101-1910-419.30-02	01/24/2013	TOILET FLUSHER	167045	130670 08/2013 135.51
601-5050-436.30-02	01/28/2013	BROOM/RAKE/PAN	098428/6043495	130671 08/2013 49.60
101-6040-454.30-02	01/24/2013	DRILL BITS/SAND PAPER	056237/0241445	130676 08/2013 56.19
101-5010-431.30-02	01/24/2013	DRIVE TORX BITS	7877	130680 08/2013 69.14
101-6040-454.30-02	02/01/2013	PAINT/PPE	034641/2560382	130676 08/2013 377.96
101-6040-454.30-02	02/01/2013	KEYS FOR MIKE	094627	130676 08/2013 7.56
101-6040-454.30-02	02/03/2013	MAP CYLINDERS	021043/0570662	130676 08/2013 20.20

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ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-5010-431.30-02	02/01/2013	HOT MELT CRACK SEALER	01042	130680 08/2013 999.82
101-5010-431.30-02	02/07/2013	PROPANE	004113/6561149	130680 08/2013 38.49
101-5020-432.28-04	02/04/2013	DOT HAZARD TRAINING	110512	130684 08/2013 190.00
101-5010-431.28-01	02/14/2013	FLAG POLE REPLACEMENT	18871	130684 08/2013 1,914.80
101-6040-454.30-02	02/14/2013	DUNES PARK PLAYGROUND	5824	130684 08/2013 3,426.76
101-5020-432.30-01	02/15/2013	ARCHIVAL TAPE FOR PLANTS	CS058291	130684 08/2013 30.35
101-1910-419.21-04	02/11/2013	FRAUD CHARGES-REPORTED	000794210734	08/2013 1,075.23
101-1910-419.21-04	02/11/2013	PARTIAL REFUND-CURRENCY E	000794210734	08/2013 1,048.92-
601-5060-436.30-02	01/23/2013	GARDEN HOSE/GLOVES	021181/1564536	130678 08/2013 82.43
601-5060-436.30-22	01/23/2013	HAMMER	051910/1564538	130678 08/2013 36.66
601-5060-436.30-02	01/29/2013	FLASHLIGHTS/BATTERIES	052867/5582724	130678 08/2013 87.90
601-5060-436.30-02	01/29/2013	BATTERIES	055227/5570035	130678 08/2013 42.06
601-5060-436.30-02	01/29/2013	FLASHLIGHTS/SCREWDRIVERS	067814/5591935	130678 08/2013 174.91
601-5060-436.30-02	01/29/2013	RETURN, FLASHLIGHTS	5230230	130678 08/2013 80.94-
101-5020-432.28-04	02/12/2013	EXAM/RAMOS	203710	130664 08/2013 40.00
601-5060-436.30-02	02/15/2013	STORM DRAIN PIPE/FITTINGS	CD017152-1	130664 08/2013 815.62
601-5060-436.30-02	02/15/2013	STORM DRAIN PIPE/FITTING	CD017548-1	130664 08/2013 997.84
401-5020-432.30-02	02/15/2013	STORM DRAIN PIPE/FITTINGS	CD017581	130664 08/2013 81.00
401-5020-432.30-02	02/15/2013	STORM DRAIN PIPE & FITTIN	CD017581-1	130664 08/2013 380.05
601-5060-436.30-02	02/05/2013	TIE DOWNS	007444/8583510	130678 08/2013 43.35
601-5060-436.30-02	02/07/2013	CONCRETE	030723/6561137	130678 08/2013 21.02
601-5060-436.30-02	02/07/2013	VACTOR LOCK PINS/BATTERIE	098389/6561135	130678 08/2013 46.60
101-6040-454.30-02	01/31/2013	HOSE NOZZLES	015385/3292545	130667 08/2013 47.91
101-6040-454.30-02	01/31/2013	LIME-UP CLEANER	32581	130667 08/2013 328.44
501-1921-419.28-01	01/28/2013	WINDSHIELD RESEAL	WCVO30942	130683 08/2013 70.00
101-6020-452.30-22	01/29/2013	TAPE MEASURE/UTILITY KNIF	067276/5582687	130686 08/2013 16.10
101-6020-452.30-02	01/30/2013	CONCRETE MIX	024476/4010317	130686 08/2013 14.48
101-6020-452.30-02	01/31/2013	SAW BLADES/BATTERIES	045935/3582878	130686 08/2013 8.62
101-6020-452.30-02	01/31/2013	SAW BLADES/BATTERIES	045935/3582878	130686 08/2013 14.42
101-6040-454.30-02	02/01/2013	BATHROOM PLYGLASS	87612	130667 08/2013 278.10
101-6020-452.28-01	02/05/2013	VET PARK-PAINIT	029116/8560883	130667 08/2013 176.19
101-6040-454.30-02	02/13/2013	EXPANDED METAL	343392	130667 08/2013 62.35
101-6040-454.30-02	02/15/2013	KEYS	054179	130667 08/2013 11.26
501-1921-419.30-02	02/01/2013	POWER STEERING FLUID	RP 3980-155023	130683 08/2013 6.47
501-1921-419.28-16	02/01/2013	RADIATOR	23224169	130683 08/2013 96.12
501-1921-419.30-02	02/14/2013	CITY SEALS	IB2141	130683 08/2013 302.40
501-1921-419.28-16	02/14/2013	HINGES	74226	130683 08/2013 54.74
101-6020-452.30-02	02/06/2013	HARDWARE	093807/7592755	130686 08/2013 4.83
101-6040-454.30-02	02/11/2013	SINK ACTUATOR	167497	130686 08/2013 48.30
101-6020-452.30-22	02/13/2013	DRILL MOTOR	021488/0023319	130686 08/2013 86.52
101-6020-452.30-02	02/15/2013	VET PARK SURFACING	02-15-2013	130686 08/2013 276.76
101-1910-419.21-04	01/31/2013	CONVENIENCE FEE-SALES TAX	066685	08/2013 3.59
101-0000-211.01-02	01/31/2013	SALES TAX	066685	08/2013 156.00
03/21/2013	82250	VALLEY INDUSTRIAL SPECIALTIES,	767	239.77
101-6040-454.30-02	03/08/2013	COUPLING HANDLE	194126	130033 09/2013 239.77
03/21/2013	82251	VERIZON WIRELESS	2317	1,537.36
101-1210-413.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692	09/2013 81.93
101-5020-432.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692	09/2013 552.10

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #				CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
101-3040-424.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	71.97	
101-3020-422.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	168.80	
101-3030-423.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	273.40	
101-3070-427.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	70.78	
101-1230-413.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	94.97	
503-1923-419.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	220.01	
503-1923-419.27-05	03/09/2013	2/9/13-3/8/13 CELL PHONES	9701232692		09/2013	3.40	
03/21/2013	82252	WAGE WORKS INC.	2210			81.50	
101-1920-419.21-04	03/19/2013	FSA/FLEX MTHLY ADMIN FEE	125AI0226438	130115	09/2013	81.50	
03/21/2013	82253	WAWANESA	1			3,401.37	
502-1922-419.28-04	02/28/2013	AUTO ACCIDENT DAMAGE CLAI	828854		09/2013	3,401.37	
DATE RANGE TOTAL *						942,677.65 *	



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: ADMINISTRATIVE SERVICES *KV*
SUBJECT: QUARTERLY INVESTMENT REPORT FOR THE 2ND QUARTER OF FY 2012-2013

BACKGROUND:

The investment of the funds of the City of Imperial Beach is directed by the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659. In compliance with Section 53646, the City submits this quarterly investment report for the 2nd Quarter of FY 2012-2013 as of December 31, 2012.

The City's Investment Policy assigns responsibility for investing the unexpended cash used for funding operations of the City to the Administrative Services Director/City Treasurer. State law encourages City Council annual review and consideration of an investment policy. The City Council last adopted the City's Investment Policy in November 7, 2012.

Quarterly Investment Reporting

Per State law, city treasurers may prepare and submit quarterly reports to the City Manager and City Council that provide specified information about the City's investment program. The quarterly report must contain a statement of the portfolio's compliance with the statement of investment policy, or any deviations from full compliance. Additionally the quarterly report must include a statement denoting the ability of the City to meet its expenditures for the ensuing six months.

Investment Strategy

The City's investment priorities, in order, are "Safety, Liquidity and Yield", while meeting the cash flow needs of the City through prudent investment of unexpended cash.

DISCUSSION:

The attached Investment Portfolio Report indicates that on December 31, 2012, City funds in the amount of \$25,740,776 were invested producing a weighted average current yield of 1.08% for the first six months of the fiscal year. The Local Agency Investment Fund (LAIF), the City's benchmark for comparison of investment yield, was 0.33% at December 31, 2012.

Below is a summary of the changes in the City's portfolio at December 31, 2012 compared to last quarterly investment report which was as of June 30, 2012.

City of Imperial Beach Portfolio					
	Quarter Ended	% of	Quarter Ended	% of	Increase
	12/31/12	Total	6/30/12	Total	(Decrease)
Local Agency Invest Fund	\$ 17,725,650	68.9%	\$ 19,896,080	58.7%	\$ (2,170,430)
US Govt Agency Securities	2,003,076	7.8%	8,004,754	23.6%	(6,001,678)
US Corporate Bonds	6,012,050	23.4%	6,013,206	17.7%	(1,156)
Total	\$ 25,740,776	100%	\$ 33,914,040	100%	\$ (8,173,264)

Total City portfolio at December 31, 2012 of \$25,740,776 represents a decrease of approximately \$8,173,264 from the last investment report at June 30, 2012. The decrease was mostly due to the capital project spending related to the cooperative agreement between the City and the former Redevelopment Agency for the delivery of certain capital projects which were funded by the issuance of the 2010 Tax Allocation Bonds. It was also due to routine operational needs of the City for the period.

Revenue collections in the first six months of a fiscal year are typically lower than the later six months of a fiscal year, which requires drawing down on the City's portfolio to meet liquidity needs. The City's cash position improves in April due to the receipt of property tax collections from the County, as well as other State and intergovernmental payments. For example, property taxes are received in December and April of each year, with the majority of the property tax revenue received in April. Additionally, nearly all of the estimated \$2 million in vehicle in lieu revenue is received in the final months of the fiscal year. Transfers are made from the LAIF investment account into City's operating check account during the period to account for disbursements that exceed receipts.

Below is a summary of the changes in the total investment interest earnings during the six month period compared with the previous six month period.

	July-Dec		Increase
	2012	Jan-June 2012	(Decrease)
Total Portfolio, end of qrt	\$ 25,740,776	\$ 33,914,040	\$ (8,173,264)
<i>Weighted Avg Yield</i>	<i>1.08%</i>	<i>1.03%</i>	<i>0.05%</i>
Interest Earnings-2 Qrts	\$ 168,027	\$ 181,172	\$ (13,145)

Accrued interest earnings for the first and second quarter of fiscal year 2013 (July through December 2012) totaled \$168,027, slightly lower compared to the last two quarters of fiscal year 2012 (January through June of 2012). The decrease in interest earned was primarily due to the reduction of \$8.1 million from the portfolio balances, offset slightly by the increase in the weighted average yield. During the period, call provisions were exercised, prior to maturity, by the issuer of three U.S. government agency securities. The par values of these investments, \$6,000,000, were re-invested in the lower yielding, highly liquid LAIF investment fund to meet operational needs.

Compliance with Policy

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis to ensure the City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonably anticipated operating requirements. As of December 31, 2012, the portfolio contains enough liquidity to meet the next six months of expected expenditures by the City.

Of the total portfolio, 31% were diversified in US government agencies and US corporate bond fixed income investment securities with maturities from November 2013 to August 2030. As of December 31, 2012, the City held various investment instruments with a maturity date longer than five years, the specifics of which are detailed in the notes the attached portfolio report. These longer maturities were approved by the City Council, as required by the California local government investment law. The majority of the portfolio of \$17,725,050, or 69%, were invested in a highly liquid account, utilizing the State's investment pool (LAIF).

Market Value of City Investments

Per Governmental Accounting Standards Board (GASB) Statement 31, local governments are required to account for and report the market value of their investment portfolios only at the close of the fiscal year. This is reported when LAIF and the City's investment safekeeping agent release their adjustments concerning investments whose values changed due to interest rates and market conditions. Because market value changes are not required to be reported during the fiscal year, the investment values in this report are at par or amortized costs and not market value.

Successor Agency to the Imperial Beach Redevelopment Agency

Pursuant to Section 34172 of the Community Redevelopment Law (Health and Safety Code Section 33000 et seq; "CRL"), as modified by the California Supreme Court decision entered December 29, 2011, all redevelopment agencies in the State of California were dissolved. On that date, by operation of law pursuant to CRL Section 34175, all assets, properties, contracts, leases, books and records, buildings and equipment of redevelopment agencies were transferred to successor agencies. As such, cash and investment holdings of the Successor Agency are reported separately from the City's quarterly investment report.

On January 5, 2012, the City Council adopted Resolution 2012-7136, affirming that the City Council would serve as the Successor Agency to the former Imperial Beach Redevelopment Agency, in which capacity the City will wind down the affairs of the former Redevelopment Agency at the direction of an Oversight Board. Additionally, on November 7, 2012 the Successor Agency adopted an Investment Policy.

The Imperial Beach Successor Agency cash and investments summary is provided. Successor Agency funds in the amount of \$5,565,572 were invested in a highly liquid nature either in money market funds held by the debt trustee or in an operating checking account.

Eighty-six percent of the total, or \$4,778,554, were held by the 2003 and 2010 Tax Allocation Bond issuances' fiscal agent, Wells Fargo Corporate Trust. Of those funds, \$3,473,524 are required by the bond indenture to be held as a reserve in the event of a default or delay in the

payment of semi-annual debt service. Bond proceeds of \$1,305,030 were also available for the capital projects for which the bonds were issued.

The remaining \$787,018 of the Successor Agency portfolio was held in the City's operating checking account. A separate Successor Agency checking account is still under development. Resolution No. SA-18 adopted November 21, 2012 authorized the use of \$533,092 of excess housing bond proceeds held by the City be used to make the bonded debt service payment on the 2003 Tax Allocation Bonds due December 1, 2012. These funds were subsequently replenished with RPTTF revenue payment received from the County in January, 2013.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

None.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council review and consider the Quarterly Investment Report of fiscal year 2013 second quarter ending December 31, 2012 and render a finding that the City's cash and investments amount to and are sufficiently liquid to meet the next six months of expected expenditures by the City.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. City of Imperial Beach Investment Portfolio Summary for Qtr Ended December 31, 2012
2. (Informational Only) Imperial Beach Redevelopment Successor Agency Investment Portfolio Summary for Qtr Ended December 31, 2012

**INVESTMENT PORTFOLIO
CITY OF IMPERIAL BEACH
December 31, 2012**

Investment Type	Safekeeping Agent	Date Purchased	CUSIP #	Purchased / Amortized Cost (\$) (a)	Maturity Date	Call Date	Current Yield %	Par Value (\$) (a)	% of Portfolio	GASB 31 Market Value (\$) (a)	Annual Accrued Income (b)
US GOVERNMENT-Securities and Agencies (0-100%)											
Fed Home Loan Bank (c)	Union Bank	2/8/2012	313376TT2	\$ -	5/8/2015	5/8/2012	-	\$ -	-	\$ -	3,182
Fed Home Loan Bank	Union Bank	5/6/2011	313373KZ4	2,003,076	11/29/2013	N/A	1.06%	2,000,000	8%	2,016,140	10,700
Fed Farm Credit Bank (c)	Union Bank	9/14/2011	31331KXY1	-	9/14/2015	9/14/2012	-	-	-	-	10,400
Fed Farm Credit Bank (c)	Union Bank	1/23/2012	31331K6R6	-	7/17/2015	4/17/2012	-	-	-	-	7,881
<i>Total US Government Securities and Agencies</i>				\$ 2,003,076			1.06%	\$ 2,000,000	8%	\$ 2,016,140	\$ 32,163
US CORPORATE BONDS (0-30%)											
Morgan Stanley Dean Witt (Step Up) (d)	Union Bank	7/30/2010	61745EZ61	\$ 1,000,000	7/30/2020	7/30/2012	3.93%	\$ 1,000,000	4%	\$ 1,018,650	20,000
Morgan Stanley Dean Witt Flt Rt (d)	Union Bank	8/24/2010	61745E4Q1	1,000,000	8/24/2030	8/24/2012	7.00%	1,000,000	4%	992,500	35,000
General Electric Capital Corp (Mtn Fltg/Rt)	Union Bank	1/25/2012	36962G5B6	998,561	4/7/2014	N/A	0.98%	1,000,000	4%	1,005,400	5,563
JP Morgan Chase Bank	Union Bank	2/6/2012	48125VLC2	2,000,000	2/6/2017	N/A	3.08%	2,000,000	8%	1,950,520	30,000
Berkshire Hathaway (Del Sr.)	Union Bank	4/11/2012	084670BD9	1,013,489	1/31/2017	N/A	1.84%	1,000,000	4%	1,033,720	9,500
<i>Total US Corporate Bonds</i>				\$ 6,012,050			3.32%	\$ 6,000,000	23%	\$ 6,000,790	\$ 100,062.95
CERTIFICATES OF DEPOSIT (0-30%)		N/A	N/A	\$ -	N/A	N/A	0.00%	\$ -	0%	\$ -	\$ -
LIQUID ACCOUNTS (0-100%)											
Local Agency Investment Fund (LAIF)	State of Calif	N/A	N/A	\$ 17,725,650	N/A	N/A	0.33%	\$ 17,725,650	69%	\$ 17,725,650	35,801
<i>Total Liquid Accounts</i>				\$ 17,725,650			0.33%	\$ 17,725,650	69%	\$ 17,725,650	\$ 35,801
				\$ 25,740,776			1.08%	\$ 25,725,650	100%	\$ 25,742,580	\$ 168,027

- (a) -Difference in value between Purchased / Amortized Cost, Par Value and Market Value may be due to timing of purchase. Investments may have been purchased when interest rates were lower or higher than the end date of this report. PAR (face) value and does not reflect whether investment was purchased at a discount or premium, reflected in the Purchase/Amortized Cost. As interest rates increase or decrease, the value of the investment will decrease or increase accordingly. The City's investment intention is to hold the investments to maturity thereby receiving PAR value at maturity unless the City will realize a profit by liquidating the investment prior to maturity date. Certain investments have call provisions which may be exercised by the issuer, as market dictates.
- (b) -Interest rates are reported gross and have not been adjusted for any brokerage fees. Those fees are minimal and are expensed when the invoice is received. Interest on US government securities and agencies generally paid quarterly or semi-annually. LAIF interest for the 2nd quarter, totaling \$15,861, was received in January but has been reflected in this report for the period in which it was earned.
- (c) -Specific bonds that matured or were called in the first two quarters of the fiscal year are presented in this Q2 report for informational purposes.
- (d) -Morgan Stanley corporate bonds are callable at par. The July 2020 bond has a step-up coupon in which, if Morgan Stanley opts to not call the issue on 7/30/13, the coupon will increase from 4.00% to 6.00%, then again on 7/30/17 from 6.00% to 10.00%. The August 2030 bond is a range note with a fixed to float coupon component. It contains a fixed coupon of 7.00% until 8/24/14. It is callable every quarter with the next call date being 2/24/13. On 8/24/14, a call date, the coupon will change from its fixed 7% to a range note paying a yield of 8% for each day the S&P 500 trades at or above 890 (currently 1521) until 8/24/18 at which time the coupon will pay 10% for each day at or above 890, then 12% after 8/24/22 and 15% after 8/24/26. With this security, Morgan Stanley could call the bonds at its current 7% coupon rate each quarter from 2/24/13 to 8/24/14. These bonds were purchased prior to the adoption of the City's current investment policy.

INVESTMENT PORTFOLIO
SUCCESSOR AGENCY OF IMPERIAL BEACH REDEVELOPMENT AGENCY
December 31, 2012

<u>Investment Type</u>	<u>Safekeeping Agent</u>	<u>Date Purchased</u>	<u>CUSIP #</u>	<u>Purchased Cost (\$) (a)</u>	<u>Maturity Date</u>	<u>Call Date</u>	<u>Yield %</u>	<u>Par Value (\$) (a)</u>	<u>% of Portfolio</u>	<u>Annual Accrued Income (b)</u>
LIQUID ACCOUNTS										
Operating Checking Account	Union Bank	N/A	N/A	\$ 787,018	N/A	N/A	0.00%	\$ 787,018	14.1%	-
<i>Total Liquid Accounts</i>				\$ 787,018			0.00%	\$ 787,018	14.1%	\$ -
CASH HELD WITH FISCAL AGENTS / TRUSTEES										
<i>Liquid Money Market Accounts</i>										
SA/RDA 2003 TABs Debt Reserve	Wells Fargo	N/A	N/A	\$ 1,555,548	N/A	N/A	0.00%	\$ 1,555,548	28.0%	27
SA/RDA 2010 TABs Project Funds	Wells Fargo	N/A	n/a	1,305,030	N/A	N/A	0.00%	1,305,030	23.5%	42
SA/RDA 2010 TABs Cap Interest	Wells Fargo	N/A	N/A	-	N/A	N/A	0.00%	-	0.0%	-
SA/RDA 2010 TABs Debt Reserve	Wells Fargo	N/A	n/a	1,917,976	N/A	N/A	0.00%	1,917,976	34.5%	95
<i>Total Cash Held With Fiscal Agents/Trustees</i>				\$ 4,778,554			0.00%	\$ 4,778,554	85.9%	\$ 164
				\$ 5,565,572			0.00%	\$ 5,565,572	100.0%	\$ 164

(a) -Values reflect outstanding balance of highly liquid money market funds. There are no market values assigned to money market funds.

(b) -Adjusted interest rates reported gross and do not include banking fees/costs. Those fees/costs are expensed when the invoice is received.

**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: APRIL 3, 2013

ORIGINATING DEPT.: PUBLIC SAFETY *RS*

SUBJECT: ADOPTION OF RESOLUTION NUMBER 2013-7317 TO ACCEPT SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING OF \$100,000 TOWARD A MOTORCYCLE TRAFFIC UNIT

BACKGROUND:

The City of Imperial Beach has received grant funds for the purpose of supplemental law enforcement for the past several years. This grant, known as the Supplemental Law Enforcement State Funding (SLESF), is also referred to as the COPS Grant. This grant's purpose is to assist local government in adding law enforcement personnel within approved jurisdictions. Since 2001 City Council has authorized the expenditure of these grant funds to partially fund the City's motorcycle traffic safety unit. Prior to this, the City had been without the services of a motorcycle traffic safety unit for many years. The City experiences many significant traffic related incidents. Motorcycle units are highly effective resources to address traffic safety issues.

DISCUSSION:

Staff has been notified that \$100,000 was allocated as the City's share of the Supplemental Law Enforcement Fund State Funding grant for FY 2012-2013. The grant requires that the entire \$100,000 be used to fund a portion of the cost for the motorcycle unit in FY 2012-2013. The annual cost for the motorcycle unit is approximately \$208,000. This action approves an amendment to the 2012/2013 budget with an increase of \$100,000 in grant revenue to the General Fund.

FISCAL IMPACT:

Adoption of this resolution will result in a revenue increase of \$100,000 to the General Fund, for the purpose of funding a portion of one motorcycle traffic deputy.

DEPARTMENT RECOMMENDATION:

Adopt resolution 2013-7317 approving the SLESF revenue and expenditures for FY 2012-2013.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2013-7317

RESOLUTION NO. 2013-7317**A RESOLUTION OF THE CITY COUNCIL OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE EXPENDITURE PLAN FOR THE FY 2012/2013 SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING (SLESF) GRANT ALSO KNOWN AS THE COPS GRANT**

The City Council of the City of Imperial Beach does hereby resolve as follows:

WHEREAS, the City received notice of grant award for \$100,000 from the Supplemental Law Enforcement State Funding (SLESF) Grant, with zero City matching funds required; and

WHEREAS, the City will use these funds to partially fund a motorcycle unit; and

WHEREAS, there is a need to adjust the two-year budget adopted by City Council to amend fiscal year 2012/2013 with an increase of said funds.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the following expenditure budget amendment in the amount of **\$100,000**:

Budget Account #	Description of BA	Adjustment Amount
Revenue - 212-0000-336-40-02	SLESF Grant	+\$100,000
Expenditure - 212-3036-421-20-06	SLESF Grant	+\$100,000

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 3rd of April, 2013, by the following roll call vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: ADMINISTRATIVE SERVICES DEPARTMENT *KV*
SUBJECT: SALE OF SURPLUS PROPERTY

BACKGROUND:

From time to time, Staff determines the need to dispose of obsolete and surplus property. I.B.M.C. Chapter 3.04.050 states:

“The purchasing officer shall have the following powers and duties:

...J. To recommend to the city manager the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any agency or which have become unsuitable for city use;”

City of Imperial Beach Resolution 90-3828 authorized the Administrative Services Director to participate in periodic sales of surplus property by the San Diego County Division of Purchasing and Contracting.

DISCUSSION:

At this time, the City of Imperial Beach has accumulated a number of equipment items that are recommended for transfer to a surplus or unused supplies and equipment category. The following supplies and equipment are recommended for this designation:

1. The items listed in Attachment 2, Exhibit “A”.

FISCAL ANALYSIS:

Salvage Value

DEPARTMENT RECOMMENDATION:

Staff recommends approval of the attached Resolution authorizing the sale / transfer of surplus property as follows:

1. Items listed in Exhibit A, Equipment Inventory List for County Auction

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2013-7319 Exhibit A – Equipment Inventory List for County Auction

RESOLUTION NO. 2013-7319

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE SALE OF CERTAIN SURPLUS CITY EQUIPMENT

The City Council of the City of Imperial Beach does hereby resolve as follows:

WHEREAS, I.B.M.C. Chapter 3.04.050 states: "The purchasing officer shall have the following powers and duties:

...J. To recommend to the city manager the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any agency or which have become unsuitable for city use;" and

WHEREAS, the City Council of the City of Imperial Beach on October 3, 1990, adopted Resolution No. 90-3828 authorizing its Administrative Services Director to participate in periodic sales of surplus property by the San Diego County Division of Purchasing and Contracting; and

WHEREAS, the City Council of the City of Imperial Beach now desires to declare the items of equipment shown on Exhibit "A" attached hereto as surplus or unsuitable for City use.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Imperial Beach that:

1. The above recitals are true and correct.
2. The City Council of the City of Imperial Beach declares the items of equipment shown on Exhibit "A" (attached hereto), surplus and/or unused and hereby directs the Administrative Services Director to dispose of same as follows:
 - Items in Exhibit "A" through the San Diego County Division of Purchasing and Contracting or as otherwise authorized by the City Manager.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 3rd day of April 2013, by the following roll call vote:

**AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:**

JAMES C. JANNEY, MAYOR

ATTEST:

**JACQUELINE M. HALD, MMC
CITY CLERK**

**IMPERIAL BEACH
EQUIPMENT INVENTORY LIST
FOR COUNTY AUCTION**

ITEM	QTY	DESCRIPTION	PROPERTY TAG #
1.	1	HP Compaq Desktop	1615
2.	1	HP Compaq Desktop	1611
3.	1	HP Compaq Desktop	1608
4.	1	HP Compaq Desktop	1612
5.	1	HP Pavilion Laptop	A0048
6.	1	Compaq Evo N180 Laptop	1192
7.	1	HP Compaq Desktop	1625
8.	1	Samsung Monitor	J1014636
9.	1	Gateway Monitor	-----
10.	1	HP Laserjet 2300F	A0044
11.	4	HP Keypad	-----
12.	1	HP Compaq Desktop	1622
13.	1	Samsung Monitor	J1014298
14.	1	Acer Keypad	-----
15.	1	HP 530 Laptop	A0060
16.	1ea	2001 Ford Expedition E-037723	N/A
17.	1ea	1995 Ford F-250 E-376666	N/A
18.	1 box	16" hanging file folders	N/A
19.	1 pkg	3 1/2" diskettes	N/A
20.	2	3 tier Stackable letter trays	N/A
21.	1	Metal file hanger	N/A
22.	16	Padded mailers 16x20	N/A
23.	3	Desk organizers	N/A
24.	1	Business card holder	N/A
25.	3	Metal file holders	N/A
26.	1	Rolling wire basket	N/A
27.	1	Name plate holder	N/A
28.	2	Plastic file holder	N/A
29.	2	Wall mount file holder	N/A
30.	1	6 tier pamphlet holder	N/A
31.	2 box	Hanging file folders 13"	N/A
32.	1	Cork board 24"x36"	N/A
33.	1	Wire riser	N/A
34.	1	100 cup coffee urn	N/A
35.	1	Keyboard tray	N/A
36.	1	Cash register	N/A
37.	1	Paper shredder	1214
38.	1	Foot rest	
39.	1	Rolling stand	484
40.	4	Epson ink cartridges asst. colors	
41.	2	Elite ink cartidges	
42.	2	Scissors	

43.	5	Stamps assorted	
44.	1	Misc. office supplies	
45.	4	HP2300 toner cartridges	
46.	1	MICR CB436A(M) toner cart.	
47.	1	Premium S35/FX8 toner cart.	
48.	1	HP C9723A toner cart.	
49.	1	EPS toner cart. For HP92295A	
50.	2	HP 3700 toner cart.	
51.	1	Misc. toner cart.	
52.	1	Desk chair	
53.	1	Document holder	
54.	1	Business card sleeves	



AGENDA ITEM NO. 3.1

STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: PUBLIC WORKS
SUBJECT: ORDINANCE NO. 2013-1137 AND PUBLIC HEARING ON
SETTING THE ANNUAL SEWER CAPACITY FEE FOR FISCAL
YEAR 2014 AND BEYOND

BACKGROUND & DISCUSSION:

Staff recommends that the City Council continue the public hearing to April 17, 2013 at 6:00 p.m. to allow staff time to work on some remaining issues.

DEPARTMENT RECOMMENDATION:

1. Declare the public hearing open;
3. Receive public testimony;
4. Continue the public hearing to April 17, 2013 at 6:00 p.m.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: COMMUNITY DEVELOPMENT DEPARTMENT
GREG WADE, ASSISTANT CITY MANAGER *GW*
COMMUNITY DEVELOPMENT DIRECTOR
JIM NAKAGAWA, AICP, CITY PLANNER *JN*

SUBJECT: SECOND READING/ ADOPTION OF ORDINANCE NO. 2013-1135; REX BUTLER FOR BIKEWAY VILLAGE LLC (APPLICANT) AND THE CITY OF IMPERIAL BEACH: ZONING CODE AMENDMENT (ZCA) 100008 FOR ECOTOURISM COMMERCIAL USES AT 536 13th STREET & 535 FLORENCE STREET AND 500 13TH STREET. MF 1034

PROJECT DESCRIPTION/ BACKGROUND:

On March 20, 2013, the City Council conducted the First Reading of Ordinance No. 2013-1135 approving modifications to the Commercial/ Recreation – Ecotourism (C/R-ET) Zone stipulated by the Coastal Commission.

On March 7, 2013, the Coastal Commission certified the LCP Land Use Plan (LUP) Amendment #1-12 as submitted by the City. However, the Coastal Commission rejected the Implementation Program (IP/ Zoning) Amendment #1-12 as submitted but provisionally certified the IP subject to the following modification:

Section 19.25.060, Development Regulations and Design Standards, subsection G. Climate Change/Sustainability provisions, Adaptation Measures, subsection 2(b) Sea Level Rise (SLR) to read as follows:

Sea Level Rise (SLR). Buildings may have a useful life of 50 to 100 years or more. Global warming scenarios project an increase in sea level rise due to the effects of greenhouse gases. The State of California projects a rise of 10 to 17 inches by the year 2050 and a rise of 31 to 69 inches by the year 2100 (State of California, Sea Level Rise Task Force of the Coastal and Ocean Working Group of the California Climate Action Team (CO-CAT), *Sea Level Rise Interim Guidance Document*, October 2010). Project proponents shall, **using best available science**, assess their project for its vulnerability to impacts from sea level rise and, if vulnerable, propose a reasonable adaptation strategy that may take the form of hard structures (such as seawalls, levees, bulkheads, or rip-rap), soft structures (such as wetland restoration, low impact development (LID), detention basins, bioinfiltration, or bioswales), accommodation (such as elevated

grades, elevated structures, floodable development, or floating structures), or withdrawal (such as buffers, rolling easements, disassembly design, or managed retreat). However, revetments and other shoreline protection devices that alter natural shoreline processes shall be permitted when required to serve coastal dependent uses or to protect existing principal structures, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. New development shall be sited and designed to account for sea level rise such that the need for hard protective structures is avoided.

PROJECT EVALUATION/ DISCUSSION:

The Coastal Commission was concerned that subsequent studies on sea level rise (SLR) may provide updated inundation levels that may differ from the October 2010 State of California *Sea Level Rise Interim Guidance Document* cited in the ordinance. Also, the Coastal Commission historically has not been supportive of shoreline protection devices in the form of hard structures such as vertical sea walls and rock revetments except when required to serve coastal-dependent uses or to protect existing principal structures, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. New development must be sited and designed to account for sea level rise such that the need for hard protective structures is avoided. The suggested modifications would address these concerns.



LOCAL COASTAL PROGRAM (LCP)/ GENERAL PLAN (GP): Once the City Council has adopted the suggested modifications, the City would submit its action to the Executive Director of the Coastal Commission, who determines in writing that the City Council's actions were legally adequate to satisfy the requirements of the Commission's certification order. The Commission's certification is final upon the date the Commission concurs with the Director's report of the City's acceptance of the suggested modifications.

ENVIRONMENTAL DETERMINATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA): The City approved the Final Mitigated Negative Declaration (SCH# 2012031034) on May 2, 2012. Monitoring for cultural resources will be required during the construction of this project on the northern parcel. Mitigating for hazardous materials will also be required as the bikeway was built on top of train tracks that contain hazardous substances and some of the materials were found on the northern parcel.

COASTAL PERMIT JURISDICTION: The project site is located in the original state jurisdiction area of the coastal zone as indicated on the Local Coastal Program Post Certification and Appeal Jurisdiction Map; therefore, the coastal development permit (CDP) application is to be filed with and considered by the California Coastal Commission under Section 30519(b) of the California Public Resources Code.



Aerial View
Bikeway Village - Imperial Beach, California



FISCAL ANALYSIS:

The applicant has deposited \$ 10,000 in Project Account Number 100006 to fund the processing of this application. Additionally, the development of this project is anticipated to generate sales and property taxes that would contribute to the fiscal health of the City and mitigate for the leakage of tax revenues.

DEPARTMENT RECOMMENDATION:

1. Receive report
2. Mayor calls for the second reading of the title of Ordinance No. 2013-1135 modifying Ordinance No. 2012-1127 that approved the Zoning Code Amendment (ZCA 100008) and rezoning to establish the Commercial/ Recreation-Ecotourism (C/R-ET) designation/ zone (Chapter 19.25) and applying this C/R-ET zone to the project site;
3. City Clerk to read Ordinance 2013-1135 by title only;
4. Motion to waive further reading and adopt Ordinance No. 2013-1135 by title only.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Ordinance No. 2013-1135
2. Modified Commercial/Recreation-Ecotourism (C/R-ET) Zone (Chapter 19.25)

C: file MF 1034 Bikeway Village
 Rex Butler, Bikeway Village LLC, 2 Sandpiper Strand, Coronado, CA 92118
rexbutler@mac.com
 Greg Cox, County of San Diego Board of Supervisors District 1, 1600 Pacific Highway
 Room 325, San Diego, CA 92101 [greg.cox@sdcounty.ca.gov](mailto:ggreg.cox@sdcounty.ca.gov)
 California Coastal Commission, Diana Lilly, Coastal Planner, 7575 Metropolitan Drive,
 Suite 103, San Diego, CA 92108-1735 Diana.Lilly@coastal.ca.gov
 Brian Holland, AICP, LEED AP, Climate Program Director, ICLEI – Local Governments
 for Sustainability USA c/o City of Chula Vista, Department of Conservation, 276
 Fourth Avenue, Building 300, Chula Vista, CA 91910 brian.holland@iclei.org

ORDINANCE NO. 2013-1135

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH MODIFYING ORDINANCE NO. 2012-1127 THAT AMENDED TITLE 19 (ZONING) OF THE IMPERIAL BEACH MUNICIPAL CODE BY ADDING CHAPTER 19.25 COMMERCIAL/ RECREATION – ECOTOURISM (C/R-ET) ZONE AND APPLYING THE C/R-ET ZONE TO THE BIKEWAY VILLAGE SITE. MF 1034.

WHEREAS, on May 2, 2012, and on May 16, 2012, the City Council of the City of Imperial Beach held duly advertised public hearings to consider the merits of approving or denying an application for Zoning Code Amendment (ZCA) 100008 to add Chapter 19.25 Commercial/ Recreation – Ecotourism (C/R-ET) Zone to the Imperial Beach Zoning Ordinance and applying the C/R-ET Zone to the subject site for the Bikeway Village project that proposes the conversion/ adaptive reuse of two approximate 15,000 square foot warehouse structures at 535 Florence, 536 13th Streets (APN 626-192-03-00 and 626-192-04-00) and on a vacant parcel at 500 13th Street APN 616-021-10-00 (“Subject Site”). The Subject Site is legally described as follows:

Lots 15 through 20 in Block 4 of South San Diego, in the City of Imperial Beach, County of San Diego, State of California, according to Map thereof No. 133, filed in the Office of the County Recorder of San Diego County on July 5, 1887, together with those portions of the East 10.00 feet of Florence Street and the North 10.00 feet of Cypress Avenue, as vacated and closed to public use immediately adjoining the above described land on the west and south; and,

Lots 21 through 26, inclusive, in Block 4 of South San Diego, in the City of Imperial Beach, County of San Diego, State of California, according to Map thereof No. 133, filed in the Office of the County Recorder of San Diego County on July 5, 1887, together with that portion of the North 10.00 feet of Cypress Avenue adjoining said Lot 21 on the South as vacated and closed to public use by the Council of the City of Imperial Beach on October 29, 1968, by Resolution No. 1439, a certified copy of which was recorded in the Office of the County Recorder of San Diego County on November 4, 1968, as File No. 193024 of Official Records; and

That portion of the Northwest Quarter of the Southeast Quarter of Section 20, Township 18, South, Range 2 West, in the City of San Diego, County of San Diego State of California being described as follows:

BEGINNING at the Southeast corner of said Northwest Quarter of the Southeast Quarter of said Section 20; thence along the Southerly line thereof North 89°21'08" West, 420.06 feet; thence leaving said Southerly line North 00°37'24" East, 87.74 feet to the Southerly line of said San Diego and Arizona Eastern Railway right-of-way, said point being a point on a curve concave to the North having a radius of 997.95 feet, to which said beginning a radial bears South 00°20'53" West; thence Easterly 434.13 feet along said curve through a central angle of 24°55'29" to the Easterly line of said Northwest Quarter of the Southeast Quarter; thence along said Easterly line South 00°38'17" West 182.87 feet to the POINT OF BEGINNING.

WHEREAS, the California Coastal Commission, on March 7, 2013, certified the Local Coastal Program Land Use Plan (LUP) Amendment #1-12 as submitted by the City but rejected the Implementation Program (IP/ Zoning) Amendment #1-12 as submitted and provisionally certified the IP subject to modifications required by the Commission for final certification; and

WHEREAS, the City Council acknowledges receipt of and agrees to the Coastal Commission's resolution of certification including any terms or modifications required by the Commission for final certification; and

WHEREAS, the City Council finds that the proposed C/R-ET Zone to be consistent with General Plan Policies L-4f and L-6 that encourage visitor-serving and tourist-oriented commercial uses and the proposed zoning code amendment would, as modified by the Coastal Commission, be externally consistent with the General Plan/ Local Coastal Plan pursuant to Government Code Section 65860; and

WHEREAS, the City Council finds that the proposed C/R-ET Zone promotes the recommendation provided in the Urban Waterfront and Ecotourism Study of 2005 to facilitate policies that provide for tourist-oriented amenities; and

WHEREAS, this project complies with the requirements of the California Environmental Quality Act (CEQA) as the Final Mitigated Negative Declaration (MND) was adopted for this project on May 2, 2012; and

WHEREAS, the Mitigated Negative Declaration (SCH# 2012031034) reflected the decision-making body's independent judgment and analysis; that the decision-making body had, pursuant to CEQA Guidelines Section 15074(b), reviewed and considered the information contained in this MND and the comments received during the public review period; that revisions in the project plans or proposals made by or agreed to by the project applicant, pursuant to CEQA Guidelines Section 15070(b)(1), would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur; and that, on the basis of the whole record before the decision-making body (including this MND) there is no substantial evidence that the project as proposed, as conditioned, or as revised, will have a significant effect on the environment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH DOES ORDAIN AS FOLLOWS:

SECTION 1: That Section 19.25.060., Development Regulations and Design Standards, subsection G. Climate Change/Sustainability provisions, Adaptation Measures, subsection 2(b) Sea Level Rise (SLR) of Exhibit A of Ordinance No. 2012-1127 is hereby modified to read as follows:

Sea Level Rise (SLR). Buildings may have a useful life of 50 to 100 years or more. Global warming scenarios project an increase in sea level rise due to the effects of greenhouse gases. The State of California projects a rise of 10 to 17 inches by the year 2050 and a rise of 31 to 69 inches by the year 2100 (State of California, Sea Level Rise Task Force of the Coastal and Ocean Working Group of the California Climate Action Team (CO-CAT), *Sea Level Rise Interim Guidance Document*, October 2010). Project proponents shall, using best available science, assess their project for its vulnerability to impacts from sea

level rise and, if vulnerable, propose a reasonable adaptation strategy that may take the form of hard structures (such as seawalls, levees, bulkheads, or rip-rap), soft structures (such as wetland restoration, low impact development (LID), detention basins, bioinfiltration, or bioswales), accommodation (such as elevated grades, elevated structures, floodable development, or floating structures), or withdrawal (such as buffers, rolling easements, disassembly design, or managed retreat). However, revetments and other shoreline protection devices that alter natural shoreline processes shall be permitted when required to serve coastal dependent uses or to protect existing principal structures, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. New development shall be sited and designed to account for sea level rise such that the need for hard protective structures is avoided.

SECTION 2: That Chapter 19.25 C/R-ET Commercial/ Recreation – Ecotourism Zone of Title 19 of the Imperial Beach Municipal Code is hereby modified and is attached hereto as Exhibit A and made a part of Ordinance No. 2013-1135.

SECTION 3: That this ordinance shall only become effective upon the date the Coastal Commission concurs with the Director's report of the City's acceptance of the suggested modifications.

Appeal Process under the California Code of Civil Procedure (CCP): The time within which judicial review of a City Council decision must be sought is governed by Section 1094.6 of the CCP. A right to appeal a City Council decision is governed by CCP Section 1094.5 and Chapter 1.18 of the Imperial Beach Municipal Code.

PROTEST PROVISION: The 90-day period in which any party may file a protest, pursuant to Government Code Section 66020, of the fees, dedications or exactions imposed on this development project begins on the date of the final decision.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Imperial Beach, California, on the 20th day of March, 2013; and **THEREAFTER ADOPTED** at a regular meeting of the City Council of the City of Imperial Beach, California, on the 3rd day of April, 2013, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

James C. Janney

JAMES C. JANNEY, MAYOR

ATTEST:

Jacqueline M. Hald

JACQUELINE M. HALD, MMC
CITY CLERK

APPROVED AS TO FORM:

Jennifer M. Lyon

JENNIFER M. LYON
CITY ATTORNEY

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be a true and exact copy of Ordinance No. 2013-1135 - An Ordinance of the City of Imperial Beach modifying Ordinance No. 2012-1127 that adopted Zoning Code Amendment (ZCA) 100008 adding Chapter 19.25 Commercial/ Recreation – Ecotourism (C/R-ET) Zone to the Imperial Beach Zoning Ordinance and applying the C/R-ET Zone to the subject site for the Bikeway Village project. MF 1034

CITY CLERK

DATE

Chapter 19.25. C/R-ET (COMMERCIAL/ RECREATION-ECOTOURISM) ZONE

19.25.010. Purpose of zone.

The purpose of the C/R-ET zone is to provide land to meet the demand for goods and services required primarily by the recreation and ecotourist visitor. This zone is intended to implement the recommendations of the 2005 Urban Waterfront and Ecotourism Study. It would also implement Parks and Recreation Element Policy P-7 of the General Plan (Increase Tourist Related Commercial Land Uses) which provides that “The City and its business community should take direct action to increase the amount of tourist-oriented businesses both along the beachfront, South San Diego Bayfront and inland areas.”

The International Ecotourism Society (TIES) defines ecotourism as “responsible travel to natural areas that conserves the environment and sustains the well-being of local people.” It is intended that the C/R-ET zone will accommodate the land use needs of the recreation and ecotourism market niches. Among the uses envisioned for the C/R-ET zone include small-scale visitor-serving retail and services such as specialty stores, shops, eating and drinking establishments (such as restaurants and cafes), recreational uses, fitness, athletic and health club uses, and visitor accommodations (such as hostels, hotels and motels).



Imperial Beach is identified as a strong market for birders.



The bayfront area of Imperial Beach is recommended for recreation and ecotourism uses.



Imperial Beach provides an attractive venue for recreational uses that include bicycling and surfing.



The rare and endangered bird species in the Imperial Beach area provide a unique opportunity to capitalize on the birding market.

19.25.020. Regulated land uses.

Process Legend: P = permitted by right; C = conditional use permit; N = not permitted		
Land Use	Process	Notes/Additional Regulations
Commercial use types		
1. Adult bookstore, adult hotel/motel, adult mini-motion picture theater adult picture arcade, adult picture theater, sexual encounter studio, rap parlor, model studio	N	
2. Antique Stores	P	
3. Arcades/Game centers	C	
4. Art studio, Galleries, Museums	P	

5. Athletic and Health clubs	<i>P</i>	
6. Automotive uses: gas and auto sales	<i>N</i>	
7. Bars or Cocktail lounges,	<i>C</i>	
With live entertainment	<i>C</i>	
8. Beach equipment rental, Bike rental, Surf shop, Fishing supply	<i>P</i>	
9. Body piercing establishment	<i>N</i>	
10. Bookstore	<i>P</i>	
11. Boutique	<i>P</i>	
12. Child care facility	<i>N</i>	
13. Clinic	<i>N</i>	
14. Department store	<i>N</i>	
15. Drive-in Restaurant	<i>N</i>	
16. Drive-thru establishment	<i>N</i>	
17. Food and beverage sales	<i>P</i>	
18. Fortune telling establishment	<i>N</i>	
19. Kennel	<i>N</i>	
20. Kiosk	<i>P</i>	
21. Liquor store	<i>N</i>	
22. Massage therapy	<i>P</i>	SB 731
23. Medical marijuana dispensary	<i>N</i>	
24. Mortuary	<i>N</i>	
25. Palm reading establishment	<i>N</i>	
26. Pawn shop	<i>N</i>	
27. Personal convenience services	<i>P</i>	
28. Pool/Billiard Hall	<i>C</i>	
With live entertainment	<i>C</i>	
29. Postal services, private	<i>P</i>	
30. Professional offices, Financial institutions, and Real estate	<i>P</i>	
31. Restaurants and cafes (eating and drinking establishments)	<i>P</i>	
With live entertainment	<i>C</i>	
32. Retail food stores	<i>P</i>	
33. Retail sales	<i>P</i>	
34. Secondhand or used merchandise sales	<i>N</i>	See definition
35. Tattoo establishment	<i>N</i>	
Residential/ transient habitation use types		
36. Accessory buildings, structures, private garages	<i>N</i>	
37. Bed and breakfast (H-4)	<i>P</i>	
38. Boarding house	<i>N</i>	
39. Boutique hotel (H-6)	<i>P</i>	§ 19.25.90.G
40. Emergency shelter	<i>N</i>	

41. Hostel	<i>P</i>	§ 19.25.90.F
42. Hotels, motels (H-1, H-2, H-3)	<i>P</i>	
43. Inn (hotel H-5)	<i>P</i>	§ 19.25.90.E
44. Live/Work units	<i>P</i>	§ 19.25.40
45. Motor home/Manufactured Housing Community	<i>N</i>	
46. Mixed-use development	<i>N</i>	
47. Multi-family residential units	<i>N</i>	
48. Second-family units	<i>N</i>	
49. Senior housing, Nursing home, Retirement home	<i>N</i>	
50. Short-term rentals	<i>P</i>	§ 19.25.40
51. Single-family detached	<i>N</i>	
52. Timeshares	<i>N</i>	
Industrial use types		
53. Automotive uses: auto repair, body repair, dismantling, wrecking yard	<i>N</i>	
54. Custom/incidental manufacturing	<i>C</i>	§19.25.90.A.
55. Energy facility	<i>N</i>	
56. Green Building utilities	<i>P</i>	
57. Equipment rental yard	<i>N</i>	
58. Light manufacturing, Manufacturing, Industrial	<i>N</i>	
59. Wireless communications facilities	<i>C</i>	Chapter 19.90
Civic, Public, and Semi-public use types		
60. Campsites	<i>N</i>	
61. Religious assembly (church, mosque, temple, synagogue, etc.)	<i>C</i>	
62. Clubs, fraternal/veteran/service organizations	<i>N</i>	
With live entertainment	<i>N</i>	
63. Government or quasi-public building	<i>C</i>	
64. Library	<i>C</i>	
65. Public parking lot	<i>C</i>	
66. Schools, private	<i>N</i>	
67. Theatres/ Assembly	<i>C</i>	
Open Space and Recreation use types		
68. Playground and recreational facility (active)	<i>C</i>	
69. Public park (passive)	<i>P</i>	
70. Public riding and hiking trails	<i>P</i>	

19.25.030. Land Use and Design Determination

The Community Development Director or his or her designee shall make determinations of land use and design. The Director shall assign proposed uses to the appropriate category. The Director shall make architectural/design determinations that are within the intent of this code when not expressly prescribed by this code. For any ambiguity or question of a Director's determination,

the applicant or any citizen may file an appeal of the determination to the Planning Commission for an interpretation pursuant to Section 19.02.080.

19.25.040. Minimum Active Commercial Use

A minimum of 60% of the ground floor of the parcels with street frontages shall have active commercial uses, uses that contribute to a high level of pedestrian activity such as retail shops, restaurants, hotels, museums and galleries.

19.25.050. Development Review Process Jurisdiction.

Site plan and design review by the City Council will be required for all proposed development involving major new construction. Site plan and design review by the Community Development Director (administrative approval) will be required for any addition, construction, remodel or alteration of existing buildings or exterior facade alterations to existing buildings.

19.25.060. Development Regulations and Design Standards.

The development standards for the C/R-ET zone are intended to create a small-scale commercial development that preserves coastal views, promotes ecotourism and recreation activities and encourages pedestrian activity through the design and location of buildings, façade treatments, landscaping, street furniture, and travel ways.

To accommodate recreation and ecotourism uses, development may take the form of adaptive reuse of existing structures or existing structures may be demolished to create new development.

A. Adaptive Reuse provisions:

1. Blank sterile walls shall be articulated with building openings (such as doors and windows), moldings, and other façade treatments to create a tourist commercial venue that is at pedestrian scale.
2. For adaptive reuse proposals in districts characterized by historic or architecturally significant structures, façade changes shall be consistent with and preserve the design theme of such structures.
3. Pedestrian-oriented walkway treatments and landscaping of the public realm shall be provided.



Active commercial uses such as shops and restaurants generate pedestrian activity.



The facades of buildings should welcome people, not repel them.



The facades of buildings should welcome people, not repel them.

Adaptive reuse provides an opportunity to transform a sterile façade into an attractive pedestrian-scale experience.

4. The Community Development Director and the City Council may approve the design for adaptive reuse proposals that deviate from the prescribed standards in this chapter but yet are consistent with the intent of this chapter.

B. New development/redevelopment provisions:

1. A site and design review plan shall be submitted to function as a regulating plan (enabled by AB 1268, Government Code Section 65302.4) that will contain block, building, land use, public space, landscaping, and architectural elements.
2. The effect of the site and design review plan shall represent a design statement that is consistent with the intent of Chapter 19.25 which is to provide a small-scale commercial venue that preserves coastal views and encourages pedestrian activity through the design and location of buildings, façade treatments, landscaping, street furniture, and travel ways.

C. Setback/Yards/Separation/Building Line, and Stepback provisions

1. For properties fronting on a public street, the front building line shall be set on the front lot line if the sidewalk and parkway improvements are at least 10 feet in width. If the sidewalk and parkway improvements are less than 10 feet in width, the front building line shall be set back a reasonable distance from the right-of-way line as determined through a site plan review process in order to accommodate for sidewalk and parkway improvements. For buildings proposed to be set back greater than allowed, a site plan and perspective renderings that analyze and demonstrate the effect that the proposed spatial forms may have on pedestrians shall be submitted for approval. An example of increased setback that may be justified would be provisions for outdoor dining and plazas for public seating areas.

Buildings that front along the sidewalk and parkway improvements enhance the pedestrian experience.
2. Side yard: 5 feet for interior lots. For corner lots, the side building line shall be set on the exterior side lot line if the sidewalk and parkway improvements are at least 10 feet in width. If the sidewalk and parkway improvements on the exterior side are less than 10 feet in width, the side building line shall be set back no more than five feet of the right-of-way line.
3. Rear yard: 10 feet if abutting residentially-zoned property.
4. Stepback: 5 feet at second floor if abutting residentially-zoned property.
5. Detached buildings shall be located not less than six feet from any other building on the same lot.

D. Building Height provisions

1. 15-foot minimum floor-to-ceiling height for commercial spaces on the ground floor. 20-foot minimum height required for single-story buildings.

- 2. No building in the C/R-ET Zone shall exceed two stories or twenty-six feet in height, whichever is less.

E. Lot size provisions

- 1. The minimum area for any new lot created in the C/R-ET zone shall be 5,000 square feet with a minimum width of 50 feet along the street frontage.



Xeriscape example

F. Landscaping provisions

- 1. Landscaping and open space shall be provided pursuant to Chapter 19.50.
- 2. Drought tolerant native or naturalizing non-invasive xeriscape elements shall be incorporated into the landscape plan.
- 3. Landscaping of the parkway areas adjacent to pedestrian walkways shall be provided.
- 4. Stormwater shall drain, to the extent practicable and in concert with engineered drainage plans, toward landscaped areas in order to provide bio-filtration of urban runoff.



Storm water BMP example

G. Climate Change/ Sustainability provisions:

1. Mitigation Measures:

- a. **Storm Water.** Storm water runoff shall be minimized (in addition to satisfying the storm water requirements of IBMC Chapters 8.30, 8.31, and 8.32) by infiltrating runoff on-site provided that geotechnical studies support infiltration/percolation capabilities.

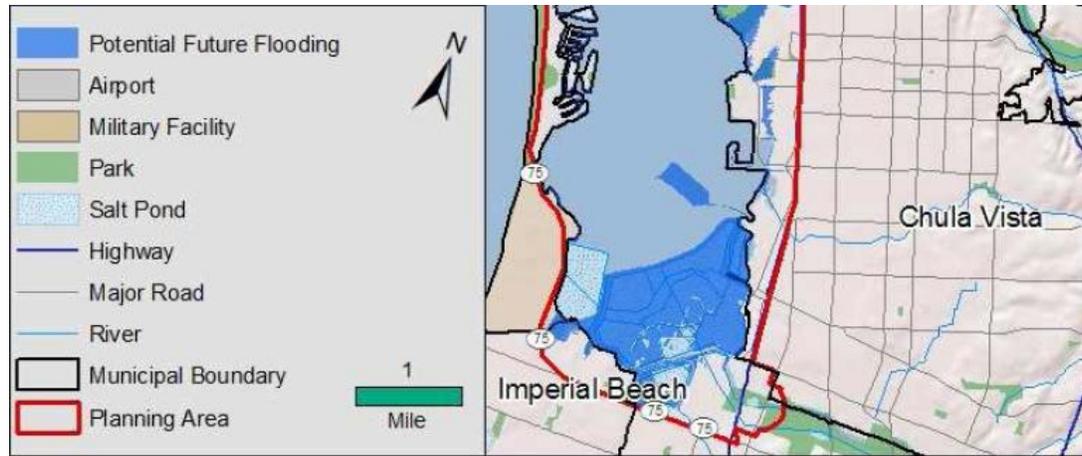


Green Building utility example

- b. **Green Building.** The 2010 California Green Building Standards Code (CALGreen Code) became effective January 1, 2011. Projects shall propose additional sustainable elements that minimize the production of greenhouse gases (GHG) and exceed the requirements of the CALGreen Code to possibly include small scale wind turbines, solar panels for water heating and power generation, use of recycled water and materials, and other elements that may qualify for LEED (Leadership in Energy and Environmental Design) certification.

2. Adaptation Measures:

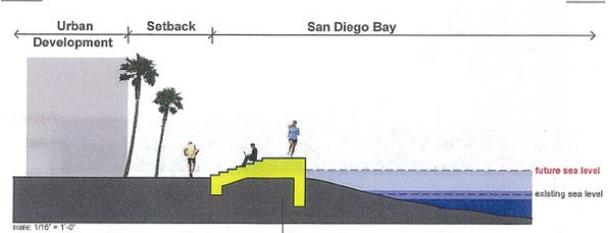
- a. **Sustainability.** Projects shall propose additional sustainable elements that minimize the production of greenhouse gases (GHG) and exceed the requirements of the CALGreen Code to possibly include small scale wind turbines, solar panels for water heating and power generation, use of recycled water and materials, and other elements that may qualify for LEED (Leadership in Energy and Environmental Design) certification.



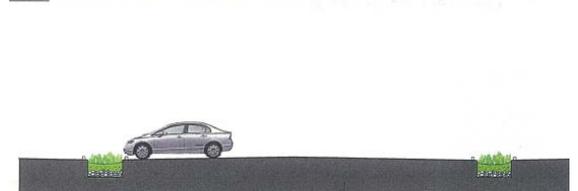
b. **Sea Level Rise (SLR).** Buildings may have a useful life of 50 to 100 years or more. Global warming scenarios project an increase in sea level rise due to the effects of greenhouse gases. The State of California projects a rise of 10 to 17 inches by the year 2050 and a rise of 31 to 69 inches by the year 2100 (State of California, Sea Level Rise Task Force of the Coastal and Ocean Working Group of the California Climate Action Team (CO-CAT), *Sea Level Rise Interim Guidance Document*, October 2010). Project proponents shall, using best available science, assess their project for its vulnerability to impacts from sea level rise and, if vulnerable, propose a reasonable adaptation strategy that may take the form of hard structures (such as seawalls, levees, bulkheads, or rip-rap), soft structures (such as wetland restoration, low impact development (LID), detention basins, bioinfiltration, or bioswales), accommodation (such as elevated grades, elevated structures, floodable development, or floating structures), or withdrawal (such as buffers, rolling easements, disassembly design, or managed retreat). However, revetments and other shoreline protection devices that alter natural shoreline processes shall be permitted when required to serve coastal dependent uses or to protect existing principal structures, and when

Where necessary, Sea Level Rise adaptation measures shall be included and may include the following:

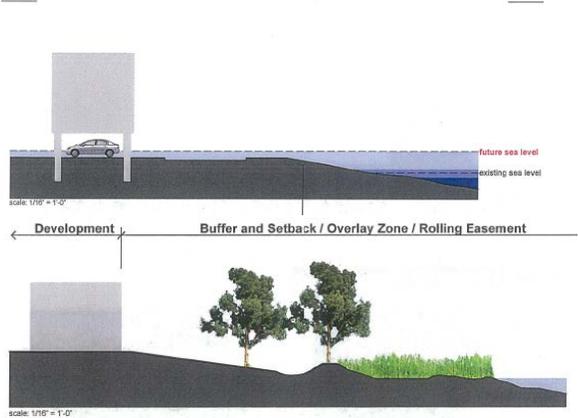
option C - Seawall - stepped



option E - Bioswales and other vegetated drain channels



option G - Elevated Structure



designed to eliminate or mitigate adverse impacts on local shoreline sand supply. New development shall be sited and designed to account for sea level rise such that the need for hard protective structures is avoided.

H. Parking provisions

- 1. Parking shall be provided (on-site and/or off-site) as required pursuant to Chapter 19.48 and with the approval of a site and design review plan.
- 2. Views of parking facilities shall be buffered with elements such as landscaping or street walls. Parking structures shall be designed with articulation and attractive façade treatment in order to be compatible with the character of a small town commercial tourist district.
- 3. Where appropriate, reverse angle/back-in parking is permitted in order to accommodate for bicycle safety.
- 4. Bicycle parking shall be provided pursuant to Section 5.106.4 of the CALGreen Code.



The façade of any proposed parking structure shall be articulated to be compatible with the surrounding development.

I. Building Façade provisions:

- 1. Blank/sterile unarticulated street/building walls are not allowed.
- 2. Building openings (in the form of windows, doors etc.) shall be provided along street frontages. Openings shall not span vertically more than one story.
- 3. Permitted building materials include: brick and tile masonry, stucco (cementitious finish), native stone, pre-cast masonry (for trim and cornice elements), gypsum reinforced fiber concrete (for trim elements), metal (for beams, lintel, trim and ornamental elements), split-faced block (for piers and foundation walls), wood lap and Hardie-plank siding.
- 4. For new development, roof lines shall be varied to create architectural interest. Variations in pitch shall be symmetrical and eaves shall overhang 24 inches.
- 5. For new development, flat and parapet roofs shall be articulated with cornices or coping elements that project out 24 inches.
- 6. Green roof, skylights, roof vents, wind turbines, roof drains, and solar panels shall be integrated into the architectural style of the building.
- 7. Roof materials permitted include: clay and concrete tile, slate, standing seam metal, and dimensional asphalt shingles.



An example of roof articulation.



19.25.070. Signage provisions.

1. Proposed signage shall be consistent with Chapter 19.52.
2. The character of the sign, which shall be at pedestrian scale, and its illumination shall be consistent with that of the building and not consist of more than three colors.



Examples of pedestrian-scale signage.

19.25.080. Public Realm/Street Furniture provisions.

1. Street lighting shall be mission-style or of another historical theme and located 16 feet above grade with a maximum average spacing of 60 feet on center.
2. Acceptable sidewalk materials include: brick, masonry, tile, permeable and landscape pavers, and stamped Portland cement concrete.
3. Seat walls and seating for outdoor dining may be permitted within the right-of-way with the approval of a site and design plan and an encroachment permit or license agreement.
4. Sufficient right of way dedication shall be provided to accommodate at least 10 feet of walkway and landscape improvements along public streets.
5. Public trash and recycling receptacles shall be attractively designed and placed in strategic locations so that they are convenient but do not obstruct pedestrian travel.
6. Utility meters, utility pedestals, and back-flow preventers shall be located or buffered such that they are not visible from public venues.



Examples of street furniture and public improvements, including public art, that are design-sensitive and pedestrian-scale.

19.25.090. Miscellaneous Provisions.

- A. **Custom/Incidental Manufacturing** refers to the small scale on-site production of goods by hand which involves only the use of hand tools or domestic mechanical equipment that do not exceed five horse power or a single kiln not exceeding 8 cubic feet and that such use is restricted as a secondary use to the primary retail or service use where such products are sold directly to consumers. Typical uses include ceramic studios, candle making shops or custom jewelry crafts stores.
- B. **Conditional Use Permit.** Conditions for any conditional use permit may include, but shall not be limited to requirements for special yards, open spaces, buffers, fences, walls, and screening; requirements for installation and maintenance of landscaping and erosion control measures; requirements for street improvements and



dedications, regulations of vehicular ingress and egress and traffic circulation; regulations of signs; regulations of hours of operation; establishment of development schedules or time limits for performance or completion; requirements for periodic review; and such other conditions as may be deemed necessary to ensure compatibility with existing surrounding uses, and to preserve the public health, safety and welfare.

- C. **Refuse and Recycling Containers.** Private refuse and recycling containers in conformance with Section 19.74.090 shall be buffered from public venues with landscaping and/or screen walls.
- D. **Coastal Development Permit.** If the project site proposed for recreational and ecotourism development is located in the original coastal development permit (CDP) jurisdiction of the California Coastal Commission, applicants shall proceed with other required discretionary permits through the city prior to filing for a CDP application with the Commission.
- E. **“Boutique hotel”** (hotel H-6) means a small elegant lodging facility that is unique and is characterized by personalized service.
- F. **“Ecotourism”** means responsible travel to natural areas that conserves the environment and sustains the well-being of local people.
- G. **“Hostel”** means a place where travelers may stay for a limited duration at low cost in a facility that is appropriately recognized by a state, national or international hostel organization and that may include dormitory-like sleeping accommodations.
- H. **“Inn”** (hotel H-5) means a commercial establishment that affords public lodging on a less than monthly basis and may include meals and other services to travelers.



[Boutique hotel example](#)



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: PUBLIC WORKS
SUBJECT: SECOND READING AND ADOPTION OF ORDINANCE
2013-1136, AMENDING CHAPTER 10.28.020, SPECIAL SPEED
ZONE DESIGNATED

BACKGROUND:

In November 2012, staff gave the City Traffic Engineer Consultant, KOA Corporation, direction to initiate a Speed Survey in the City of Imperial Beach. The last comprehensive Speed Survey conducted in the City was dated April 2003. In California, speed surveys are required at least every 10 years in order for the speed limits to be enforced. KOA Corporation has completed a draft of the 2013 Speed Survey and delivered it to the City on March 11, 2013. The 2013 Speed Survey will be available separately as attachment No. 3.

DISCUSSION:

The survey found that of the 16 street segments surveyed, the following speed limits must be changed:

- **Palm Avenue (Seacoast to 3rd)** – reduced from 30 mph to 25 mph
- **Palm Avenue (3rd to 7th)** – increased from 35 mph to 40 mph
- **13th Street (S.R. 75 to Cypress)** – changed from NOT POSTED to 30 mph

For the speed change surveyed on Palm Avenue (3rd to 7th), the survey was conducted prior to the current construction project commenced on this street segment. The current construction project is, in part, a traffic calming design. With the completion of the construction anticipated in May 2013, this street segment will require a new speed survey under the new road conditions. Staff will schedule a new survey for Palm Avenue (3rd to 7th) after the roadwork on this street is completed. Thus until the new survey is completed the City will not repost this street section. The posted speed will remain 35 mph.

Attachment 2 (figure 2) shows the recommended speed limits of the street segments surveyed. All non-surveyed streets remain at the prima fascia speed of 25 mph. A complete copy of the report is on file with the City Clerk's office.

The first reading of this ordinance took place at the City Council meeting of March 20, 2013.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The cost of the survey was \$9,800.

The cost to update the signs for the changed speed limits is estimated at \$300.

DEPARTMENT RECOMMENDATION:

1. Receive this report;
2. Mayor call for the second reading of Ordinance No. 2013-1136;
3. City Clerk read title of the ordinance; and
4. Motion to waive further reading and adopt of Ordinance No. 2013-1136.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Ordinance No. 2013-1136
2. Figure 2 (Recommended Speed Limit and Study Segment Locations)
3. Speed Survey Report dated March 2013

ORDINANCE NO. 2013-1136

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH,
CALIFORNIA AMENDING SECTION 10.28.020 OF THE IMPERIAL BEACH
MUNICIPAL CODE RELATED TO THE DESIGNATION OF
SPECIAL SPEED ZONES**

WHEREAS, California Vehicle Code ("CVC") sections 22357 and 22358 provide that local entities may declare *prima facie* speed limits of more than 25 miles per hour on city streets on the basis of an engineering and traffic survey; and

WHEREAS, pursuant to CVC section 22358, the local authority may determine and declare the speed limits that are found most appropriate to facilitate the orderly movement of traffic and are reasonable and safe; and

WHEREAS, CVC section 627 provides that the engineering and traffic survey shall be in accordance with the methods determined by the California Department of Transportation and shall include consideration of prevailing speeds as determined by traffic engineering measurements, accident records, and highway, traffic, and roadside conditions not readily apparent to the driver, and may also consider residential density in conducting the traffic and engineering survey; and

WHEREAS, *prima facie* speed limits established under CVC sections 22357 and 22358 may not be enforced by radar unless the speed limit has been justified by an engineering and traffic survey within the last five, seven, or ten years, as provided in CVC section 40802; and

WHEREAS, CVC section 21351 authorizes a local authority to place and maintain or cause to be placed and maintained, such appropriate signs, signals, or other traffic control devices as may be necessary to properly indicate and carry out provisions of the CVC or local traffic ordinances or to warn or guide traffic; and

WHEREAS, in accordance with the foregoing provisions of the CVC, the City of Imperial Beach conducted an engineering and traffic survey in April 2003, a Citywide speed survey update in May 2010 and a speed survey certification of May 2010, establishing the current *prima facie* speed limits under Imperial Beach Municipal Code ("IBMC") section 10.28.020; and

WHEREAS, pursuant to CVC section 40802, after a ten year period, the City of Imperial Beach must undertake a engineering and traffic survey to establish the basis for the *prima facie* speed limits in IBMC section 10.28.020; and

WHEREAS, the City of Imperial Beach hired a consultant, KOA Corporation, one of the leading traffic engineering firms in California, which completed an engineering and traffic survey pursuant to the foregoing CVC sections.

NOW, THEREFORE, IT IS ORDAINED BY THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH AS FOLLOWS:

Section 1: The City of Imperial Beach is authorized to use radar enforcement of speed limits on local streets pursuant to the *prima facie* speed limits specified in the CVC and on other streets if the speed limits established by the City are consistent with the results of an engineering and traffic survey conducted according to the standards set forth in the CVC.

Section 2: The City Council of the City of Imperial Beach finds and declares that the 2013 Engineering and Traffic Survey for the City of Imperial Beach by KOA Corporation is in full compliance with the requirements of the CVC.

Section 3: Based on the findings and recommendations of the 2013 KOA Engineering and Traffic Survey for the City of Imperial Beach, section 10.28.020 entitled "Special speed zones designated" of the Imperial Beach Municipal Code is hereby amended to read as follows:

"It is determined that on the basis of a 2013 engineering and traffic investigation conducted by KOA Corporation, the prima facie speed limit shall be as set forth in this section on those streets or parts of the streets designated when signs are erected giving notice thereof:

Name of Street or Portion Affected	Declared Prima Facie Speed Limit (in Miles per Hour)
13 th Street from State Route 75 to Imperial Beach Boulevard	35
13 th Street from Imperial Beach Boulevard to Iris Avenue	30
13 th Street from State Route 75 to Cypress Avenue	30
15 th Street from Imperial Beach Boulevard to Iris Avenue	30
9 th Street from State Route 75 to Imperial Beach Boulevard	35
9 th Street from Imperial Beach Boulevard to south limit	30
Connecticut Street from Elm Avenue to Imperial Beach Boulevard	25
Elm Avenue from 7 th Street to East City Limits	30
Elm Avenue from Seacoast Drive to 7 th Street	25
Imperial Beach Boulevard from Seacoast Drive to Connecticut Street	35
Imperial Beach Boulevard from Connecticut Street to East City Limits	35
Palm Avenue from 3 rd Street to 7 th Street	40
Palm Avenue from Seacoast Drive to 3 rd Street	25
Rainbow Drive from State Route 75 to Palm Avenue	30

Seacoast Drive from Imperial Beach Boulevard to South limit	25
Seacoast Drive from Palm Avenue to Imperial Beach Boulevard	25

Section 4: The *prima facie* speed limit for locations set forth in Section 3 hereof, shall be as set forth in Section 3 of this Ordinance when signs are erected giving notice thereof.

Section 5: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 6: The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within fifteen (15) days following adoption indicating votes cast.

EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Imperial Beach, California, on the 20th day of March 2013;

THEREAFTER ADOPTED at a regular meeting of the City Council of the City of Imperial Beach, California, on the 3rd day of April 2013, by the following vote:

AYES:
NAYS:
ABSENT:

Jim Janney, Mayor

ATTEST:

Jacqueline Hald, City Clerk

APPROVED AS TO FORM:

Jennifer M. Lyon, City Attorney

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Ordinance No. 2013-1136, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA AMENDING SECTION 10.28.020 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE DESIGNATION OF SPECIAL SPEED ZONES"

JACQUELINE HALD, CITY CLERK

DATE _____

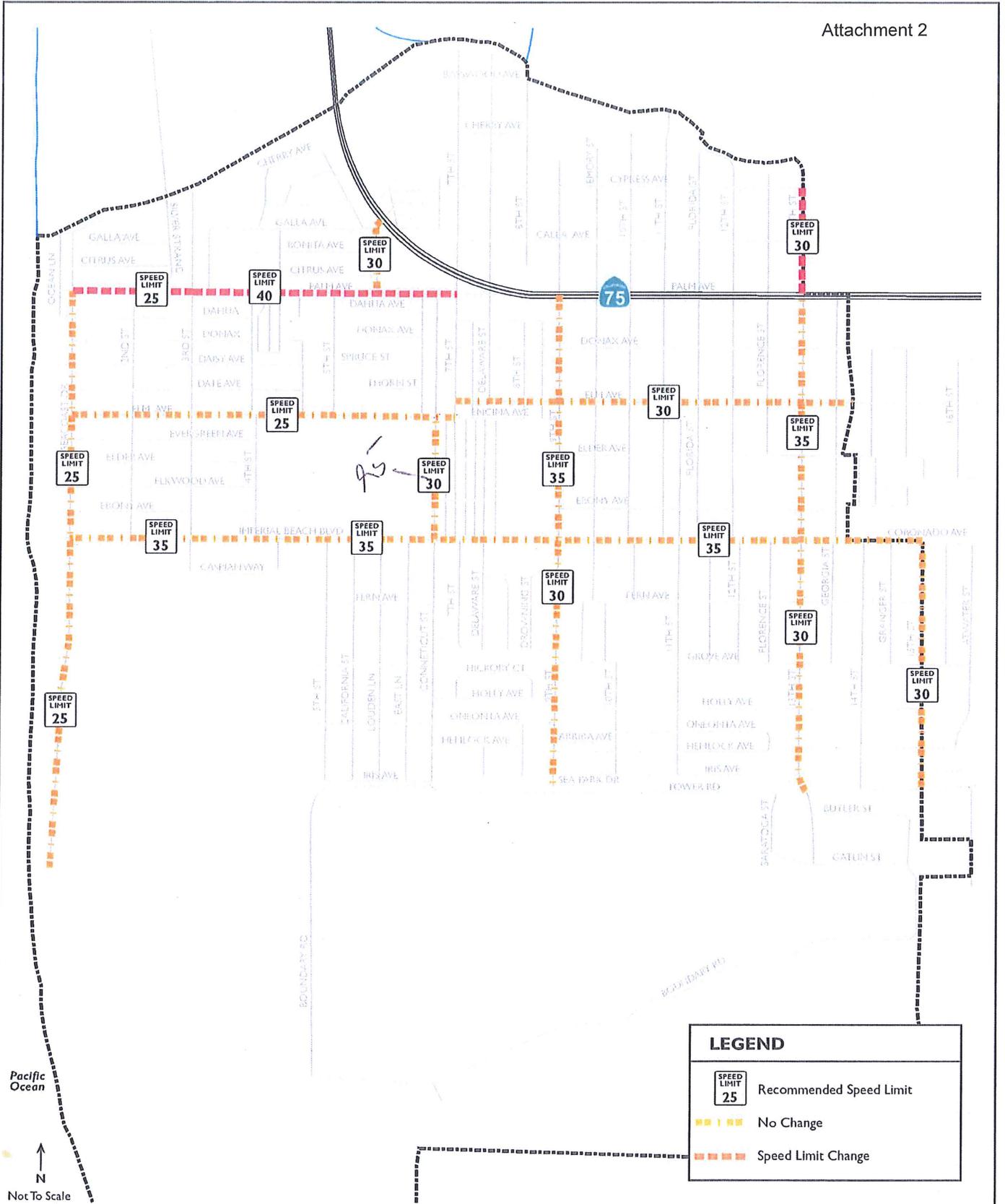


Figure 2
Recommended Speed Limit and Study Segment Locations

**2013 City of Imperial Beach
City-Wide Speed Surveys**

March 2013

Prepared for:

City of Imperial Beach
825 Beach Blvd.
Imperial Beach, CA 91932
(619) 423-8223

Prepared by:



2251 San Diego Avenue, Suite B-110
San Diego, CA 92110-2926
Tel: (619) 683-2933
Fax: (619) 683-7982

Job No: JB32018

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- Appendix A – Speed Survey, Segment Information
- Appendix B – Speed Survey, Data Location Collection Information

I. Introduction

The City of Imperial Beach, in conformance with the California Vehicle Code, has requested the following speed survey for selected roadways within the City. Section 40802 of the California Vehicle Code requires that an Engineering and Traffic Survey be conducted every five (5) years on streets where the enforcement of speed limits involves the use of radar or other electronic devices that measure the speed of moving vehicles. The provisions of this section apply to all streets except local streets and roads either defined by the latest functional usage and federal-aid system maps, or which meet certain conditions pertaining to the number of travel lanes, streets width, adjacent land uses and distance between traffic control devices.

An Engineering and Traffic Survey is defined in Section 627 of the Vehicle Code as a survey which shall include consideration of the following traffic engineering measurements:

1. Actual prevailing speeds as determined by traffic engineering measurements
2. Accident records
3. Highway, traffic and roadside conditions not readily apparent to the driver

In order to obtain current information, the City Council contacted KOA Corporation to conduct a comprehensive Engineering and Traffic Survey of speed limits on selected arterial/collector and local streets in the city.

Figure I shows the study segment locations and the existing posted speed limits on each segment.

2. Survey Methodology

The procedure used for the Engineering and Traffic Survey is based on the provisions of Section 627 of the California Vehicle Code and on the general guidelines of the State of California Department of Transportation (Caltrans) *Traffic Manual*, Chapter 8. A brief description of the procedure is presented below:

1. Measurement of Actual Prevailing Speeds

The actual speed of 100 vehicles¹ on each street segment was measured using a calibrated radar meter. Both directions of travel were surveyed. From this data, the prevailing or 85th percentile speed (speed at or below which 85 percent of the vehicles sampled were traveling), ten miles per hour pace speed (increment of ten miles per hour containing the greatest number of measurements) and percent of the vehicles in the pace were determined.

2. Accident Records

KOA Corporation reviewed the accident reports provided by the City for the period from January 2009 through December 2011. The number of accidents for each segment was used to calculate the accident rate, which is defined as the number of accidents per million vehicle miles (acc/mvm) of travel on that segment. The total number of accidents per segment does not include intersection accidents, only midblock accidents, and accidents more than 50 feet from an intersection. The accident rate for each segment was then compared to the most recent (2009) average for similar type roads found in Caltrans District II, as taken from the publication “*Collision Data on California State Highways – 2009*” (road miles, travel accidents, accident rates), published by Caltrans. This information is shown on the survey summary sheets.

3. Traffic and Roadside Conditions

Each route was driven and notations made of its features, especially those readily apparent to reasonable drivers, as well as those that might be combined with other factors to justify downward or upward speed zoning. These features are listed in the speed summary sheets for each segment.

¹ Or a minimum of 60 observations if taken on a low volume segment

3. Summary and Recommendations

As a part of the City of Imperial Beach 5-year program, KOA Corporation has performed speed surveys at 16 segment locations. It is recommended that all posted speed limits remain as existing with the exception of the following changes:

- **Palm Avenue from Seacoast to 3rd Street:** Decrease the speed limit from 30 mph to 25 mph based on the surveyed 85th percentile speed.
- **Palm Avenue from 3rd Street to 7th Street:** Increase posted speed limit to 40 mph consistent with 85th percentile speed and new street cross-section. However, since this street is under construction for a completely new character it will be re-surveyed after construction is completed.
- **13th Street north of Palm Avenue/SR75:** Since it does not have a posted speed limit, 13th Street north of Palm Avenue is recommended for a 30 mph limit based on the survey.

Table 1 and Figure 2 show the recommended speed limits on all study segments. Table 2 contains details of accidents, surveyed speeds and the recommended speed limits for each segment. Appendix A contains the summary sheets, photos and speed survey data collected for each segment. Appendix B contains a summary sheet for approximate radar survey locations.

Table I – Recommended Speed Limits

Street	From	To	Direction	Multilane	Survey Count	85th Percentile	Posted Speed	Recommendation	Rationale/Note
13 th St	Cypress Ave	SR75	SB	Yes	100	35	None	Introduce 30 mph	High Crash Frequency
13 th St	Cypress Ave	SR75	NB	Yes	60	34.2	None	Introduce 30 mph	High Crash Frequency
13 th St	SR75	Imp Bch Blvd	NB	Yes	100	36	35	Stay with 35 mph	Use 85th Percentile Speed
13 th St	SR75	Imp Bch Blvd	SB	Yes	100	36	35	Stay with 35 mph	Use 85th Percentile Speed
13 th St	Imp Bch Blvd	Tower Rd	SB	Yes	100	32.2	30	Stay with 30 mph	Use 85th Percentile Speed
13 th St	Imp Bch Blvd	Tower Rd	NB	Yes	100	31	30	Stay with 30 mph	Use 85th Percentile Speed
15 th St	Imp Bch Blvd	Iris Ave	NB/SB	No	63	33.7	30	Stay with 30 mph	Vertical curve geometry
9 th St	SR75	Imp Bch Blvd	NB	Yes	100	41	35	Stay with 35 mph	Vertical curve geometry
9 th St	SR75	Imp Bch Blvd	SB	Yes	100	39	35	Stay with 35 mph	
9 th St	Imp Bch Blvd	South limit	NB	Yes	63	38.7	30	Stay with 30 mph	Maintain posted speed limit due to residential district, school area, pedestrians, end of street
9 th St	Imp Bch Blvd	South limit	SB	Yes	100	39	30	Stay with 30 mph	
Connecticut St	Elm Ave	Imp Bch Blvd	NB/SB	No	100	30	25	Stay with 25 mph	"Prima Facie" 25 mph, but 2 lanes, residential and 40 ft or less in width define it as local residential
Elm Ave	Seacoast Dr	7 th St	EB/WB	No	70	32	25	Stay with 25 mph	"Prima Facie" 25 mph, but 2 lanes, residential and 40 ft or less in width define it as local residential
Elm Ave	7 th St	East city limits	EB/WB	No	71	31	30	Stay with 30 mph	Use 85th Percentile Speed
Imp Bch Blvd	Seacoast Dr	Connecticut St	EB	Yes	70	35	35	Stay with 35 mph	Use 85th Percentile Speed
Imp Bch Blvd	Seacoast Dr	Connecticut St	WB	Yes	70	35.7	35	Stay with 35 mph	Use 85th Percentile Speed
Imp Bch Blvd	Connecticut St	East city limits	EB	Yes	100	38	35	Stay with 35 mph	Consistency with portion west of 9 th St and with City of San Diego posting of 35 mph to the east
Imp Bch Blvd	Connecticut St	East city limits	WB	Yes	100	38.2	35	Stay with 35 mph	

Table I – Recommended Speed Limits (Continued)

Street	From	To	Direction	Multilane	Survey Count	85th Percentile	Posted Speed	Recommendation	Rationale/Note
Palm Ave	Seacoast Dr	3 rd St	EB/WB	No	100	27	30	Lower to 25 mph	Use 85th Percentile Speed
Palm Ave	3 rd St	7 th St	EB/WB	Yes	100	38	35	Recommend 40 mph	Under Construction and new posted speed limit pending completion
Rainbow Dr	SR75	Palm Ave	NB/SB	No	100	34	30	Stay with 30 mph	Not enforceable by radar
Seacoast Dr	Palm Ave	Imp Bch Blvd	NB/SB	No	100	25	25	Stay with 25 mph	Use 85th Percentile Speed
Seacoast Dr	Imp Bch Blvd	Southern terminus	NB/SB	No	70	29	25	Stay with 25 mph	"Prima Facie" 25 mph, but 2 lanes, residential and 40 ft or less in width define it as local residential

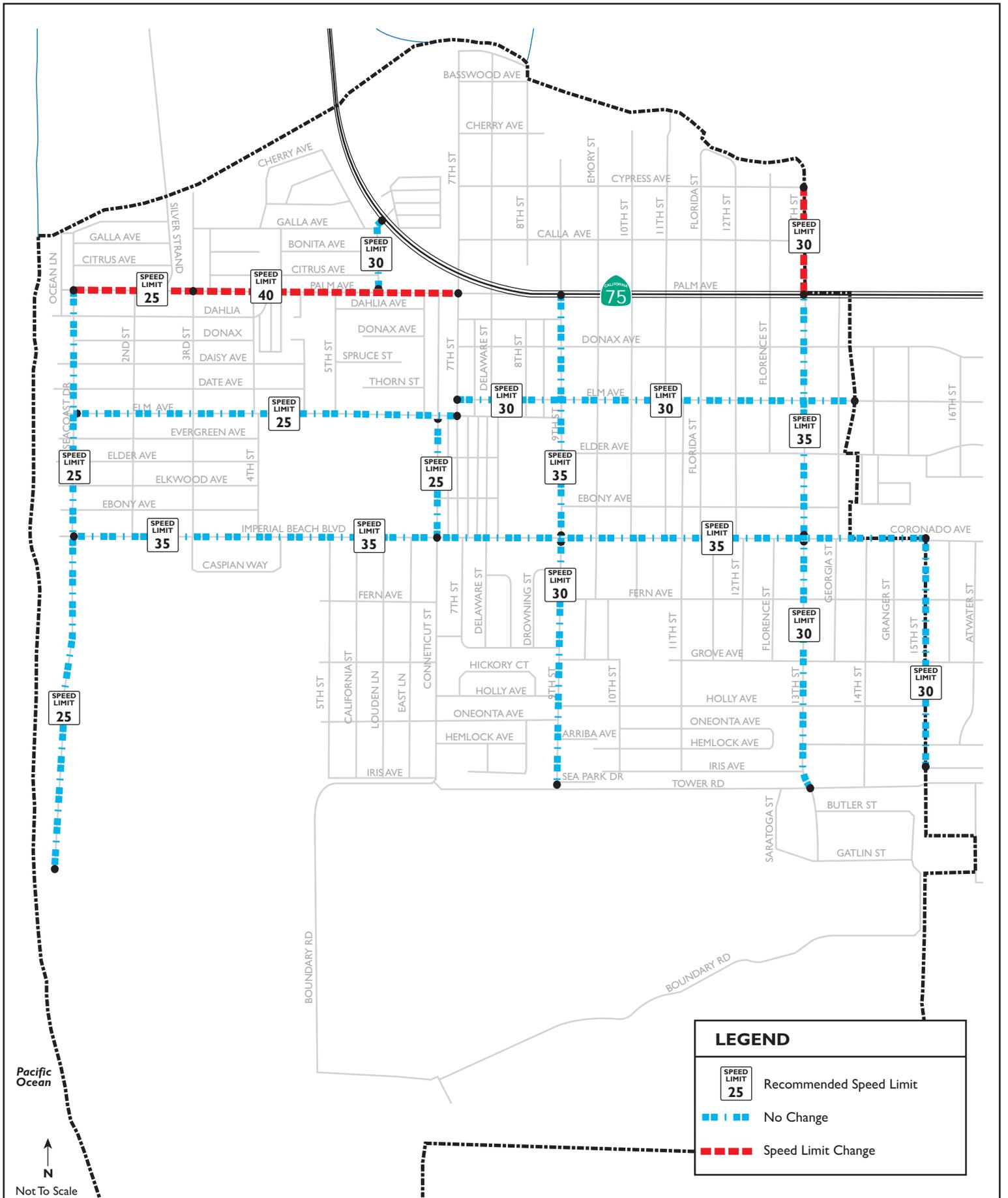


Figure 2
Recommended Speed Limit and Study Segment Locations

Table 2 – Accident Data

Street Segment	From	To	ADT, Weekday	2009-2011 Accidents	Number of Years	Calculated ADT	Length of Segment	Accident Rate	Lanes	Expected Acc Rates
13 th St	Palm Ave	Imp Bch Blvd	9,171	5	3	9,171	2670	0.98	4 UD	1.71
13 th St	Imp Bch Blvd	Iris Ave	10,077	6	3	10,077	3540	0.81	4 UD	1.71
13 th St	Cypress Ave	Palm Ave	1,683	1	3	1,683	1160	2.47	2	1.06
15 th St	Imp Bch Blvd	Iris Ave	2,746	0	3	2,746	2670	0.00	2	1.06
9 th St	Palm Ave	Imp Bch Blvd	6,065	3	3	6,065	2670	0.89	4 UD	1.71
9 th St	Imperial Beach Blvd	Sea Park Dr	3,376	0	3	3,376	2540	0.00	4 UD	1.71
Connecticut St	Elm Ave	Imp Bch Blvd	2,806	0	3	2,806	1310	0.00	2	1.06
Elm Ave	7 th St	East City Limits	2,196	6	3	2,196	4320	3.05	2	1.06
Elm Ave	Seacoast Dr	7 th St	2,466	1	3	2,466	4220	0.46	2	1.06
Imp Bch Blvd	Seacoast Dr	Connecticut St	3,985	7	3	3,985	3990	2.12	2	1.06
Imp Bch Blvd	Connecticut	East City Limits	14,418	15	3	14,418	5890	0.85	4 D	1.42
Palm Ave	Seacoast Dr	3 rd St	13,151	4	3	13,151	1320	1.11	2	1.06
Palm Ave	3 rd St	7 th St	12,672	7	3	12,672	4040	0.66	2	1.06
Rainbow Dr	SR75	Palm Ave	4,325	0	3	4,325	870	0.00	2	1.06
Seacoast Dr	Palm Ave	Imp Bch Blvd	3,534	3	3	3,534	2660	1.54	2	1.06
Seacoast Dr	Imp Bch Blvd	Encanto (to the southern terminus)	2,279	1	3	2,279	3640	0.58	2	1.06

4. Certification

This report constitutes an Engineering and Traffic Survey of speed limits within the City of Imperial Beach. The existing speed limits were reviewed for adequacy in terms of adjacent land use, functional classification, traffic demands, speed surveys along individual roadways and speed limit continuity with neighboring jurisdictions. Traffic and roadside conditions not readily apparent to motorists were also considered.

The data collection technique is in compliance with Division 17, Section 10802 (B) of the California Vehicle Code. The following reference materials were also used in the preparation of this Traffic and Engineering Survey:

1. *California Vehicle Code* – California Department of Motor Vehicles
2. *Traffic Manual* – State of California, Department of Transportation, Sacramento, California, Chapter 8, Section 803.1 through 803.4

All data utilized in this report is on file in the Engineering Department, City of Imperial Beach, 635 South Highway 101, CA 92075

The firm of KOA Corporation on behalf of the City of Imperial Beach has prepared this document.

I, J. Arnold Torma, do hereby certify that I am a Registered Traffic Engineer in the State of California. I have conducted this study for the City of Imperial Beach, and this report was prepared under my supervision. Its contents are true and accurate to the best of my knowledge.



J. Arnold Torma, TE

APPENDIX A

Speed Survey

Segment Information

- **Summary Sheet**
- **Segment Photos**
- **Speed Survey Date**

Street Name: 13 th St		
From Street: SR75 (Palm Ave)		To Street: Imperial Beach Blvd.
<hr/>		
Reviewed By: Date:		J. Arnold Torma 03-11-13
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-26-2013	
85 th Percentile	36	36
10 MPH Pace	26-36	28-38
Percent in Pace	55%	69%
Posted Speed Limit	35	35
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	5	
Acc./Mil. Vehicle Miles	0.98	
Expected Accident Rate	1.71	
<hr/>		
Traffic Factors		
Average Daily Traffic	9,171	
Traffic Controls	Signals at 13 th /Palm, 13 th /Imperial Beach Blvd.	
Crosswalks	13 th /Elder, 13 th /Ebony	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	2,670	
Street Width, Feet (curb to curb)	64.5	
Number of Lanes	4	
Vertical Alignment	Dip at Elm	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Fair	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Commercial, Residential, School on west side north of Ebony	
<hr/>		
Additional Remarks	Speed limit in school zone is 25, between Elder & Imperial Beach Blvd. Street is marked with "SLOW SCHOOL XING" near Elder.	
<hr/>		
Recommendations		
Recommended Speed Limit	35 MPH	
Speed Limit Change	No Change	
<hr/>		

13th Street

From: Donax Avenue

To: Elm Avenue



Looking south from Donax Avenue



Looking north from Elm Avenue

Street Name: 13 th St		
From Street: Imperial Beach Blvd.	To Street: Tower Rd	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-07-2013	
85 th Percentile	31	32.2
10 MPH Pace	23-33	23-33
Percent in Pace	72%	64%
Posted Speed Limit	30	30
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	6	
Acc./Mil. Vehicle Miles	0.81	
Expected Accident Rate	1.71	
<hr/>		
Traffic Factors		
Average Daily Traffic	10,077	
Traffic Controls		
Crosswalks	13 th /Holly	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	3,540	
Street Width, Feet (curb to curb)	63.7	
Number of Lanes	4	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Residential, some commercial near Imperial Beach Blvd, Naval Air Station at south end	
<hr/>		
Additional Remarks	Street is marked with "SLOW SCHOOL XING" at approach to Holly	
<hr/>		
Recommendations		
Recommended Speed Limit	30 MPH	
Speed Limit Change	No, recommended speed limit is consistent with 85 th percentile speed	
<hr/>		
 PLANNING & ENGINEERING		2013 City of Imperial Beach City-Wide Speed Surveys

13th Street

From: Holly Avenue

To: Hemlock Avenue



Looking south from Holly Avenue



Looking north from Hemlock Avenue

**Imperial Beach
13th Street between Holly Ave. and Hemlock Ave.
Northbound**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE	
	1	5	10	15	20	25	30						
65													
60													
55													
50													
45													
40													
35	X	X											
	X												
	X	X	X	X	X								
	X	X	X	X									
	X	X	X	X	X	X							
30	X	X	X	X	X	X	X	X	X	X	X	X	
	X	X	X	X	X	X	X						
	X	X	X	X	X	X	X	X	X	X	X	X	X
	X	X	X	X	X	X	X	X					
	X	X	X	X	X	X							
25	X	X	X	X	X	X	X	X	X	X			
	X	X	X	X	X								
	X	X	X										
	X												
20	X	X											
15													
TOTAL NUMBER OF VEHICLES											100		

Street Name: 13 th St		
From Street: SR75 (Palm Ave)		To Street: Cypress Ave
<hr/>		
Reviewed By: Date:		J. Arnold Torma 03-11-13
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-26-2013	
85 th Percentile	34.2	35
10 MPH Pace	26-36	26-36
Percent in Pace	72%	58%
Posted Speed Limit	None	None
Accident History		
Period (From/To)	January 2009	December 2011
Total Accidents	1	
Acc./Mil. Vehicle Miles	2.47	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	1,683	
Traffic Controls	Signal at Palm	
Crosswalks	Crosswalks at Palm	
Pedestrian/Bicycle Traffic	Potentially high due to connection to Bay route	
On-Street Parking	Allowed on west side, portions of east side	
Other (bike lanes, trucks, etc.)	No	
Roadway Factors		
Length of Segment, Feet	1,160 (approx.)	
Street Width, Feet (curb to curb)	60 (approx.)	
Number of Lanes	2 southbound, 1 northbound	
Vertical Alignment	Flat	
Horizontal Alignment	Straight	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	West side, portions of east side	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses		
Residential west side; open space, residential east side; comm. on block n/o Palm		
Additional Remarks		
Recommendations		
Recommended Speed Limit	30 MPH	
Speed Limit Change	Reduce by 5 mph from 85 th percentile due to high accident rate	
		2013 City of Imperial Beach City-Wide Speed Surveys

13th Street
From: Calla Avenue **To: Cypress Avenue**



Looking south from Cypress Avenue



Looking north from Calla Avenue

**Imperial Beach
13th Street between Cypress Ave. and Calla Ave.
Southbound**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE		
	1	5	10	15	20	25	30							
65														
60														
55														
50														
45														
	X												1%	100%
40	X	X											2%	99%
	X	X											2%	96%
	X	X											2%	94%
	X												1%	92%
35	X	X	X	X	X	X							7%	91%
	X	X	X	X									5%	84%
	X	X	X	X	X								6%	79%
	X	X	X	X	X	X	X	X	X	X			12%	73%
	X	X	X	X	X	X	X	X	X	X			12%	61%
30	X	X	X	X	X	X							8%	49%
	X	X	X	X									5%	41%
	X	X	X	X	X	X	X						9%	36%
	X	X	X	X									5%	27%
	X	X	X	X	X	X	X						8%	22%
25	X												1%	14%
	X	X											2%	13%
	X												1%	11%
	X	X											2%	9%
	X	X	X										4%	7%
20	X	X											2%	4%
	X												1%	1%
15														
TOTAL NUMBER OF VEHICLES											85			

Street Name: 15 th St		
From Street: Imperial Beach Blvd.		To Street: Iris Ave.
<hr/>		
Reviewed By: Date:		J. Arnold Torma 03-11-13
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-07-2013	
85 th Percentile	33.2	33.2
10 MPH Pace	20-30	20-30
Percent in Pace	57%	100%
Posted Speed Limit	30	30
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	0	
Acc./Mil. Vehicle Miles	0.0	
Expected Accident Rate	1.06	
<hr/>		
Traffic Factors		
Average Daily Traffic	2,746	
Traffic Controls	3-way stop at Iris; 2-way stop at Imperial Beach, Grove	
Crosswalks	None	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both sides	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	2,670	
Street Width, Feet (curb to curb)	52	
Number of Lanes	4	
Vertical Alignment	Sag vertical curve at Holly; Crest vertical curve at Grove	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Residential	
<hr/>		
Additional Remarks		
<hr/>		
Recommendations		
Recommended Speed Limit	30 MPH	
Speed Limit Change	No (Reduce by 5 mph from 85 th percentile due to residence district)	

15th Street

From: Hemlock Avenue

To: Holly Avenue



Looking south from Holly Avenue



Looking north from Hemlock Avenue

**Imperial Beach
15th Street between Holly Ave. and Hemlock Ave
North/Southbound (combined)**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE	
	1	5	10	15	20	25	30						
65													
60													
55													
50													
45													
40													
	X											2%	100%
	X	X										3%	98%
	X	X	X									5%	95%
35	X	X	X									5%	90%
	X											2%	86%
	X											2%	84%
	X	X	X									5%	83%
30	X	X	X	X								6%	78%
	X											2%	71%
	X	X	X	X	X	X	X	X	X	X		14%	70%
	X	X	X									5%	56%
	X	X	X	X								6%	51%
25	X	X	X	X	X	X	X					11%	44%
	X	X	X	X								6%	33%
	X	X	X	X	X							8%	27%
	X											2%	19%
	X	X	X	X								6%	17%
20	X	X	X	X	X	X						10%	11%
	X											2%	2%
15													
TOTAL NUMBER OF VEHICLES											63		

Street Name: 9 th St		
From Street: SR75(Palm Ave)		To Street: Imperial Beach Blvd.
<hr/>		
Reviewed By: Date:		J. Arnold Torma 03-11-13
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-07-2013	
85 th Percentile	41	39
10 MPH Pace	30-40	29-39
Percent in Pace	54%	60%
Posted Speed Limit	35	35
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	3	
Acc./Mil. Vehicle Miles	0.89	
Expected Accident Rate	1.71	
Traffic Factors		
Average Daily Traffic	6,065	
Traffic Controls	4-way stop at Donax; Signals at Palm, Imperial Beach Blvd.	
Crosswalks	School crossing at 9 th St/Elm	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	2,670	
Street Width, Feet (curb to curb)	67.7	
Number of Lanes	4	
Vertical Alignment	Dip at Imperial Beach Blvd.	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses		
	Multi- and Single-Family Residential	
Additional Remarks		
	Street marked with "SLOW SCHOOL XING" on approach to Elm	
Recommendations		
Recommended Speed Limit	35 mph	
Speed Limit Change	No Change (Reduce 5 mph from 85 th - restricted sight distance (vertical curve))	
		2013 City of Imperial Beach City-Wide Speed Survey

9th Street

From: Encina Avenue

To: Elder Avenue



Looking south from Encina Avenue



Looking north from Elder Avenue

**Imperial Beach
9th Street between Encina Ave. and Elder Ave.
Northbound**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE		
	1	5	10	15	20	25	30							
65														
60														
55														
50														
	X	X												
	X													
	X	X												
	X													
45														
	X													
	X	X												
	X	X	X											
	X	X	X	X	X	X	X							
40	X	X	X	X	X									
	X	X	X	X	X	X	X							
	X	X	X	X	X	X	X							
	X	X	X	X	X	X								
	X	X	X	X	X									
35	X	X	X	X	X	X	X	X						
	X	X	X	X	X	X	X	X	X	X	X			
	X	X	X	X	X	X								
	X	X	X	X	X	X	X							
	X	X	X	X	X	X								
30	X	X	X	X	X	X	X							
	X	X												
	X	X	X											
25	X													
20														
15														
TOTAL NUMBER OF VEHICLES												100		

Street Name: 9 th St		
From Street: Imperial Beach Blvd	To Street: South Limit	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-07-2013	
85 th Percentile	38.7	39
10 MPH Pace	N/A	N/A
Percent in Pace	63%	54%
Posted Speed Limit	30	30
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	0	
Acc./Mil. Vehicle Miles	0.0	
Expected Accident Rate	1.71	
<hr/>		
Traffic Factors		
Average Daily Traffic	3,376	
Traffic Controls		
Crosswalks	School crossing at 9 th /Holly, across Oneonta St.	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	2,540	
Street Width, Feet (curb to curb)	62.8	
Number of Lanes	4	
Vertical Alignment	Dip at school crossing near Grove	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Residential	
<hr/>		
Additional Remarks	Street marked with "SLOW SCHOOL XING" on approach to Holly	
<hr/>		
Recommendations		
Recommended Speed Limit	35 MPH	
Speed Limit Change	Yes. Reduce 85 th percentile by 5 mph due to residence district, pedestrian activity, presence of an elementary school	
<hr/>		
		2013 City of Imperial Beach City-Wide Speed Surveys

9th Street

From: Fern Avenue

To: Grove Avenue



Looking south from Fern Avenue



Looking north from Grove Avenue

Street Name: Connecticut St		
From Street: Elm Ave	To Street: Imperial Beach Blvd	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-24-2013	
85 th Percentile	30	30
10 MPH Pace	20-30	20-30
Percent in Pace	53%	100%
Posted Speed Limit	25	25
Accident History		
Period (From/To)	January 2009	December 2011
Total Accidents	0	
Acc./Mil. Vehicle Miles	0.0	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	2,806	
Traffic Controls	4-way stop at Imperial Beach Blvd; 2-way stop at Elm	
Crosswalks	School crossings at Elder, Elm, Imperial Beach Blvd	
Pedestrian/Bicycle Traffic	High, especially during school start and end times	
On-Street Parking	Both Sides, except in front of school	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	1,310	
Street Width, Feet (curb to curb)	37.4	
Number of Lanes	2	
Vertical Alignment	Crest vertical curve near Elder	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Sidewalks on both sides; Residential driveways on east side; School driveways on west side	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Single Family Residential on east side; School on west side	
Additional Remarks	Post "25 Mph When Children are Present"	
Recommendations		
Recommended Speed Limit	25 MPH	
Speed Limit Change	Maintain at 25 mph consistent with 40 ft., 2 lane residential local street	

Connecticut Street

From: Elkwood Avenue

To: Elder Avenue



Looking south from Elder Avenue



Looking north from Elkwood Avenue

**Imperial Beach
Connecticut St. between Elder Ave. and Elkwood Ave.
Norht/Southbound (combined)**

MPH	NUMBER OF VEHICLES							PERCENT OF TOTAL	CUMULATIVE PERCENTAGE
	1	5	10	15	20	25	30		
65									
60									
55									
50									
45									
40									
35	X	X						2%	100%
	X	X						2%	98%
	X	X	X	X	X	X	X	8%	96%
	X	X						2%	88%
30	X	X	X					3%	86%
	X							1%	83%
	X	X	X					3%	82%
	X	X	X	X	X			5%	79%
	X	X	X	X	X	X	X	9%	74%
25	X	X	X	X	X	X	X	13%	65%
	X	X	X	X	X	X	X	12%	52%
	X	X	X	X	X	X		8%	40%
	X	X	X	X	X	X		8%	32%
	X	X	X	X	X	X	X	13%	24%
20	X	X	X	X	X			6%	11%
	X							1%	5%
	X							1%	4%
	X	X						2%	3%
15	X							1%	1%
TOTAL NUMBER OF VEHICLES								100	

Street Name: Elm Ave		
From Street: 7 th St		To Street: East City Limit
<hr/>		
Reviewed By: Date:		J. Arnold Torma 03-11-13
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-29-2013	
85 th Percentile	31	31
10 MPH Pace	22-32	22-32
Percent in Pace	59%	100%
Posted Speed Limit	30	30
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	6	
Acc./Mil. Vehicle Miles	3.05	
Expected Accident Rate	1.06	
<hr/>		
Traffic Factors		
Average Daily Traffic	2,196	
Traffic Controls	4-way stop at 7 th , 11 th ; 2-way stop at 13 th , 9 th	
Crosswalks	9 th St, 7 th St	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	4,320	
Street Width, Feet (curb to curb)	64.2	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Single Family Residential	
<hr/>		
Additional Remarks		
<hr/>		
Recommendations		
Recommended Speed Limit	30 MPH	
Speed Limit Change	No; Recommended speed limit is consistent with 85 th percentile speed	

Elm Avenue

From: Emory Street

To: 10th Street



Looking east from Emory Street



Looking west from 10th Street

**Imperial Beach
Elm Ave. between Emory St. and 10th St.
West/Eastbound (combined)**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE	
	1	5	10	15	20	25	30						
65													
60													
55													
50													
45													
	X	X										3%	100%
40													
	X											1%	97%
35													
	X											1%	96%
	X	X	X	X								6%	94%
	X											1%	89%
	X	X	X	X	X	X	X					10%	87%
30													
	X	X	X									4%	77%
	X	X										3%	73%
	X	X	X	X								6%	70%
	X	X	X	X	X	X	X	X				11%	65%
	X	X	X	X	X	X	X	X	X	X	X	20%	54%
25													
	X	X	X	X								6%	34%
	X	X	X	X								6%	28%
	X	X	X	X	X	X						8%	23%
	X	X	X	X								6%	14%
20													
	X	X	X	X								6%	8%
	X											1%	3%
	X											1%	1%
15													
TOTAL NUMBER OF VEHICLES											71		

Street Name: Elm Ave		
From Street: Seacoast Dr	To Street: 7 th St	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-24-2013	
85 th Percentile	32	32
10 MPH Pace	23-33	23-33
Percent in Pace	68%	100%
Posted Speed Limit	25	25
Accident History		
Period (From/To)	January 2009	December 2011
Speed Related Accidents		
Total Accidents	1	
Acc./Mil. Vehicle Miles	0.46	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	2,466	
Traffic Controls	2-way stop at Seacoast; 4-way stop at 2 nd , 3 rd , 4 th , 5 th	
Crosswalks	Carolina, Connecticut, Encino, 4 th , 5 th , 7 th	
Pedestrian/Bicycle Traffic	High, especially during school start and end times	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	4,220	
Street Width, Feet (curb to curb)	39.8	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Sidewalk and driveways on both sides	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Single Family Residential, School (south side of street)	
Additional Remarks	Post "25 mph When Children are Present"	
Recommendations		
Recommended Speed Limit	25 MPH	
Speed Limit Change	Maintain at 25 mph consistent with a 2 lane, 40 ft. local residential street	
		2013 City of Imperial Beach City-Wide Speed Surveys

Elm Avenue

From: 4th Street

To: Covina Street



Looking from 4th Street



Looking west from Covina Street

Street Name: Imperial Beach Blvd		
From Street: Seacoast Dr	To Street: Connecticut St	
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-29-2013	
85 th Percentile	35	35.7
10 MPH Pace	25-35	25-35
Percent in Pace	61%	66%
Posted Speed Limit	35	35
Accident History		
Period (From/To)	January 2009	December 2011
Total Accidents	7	
Acc./Mil. Vehicle Miles	2.12	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	3,985	
Traffic Controls	4-way stops at 3 rd St, Seacoast Dr	
Crosswalks	None	
Pedestrian/Bicycle Traffic	High, especially on weekends near Seacoast	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	3,990	
Street Width, Feet (curb to curb)	64.2	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Sidewalks on both sides; Few driveways; Bus turnouts near 3 rd St, Imperial Beach	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Townhomes and Single-Family homes on both sides; Tijuana Wildlife Center on south side	
Additional Remarks		
Recommendations		
Recommended Speed Limit	35 MPH	
Speed Limit Change	No Change	
	2013 City of Imperial Beach City-Wide Speed Surveys	

Imperial Beach Boulevard
From: 2nd Street To: 3rd Street



Looking east from 2nd Street



Looking west from 3rd Street

Imperial Beach Boulevard
From: 4th Street **To: 5th Street**



Looking east from 4th Street



Looking west from 5th Street

Imperial Beach Boulevard

From: California Street

To: Louden Lane



Looking east from California Street



Looking west from Louden Lane

Street Name: Imperial Beach Blvd		
From Street: Connecticut St	To Street: East City Limit	
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	03-02-2013	
85 th Percentile	38	38.2
10 MPH Pace	27-37	27-37
Percent in Pace	74%	59%
Posted Speed Limit	35	35
Accident History		
Period (From/To)	January 2009	December 2011
Speed Related Accidents		
Total Accidents	15	
Acc./Mil. Vehicle Miles	0.85	
Expected Accident Rate	1.42	
Traffic Factors		
Average Daily Traffic	14,418	
Traffic Controls	4-way stops at Connecticut St, Signal on 9 th St; Flashing beacons on approach to Connecticut	
Crosswalks	Imperial Beach Blvd, Connecticut	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	5,890	
Street Width, Feet (curb to curb)	62.2	
Number of Lanes	4 lanes east of Connecticut; 2 lanes west of Connecticut	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Moderate	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Civic Center Buildings, Single and Multi Family Residential	
Additional Remarks		
Recommendations		
Recommended Speed Limit	35 MPH	
Speed Limit Change	No Change	
		2013 City of Imperial Beach City-Wide Speed Surveys

Imperial Beach Boulevard

From: Delaware Street

To: 9th Street



Looking east from Delaware Street



Looking west from 9th Street

Imperial Beach Boulevard

From: Florida Street

To: 11th Street



Looking east from 11th Street



Looking west from Florida Street

Street Name: Palm Ave		
From Street: 3 rd St	To Street: Delaware Ave	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-19-2013	
85 th Percentile	38	38
10 MPH Pace	29-39	29-39
Percent in Pace	60%	100%
Posted Speed Limit	35	35
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
Speed Related Accidents		
Total Accidents	7	
Acc./Mil. Vehicle Miles	0.66	
Expected Accident Rate	1.06	
<hr/>		
Traffic Factors		
Average Daily Traffic	12,672	
Traffic Controls	4-way stop at 3 rd St; Signal at 7 th St; Flashing Beacon at 3 rd St	
Crosswalks	Palm/3 rd (part of Safe Route to School)	
Pedestrian/Bicycle Traffic	Moderate to high, especially during school hours	
On-Street Parking	None	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	4,040	
Street Width, Feet (curb to curb)	63.3	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Single Family Residential, Commercial	
<hr/>		
Additional Remarks	25 mph speed zone posted near 3 rd St	
<hr/>		
Recommendations		
Recommended Speed Limit	40 MPH	
Speed Limit Change	Increase by 5 mph consistent with 85 th percentile, but do new survey after construction	
<hr/>		

Palm Avenue

From: 3rd Street

To: Rainbow Drive



Looking east from 3rd Street



Looking west from Rainbow Drive

Palm Avenue

From: Rainbow Drive

To: 7th Street



Looking east from Rainbow Drive



Looking west from 7th Street

Street Name: Palm Ave		
From Street: Seacoast Dr	To Street: 3 rd St	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	02-26-2013	
85 th Percentile	27	27
10 MPH Pace	18-28	18-28
Percent in Pace	68%	100%
Posted Speed Limit	30	30
Accident History		
Period (From/To)	January 2009	December 2011
Speed Related Accidents		
Total Accidents	4	
Acc./Mil. Vehicle Miles	1.11	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	13,151	
Traffic Controls	4-way stops at 3 rd , Seacoast	
Crosswalks	3 rd	
Pedestrian/Bicycle Traffic	High, especially on weekends and during school hours near Seacoast	
On-Street Parking	Both Sides	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	1,320	
Street Width, Feet (curb to curb)	63.3	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Sidewalks on both sides; Commercial and residential driveways	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Commercial and Residential	
Additional Remarks		
Recommendations		
Recommended Speed Limit	25 MPH	
Speed Limit Change	Reduce by 5 mph based on survey	
		2013 City of Imperial Beach City-Wide Speed Survey

Palm Avenue

From: Seacoast Drive

To: 3rd Street



Looking east from Seacoast Drive



Looking west from 3rd Street

Street Name: Rainbow Dr		
From Street: SR75	To Street: Palm Ave	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-19-2013	
85 th Percentile	34	34
10 MPH Pace	24-34	24-34
Percent in Pace	54%	100%
Posted Speed Limit	30	30
Accident History		
Period (From/To)	January 2009	December 2011
Total Accidents	0	
Acc./Mil. Vehicle Miles	0.0	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	4,325	
Traffic Controls		
Crosswalks	None	
Pedestrian/Bicycle Traffic	Moderate	
On-Street Parking	Both Sides with restrictions at business zones on east side of street	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	870	
Street Width, Feet (curb to curb)	47.3	
Number of Lanes	2	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Single Family Residential	
Additional Remarks		
Recommendations		
Recommended Speed Limit	30 MPH	
Speed Limit Change	No Change (Not enforceable by radar)	

Rainbow Drive

From: SR-75

To: Palm Avenue



Looking south from SR-75



Looking north from Palm Avenue

Street Name: Seacoast Dr		
From Street: Palm Ave	To Street: Imperial Beach Blvd	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-24-2013	
85 th Percentile	25	25
10 MPH Pace	16-26	16-26
Percent in Pace	60%	100%
Posted Speed Limit	25	25
<hr/>		
Accident History		
Period (From/To)	January 2009	December 2011
<hr/>		
Total Accidents	3	
Acc./Mil. Vehicle Miles	1.54	
Expected Accident Rate	1.06	
<hr/>		
Traffic Factors		
Average Daily Traffic	3,534	
Traffic Controls	4-way stops at Seacoast/Imperial Beach, Seacoast/Palm	
Crosswalks	Seacoast/Evergreen	
Pedestrian/Bicycle Traffic	High, especially on weekends	
On-Street Parking	Both Sides, with restrictions in business zones on west side of street	
Other (bike lanes, trucks, etc.)	None	
<hr/>		
Roadway Factors		
Length of Segment, Feet	2,660	
Street Width, Feet (curb to curb)	43.1	
Number of Lanes	2	
Vertical Alignment	Dip at Date St	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
<hr/>		
Adjacent Land Uses	Residential Town Homes; Commercial on west side	
<hr/>		
Additional Remarks		
<hr/>		
Recommendations		
Recommended Speed Limit	25	
Speed Limit Change	No Change, prima facie commercial	

Seacoast Drive

From: Evergreen Avenue

To: Elder Avenue



Looking south from Evergreen Avenue



Looking north from Elder Avenue

Street Name: Seacoast Dr		
From Street: Imperial Beach Blvd	To Street: Encanto	
<hr/>		
Reviewed By: Date:	J. Arnold Torma 03-11-13	
Prevailing Speed Date	NB/EB	SB/WB
Date of Survey	01-29-2013	
85 th Percentile	29	29
10 MPH Pace	19-29	19-29
Percent in Pace	52%	100%
Posted Speed Limit	25	25
Accident History		
Period (From/To)	January 2009	December 2011
Total Accidents	1	
Acc./Mil. Vehicle Miles	0.58	
Expected Accident Rate	1.06	
Traffic Factors		
Average Daily Traffic	2,279	
Traffic Controls	4-way stop at Seacoast/Imperial Beach Blvd	
Crosswalks	None	
Pedestrian/Bicycle Traffic	High along beach front property, especially on weekends	
On-Street Parking	No parking on west side; parking allowed at south end of segment	
Other (bike lanes, trucks, etc.)	None	
Roadway Factors		
Length of Segment, Feet	3,640	
Street Width, Feet (curb to curb)	43.4	
Number of Lanes	2	
Vertical Alignment	Dips at Admiralty, Encanto	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Both Sides	
Other (speed bumps, R/R, etc.)	None	
Adjacent Land Uses	Residential Town Homes; Tijuana Estuary to the east	
Additional Remarks		
Recommendations		
Recommended Speed Limit	25 MPH based on width and 2 lanes (Prima Facie – Residence District)	
Speed Limit Change	No Change	

Seacoast Drive

From: Descanso Avenue

To: Cortez Avenue



Looking north from Descanso Avenue



Looking south from Cortez Avenue

**Imperial Beach
Seacoast Drive between Cortez Ave. and Descanso Ave.
North/Southbound (combined)**

MPH	NUMBER OF VEHICLES							PERCENT OF TOTAL	CUMULATIVE PERCENTAGE
	1	5	10	15	20	25	30		
65									
60									
55									
50									
45									
40									
35									
	X							1%	100%
	X							1%	99%
	X	X	X					4%	97%
30	X	X	X	X	X			7%	93%
	X	X	X	X	X	X		9%	86%
	X	X	X	X				6%	77%
	X							1%	71%
	X	X	X					4%	70%
25	X	X	X	X	X	X		9%	66%
	X	X	X	X	X			7%	57%
	X	X	X					4%	50%
	X	X	X	X	X			7%	46%
	X	X	X	X	X	X	X	11%	39%
20	X	X	X	X	X	X		9%	27%
	X	X	X	X	X	X		9%	19%
	X	X	X	X	X	X		9%	10%
15	X							1%	1%
TOTAL NUMBER OF VEHICLES								70	

APPENDIX B

Speed Survey

Data Collection Location Information

- **Approximate Radar Location**

CITY OF IMPERIAL BEACH
APPROXIMATE RADAR LOCATIONS

Segment	From	To	Between
13 th St	Palm Ave	Imperial Beach Blvd	Elm Ave & Elder Ave
13 th St	Imperial Beach Blvd	Iris Ave	Hemlock Ave & Iris Ave
13 th St	Imperial Beach Blvd	Iris Ave	Fern Ave & Grove Ave
9 th St	Palm Ave	Imperial Beach Blvd	Elm Ave & Elder Ave
9 th St	Imperial Beach Blvd	Sea Park	Fern Ave & Grove Ave
Elm Ave	7 th ST	East City Limits	Florida St & 12 TH St
Elm Ave	Seacoast Dr	7 th St	3 RD St & 4 TH St
Imperial Beach Blvd	Seacoast Dr	3 rd St	2 ND St & 3 RD St
Imperial Beach Blvd	9 th St	East City Limits	Florida St & 12 TH St
Imperial Beach Blvd	3 rd St	9 th St	4 TH & California
Palm Ave	Seacoast Dr	3 rd St	2 ND St & 3 RD St
Palm Ave	3 rd St	Delaware Ave	4 TH St & 5 TH St
Rainbow Dr	SR 75	Palm Ave	Citrus Ave & Bonita Ave
Seacoast Dr	Palm Ave	Imperial Beach Blvd	Evergreen Ave & Elder Ave
Seacoast Dr	Imperial Beach Blvd	Encanto (to the end)	Cortez Ave & Descanso Ave



AGENDA ITEM NO. 5.1

STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER *MB*

MEETING DATE: APRIL 3, 2013

ORIGINATING DEPT.: PUBLIC WORKS *HAZ*

SUBJECT: PUBLIC HEARING ON RESOLUTION 2013-7318 OF THE CITY OF IMPERIAL BEACH, CALIFORNIA ADJUSTING A REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN (RTCIP) FEE FOR FISCAL YEAR 2013-2014

BACKGROUND:

In accordance with the TransNet Extension Ordinance and Expenditure Plan 04-01, the Imperial Beach City Council adopted ordinance 2008-1067 to establish a transportation uniform mitigation program that will mitigate the regional transportation impacts of new development on the arterial system. As part of the Ordinance, the City was required to adopt a Traffic Congestion Management Fee to be effective on July 1, 2008. At the City Council meeting March 19, 2008; City Council adopted the Regional Transportation Congestion Improvement Plan (RTCIP) fee of \$2,000 per new residential dwelling unit. The fee became effective July 1, 2008. The TransNet Extension Ordinance and Expenditure Plan 04-01 states that "the fee amount per residential unit shall be adjusted annually on July 1 of each year beginning July 1, 2009 based on the Engineering Construction Cost Index as published by the Engineering News Record or similar cost of construction index. Any increase shall not exceed the percentage increase set forth in the construction index. In no event, however, shall the increase be less than two percent per year. The purpose of this annual adjustment is to retain purchasing power in anticipation of future inflation."

For FY 2012-2013 City of Imperial Beach Resolution 2012-7173 increased the fee 2% to a new RTCIP fee of \$2,165 per residential unit because the Engineering Construction Cost Index was less than 2%.

The initiation of and adjustments to the Transportation Congestion Management Fee is to be through a public noticing and public hearing context. On March 21, 2013, a public hearing notice to adjust the Transportation Congestion Management Fee was published in the Eagle & Times – Imperial Beach / South County newspaper for the City Council meeting of April 3, 2013.

DISCUSSION:

As was the situation since the initiation of the RTCIP fee, the Engineering Construction Cost Index for FY 2012/2013 was less than 2%. Thus in accordance with the TransNet Extension Ordinance and Expenditure Plan 04-01 the RTCIP fee for FY 2013-2014 must increase a minimum of 2% for a new RTCIP fee of \$2,209 per residential dwelling unit.

Since July 1, 2008, the City of Imperial Beach collected the following fees to be placed in the separate RTCIP interest bearing account:

09/09/08	\$2000.00
11/06/08	\$2000.00
08/06/09	\$2040.00
11/19/09	\$2040.00
05/12/10	\$2040.00
08/01/11	\$2040.00
11/21/11	\$6369.00
05/25/12	\$2165.00
08/01/12	\$2123.00

TOTAL \$22,817.00

These fees are collected and programmed to be used as shown in Attachment 2 – Resolution 2008-6601.

Annual fee rates per residential unit since inception have been:

FY 08/09	\$2,000
FY 09/10	\$2,040
FY 10/11	\$2,081
FY 11/12	\$2,123
FY 12/13	\$2,165
FY 13/14	\$2,209 proposed for the period 7/1/13 – 6/30/14

ENVIRONMENTAL DETERMINATION:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) on the State CEQA Guidelines.

FISCAL IMPACT:

Adoption of the fee adjustment will allow the City to recover costs that would otherwise be absorbed by the General Fund or diverted from other funds that could be used for other eligible projects. The City is required to place the \$2,209 Transportation Uniform Mitigation Fee per residential dwelling unit building permit issued into a separate interest bearing RTCIP account.

Total RTCIP fees collected to date is \$22,817.

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Open the Public Hearing.
3. Take public testimony.
4. Close the Public Hearing; and
5. Adopt Resolution 2013-7318 - A Resolution of the City Council of the City of Imperial Beach, California establishing a \$2,209 Regional Transportation Congestion Improvement Plan Fee for each new residential dwelling Unit.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2013-7318
2. Resolution No. 2008-6601

RESOLUTION NO. 2013-7318

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADJUSTING A REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN (RTCIP) FEE FOR FISCAL YEAR 2013-2014

WHEREAS, in accordance with the TransNet Extension Ordinance and Expenditure Plan 04-01, the Imperial Beach City Council adopted ordinance 2008-1067 to establish a transportation uniform mitigation program that will mitigate the regional transportation impacts of new development on the arterial system; and

WHEREAS, as part of the Ordinance, the City was required to adopt a Traffic Congestion Management Fee to be effective on July 1, 2008; and;

WHEREAS, at the City Council meeting March 19, 2008, City Council adopted the Regional Transportation Congestion Improvement Plan (RTCIP) fee of \$2,000 per new residential dwelling unit; and

WHEREAS, the fee became effective July 1, 2008; and

WHEREAS, the TransNet Extension Ordinance and Expenditure Plan 04-01 states that "the fee amount per residential unit shall be adjusted annually on July 1 of each year beginning July 1, 2009 based on the Engineering Construction Cost Index as published by the Engineering News Record or similar cost of construction index;" and

WHEREAS, any increase shall not exceed the percentage increase set forth in the construction index and in no event, however, shall the increase be less than two percent per year; and

WHEREAS, the initiation of and adjustments to the Transportation Congestion Management Fee is to be through a public noticing and public hearing context; and

WHEREAS, on March 21, 2013, a public hearing notice to adjust the Transportation Congestion Management Fee was published in the Eagle & Times – Imperial Beach / South County newspaper for City Council meeting of April 3, 2013; and

WHEREAS, the FY 2012-2013 City of Imperial Beach Resolution 2012-7173 increased the fee 2% to a new RTCIP fee of \$2,165 per residential unit because the Engineering Construction Cost Index was less than 2%; and

WHEREAS, the Engineering Construction Cost Index for FY 2012/2013 was less than 2%; and

WHEREAS, in accordance with the TransNet Extension Ordinance and Expenditure Plan 04-01, the RTCIP fee for FY 2013-2014 must increase a minimum of 2% for a new RTCIP fee of \$2,209 per residential dwelling unit.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. This legislative body adopts a \$2,209 Transportation Uniform Mitigation Fee (Regional Transportation Congestion Improvement Plan Fee) per new residential dwelling unit effective July 1, 2013.

3. The \$2,209 Transportation Uniform Mitigation Fee per residential dwelling unit building permit issued is to be placed into a separate interest bearing RTCIP account.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 3rd day of April 2013, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK

RESOLUTION NO. 2008-6601

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVAL OF TRANSNET EXTENSION ORDINANCE AND EXPENDITURE PLAN, REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (RTCIP) PROJECT PLAN – REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM PROJECT ON STATE ROUTE 75

WHEREAS, the TransNet Extension Ordinance and Expenditure Plan was approved by the voters of San Diego County in 2004; and

WHEREAS, starting on July 1, 2008, each local agency in the San Diego region is required to contribute \$2,000 in exactions from the private sector, for each newly constructed residential housing unit in that jurisdiction to the RTCIP [Regional Transportation Congestion Improvement Program]; and

WHEREAS, these exactions shall ensure the future development contributes its proportional share of the funding needed to pay for the Regional Arterial System and related regional transportation facility improvements, as defined in San Diego Association of Governments' (SANDAG's) most recent, adopted Regional Transportation Plan; and

WHEREAS, in the City of Imperial Beach the only Regional Arterial is State Route 75 (SR 75); and

WHEREAS, the City may choose to contribute to any regional arterial within the County of San Diego, however SR 75 is the most local and arguably the most logical arterial to allocate the collected funds; and

WHEREAS, before April 1, 2008, the cities and County of San Diego must have submitted their RTCIP project plan to the ITOC for review "... to ensure that all voter mandates are carried out as required..."; and

WHEREAS, a project plan has been prepared that would allocate the collected funds towards a project on SR 75 between 7th Street and 9th Street including the intersections at 7th Street and 9th Street; and

WHEREAS, the plan proposes to design and construct vehicle, bicycle and public transit circulation and pedestrian access improvements in that segment of SR 75; and

WHEREAS, the project plan is provided as Exhibits A and B to this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. The Project Plan as found in Exhibits A and B is approved and is incorporated as a City of Imperial Beach Capital Improvement Program (CIP) project and

that it is included in the current "Amendments Approved February 6, 2008 Five Year Capital Improvement Program Budget Fiscal Year 2004/2005 through Fiscal Year 2008/2009."

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 19th day of March 2008, by the following roll call vote:

AYES:	COUNCILMEMBERS:	MCLEAN, BRAGG, WINTER, JANNEY
NOES:	COUNCILMEMBERS:	NONE
ABSENT:	COUNCILMEMBERS:	MCCOY

James C. Janney
JAMES C. JANNEY, MAYOR

ATTEST:

Jacqueline M. Hald
JACQUELINE M. HALD, CMC
CITY CLERK

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be a true and correct copy of Resolution No. 2008-6601 – A Resolution of the City Council of the City of Imperial Beach, California, APPROVAL OF TRANSNET EXTENSION ORDINANCE AND EXPENDITURE PLAN, REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (RTCIP) PROJECT PLAN – REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM PROJECT ON STATE ROUTE 75.

Lina D. Wagner
FOR CITY CLERK

4/3/08
DATE

ATTACHMENT 2
Exhibit A to Resolution No. 2008-6601

CITY OF IMPERIAL BEACH

REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (RTCIP)
PROJECT PLAN

PROJECT DESCRIPTION – Design and construct vehicle, bicycle and public transit circulation and pedestrian access improvements along and across State Route 75 between 7th Street and 9th Street, including 7th Street and 9th Street intersections.

PROJECT FUNDING –

- Development Impact Fee - \$2,000 assessment for each newly constructed residential housing unit in the City of Imperial Beach. New residential housing units constructed for extremely low, very-low, low, and moderate income households, as defined in California Health and Safety Code Sections 50105, 50106, 50079.5 and 50093 will be exempt from the \$2,000 per unit assessment. Estimated annual revenue from the Development Impact Fee is \$20,000 - (based on an average of 10 new units per year).
- State or Federal matching funds – dependent upon SANDAG allocation
- Imperial Beach Redevelopment Agency funds – dependent upon Redevelopment Agency priorities

PROJECT ESTIMATED COST - \$1,000,000 (in 2008 dollars)

ESTIMATED CONSTRUCTION START DATE – 2018 to 2023; could start sooner if other funds such as redevelopment funding is allocated earlier and the impact fee is used to reimburse the funding source.

PROJECTRAK



SAN DIEGO ASSOCIATION OF GOVERNMENTS

VIEWING A PROJECT (READ-ONLY MODE)
IF YOU LIKE TO MAKE CHANGES TO THIS PROJECT, PLEASE PROCEED THROUGH AN AMENDMENT.

VIEW PREVIOUS VERSIONS OF THIS PROJECT

MPO ID: IB11	VERSION: 1	RTIP: 08-00	COMPLETION YEAR: 2023
DTIPS_ID: n/a	PPND: n/a	RTIP STATE APPROVED:	TOTAL COST: \$300,000
SANDAG ID: n/a	EA NUMBER: n/a	RTIP FEDERAL APPROVE DATE:	DELEGATED COST: \$0
LAST MODIFIED BY: Vicki Madrid (3/10/2008)			HISTORY

ADMINISTRATIVE EDIT

LUMP SUM LUMP SUM NAME

No

PROJECT TYPES ICM

FOOTNOTES

PROJECT INFORMATION

<u>PROGRAM / AUTHORIZATION TYPE</u>	<u>ID</u>	<u>LEAD AGENCY</u>
RTP PROJECT #	IB11	Imperial Beach, City of
		<u>PROJECT TYPE</u>
		<u>EXEMPT CATEGORY</u>
		Safety - Safety Improvement Program.
		<u>RAS (LATEST RTP)</u> <u>ITS</u>
		NO NO

PROJECT TITLE

SR 75 Bicycle, Transit, Pedestrian Improvements

RTIP

08-00 - RTIP

PROJECT DESCRIPTION - GUIDELINES

RTCIP Funded Project: Design and construct vehicle, bicycle and public transit circulation and pedestrian access improvements along and across State Route 75 between 7th Street and 9th Street, including 7th Street and 9th Street intersections.

SYSTEM	ROUTE	FROM	TO
State	75	7th Street	9th Street
		<u>BEGIN</u>	<u>END</u>
		<u>POSTMILES</u>	<u>LENGTH</u>

CAPACITY INCREASING PROJECT INFORMATION - ONLY REQUIRED FOR CAPACITY INCREASING PROJECTS

CAPACITY STATUS

Non-Capacity Increase

PROJECT DIAGRAM

PROGRAMMING INFORMATION

<u>EST TOTAL PROJECT COST</u>	\$300,000	<u>MONTH</u>	<u>YEAR</u>
		JAN	2023
<u>FISCAL YEAR</u>	<u>FUND TYPE (PROGRAMMED REVENUE SOURCE)</u>	<u>ENV/ENGR</u>	<u>RQW</u>
FY 2013	Loc Funds - Local RTCIP	\$90,000	\$0
		<u>CON</u>	<u>TOTAL</u>
		\$210,000	\$300,000
		GRAND TOTAL	\$300,000

CHANGE REASON

CHANGE REASON

New project

NARRATIVE DESCRIPTION - GUIDANCE

RTCIP Funded Project: Design and construct vehicle, bicycle and public transit circulation and pedestrian access improvements along and across State Route 75 between 7th Street and 9th Street, including 7th Street and 9th Street intersections.

HISTORICAL COMMENTS



AGENDA ITEM NO. 6.1

STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: PUBLIC WORKS *HAZ*
SUBJECT: DISCUSSION ON BICYCLING ON SIDEWALKS VERSES CITY ROADWAYS

BACKGROUND:

On May 16, 2012, staff presented the attached staff report and ordinance (Attachments 1 and 2 respectively) to City Council recommending that riding of bicycles on City sidewalks be restricted to only persons under the age of 11. Ten year olds and younger would be authorized to ride on City sidewalks. Staff noted that the age of 10 was used for a point of departure within the discussion only. If City Council determined that an older or younger age would be considered more appropriate that would be a judgment call of City Council. After much discussion on the merits and drawbacks of riding on sidewalks vis-à-vis riding on roadways, the issue was tabled with direction to staff to gather additional information by which all concerned could be educated on this issue. It was suggested that maybe an expert on this issue could be invited to come to a City Council meeting to help us understand the issues related to riding on sidewalks verse riding on roadways.

DISCUSSION:

Following the May 16, 2012 City Council meeting, staff discussed the issue with several bicycle advocates and did more research on the issues related to riding bicycles on sidewalks verses roadways. Nearly all studies found that those riding on sidewalks to have many more vehicle vs rider accidents with injuries than those riding on roadways.

To help lead in a discussion on bicycling on sidewalks verses City roadways, Mr. Andy Hanshaw of the San Diego Bicycle Coalition has volunteered to provide the City his insight into the issue described above.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

No charges incurred by this visit by Mr. Hanshaw.

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Hear a presentation by Mr. Andy Hanshaw regarding bicycling on sidewalks verses on roadways.
3. Engage in a discussion with Mr. Hanshaw on the bicycling on sidewalks verses on roadways. Also, what age is appropriate for young people to be riding on roadways?

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Staff Report of May 16, 2012



AGENDA ITEM NO. 3.1

**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER

MEETING DATE: MAY 16, 2012

ORIGINATING DEPT.: PUBLIC WORKS *HAL*

SUBJECT: ADOPTION OF ORDINANCE NO. 2012-1129 AMENDING SECTION 10.56.180 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO RIDING BICYCLES ON SIDEWALKS

BACKGROUND: California Vehicle Code section 21100(h) gives cities wide latitude to determine whether and where people can ride bicycles on sidewalks. Currently, the Imperial Beach Municipal Code prohibits riding bicycles in any "business district."

In 2009, the City Council adopted the Bicycle Transportation Plan ("BTP") as part of the City's General Plan. The BTP is a master document for planning how Imperial Beach will accommodate and promote bicycle transit within the City. The BTP was approved at a public meeting after completion of an Environmental Impact Report (SCH# 2007101061).

The BTP addresses goals for bike use, and specifically discusses (among many other things) bicycling on City sidewalks. In general the BTP disfavors bicycling on City sidewalks. On page 9-23, the BTP says:

"However, bicycle use of urban access pathways should not include sidewalks adjacent to streets for a number of reasons. First, sidewalks are designed for pedestrian speeds and maneuverability. Second, they are usually encumbered by parking meters, utility poles, benches, trees, etc. Third, other types of users and their specific types of maneuverability can also pose a safety issue for cyclists."

Nonetheless, the BTP contemplates three exceptions to the prohibition on bicycling on the sidewalk. First, it contemplates that if a sidewalk is not adjacent to a street and the path is eight feet wide or wider (for example, interior sidewalks in parks), the BTP (at page 9-23) noted that bikes can safely be used. Second, if the sidewalk is not adjacent to a street, in certain circumstances the BTP (page 9-28) contemplates some biking on sidewalks should be allowed on bridges. Finally, the BTP (page 9-23) contemplates that "Class C" cyclists can ride on sidewalks. The phrase "Class C cyclists" has been defined in different ways by different sources, but all agree that the phrase refers to very young cyclists. These cyclists, the BTP notes, may not yet have the judgment or motor skills to bicycle in the street like adults can, so the BTP found it appropriate to allow Class C cyclists to practice on the sidewalks.

DISCUSSION City staff believes that amending the Municipal Code to prohibit bicycling on sidewalks in the City will improve safety in the City. Doing so will help prevent collisions between cars and bicyclists that occur in driveways and will make sidewalks more walkable for pedestrians. Accordingly, it is recommended that the City Council adopt the proposed ordinance, which would prohibit bicycling on all sidewalks within the City.

The ordinance includes exceptions in accordance with those contemplated by the BTP. First, biking is allowed if a sidewalk is eight feet or wider and is not adjacent to a street, so biking in many parks will be permissible. Second, if a bridge is so designated by the City Manager or his or her designee, its sidewalks may be used for cycling. Third, the proposed ordinance implements the exception for young "Class C" cyclists by allowing those 10 years old or younger to ride bicycles on sidewalks.

ENVIRONMENTAL DETERMINATION:

This Ordinance is not a project as defined by CEQA. Even if it were a project, environmental issues surrounding this proposal were addressed in an Environmental Impact Report (SCH# 2007101061).

FISCAL IMPACT:

None.

DEPARTMENT RECOMMENDATION:

Staff Recommends the Mayor and City Council:

1. Receive this report;
2. Mayor calls for the first reading of the title of Ordinance No. 2012-1129 "AN ORDINANCE AMENDING SECTION 10.56.180 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO RIDING BICYCLES ON SIDEWALKS";
3. City Clerk to read Ordinance 2012-1129;
4. Motion to waive further reading and introduce by title only and set the matter for adoption at the next regularly scheduled City Council meeting.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachment:

1. Ordinance 2012-1129.

ORDINANCE NO. 2012-1129

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AMENDING SECTION 10.56.180 OF THE IMPERIAL BEACH MUNICIPAL CODE, PERTAINING TO RIDING BICYCLES ON SIDEWALKS

WHEREAS, the City of Imperial Beach is concerned about the safety of bicyclists and pedestrians within the City; and

WHEREAS, currently, the Imperial Beach Municipal Code only prohibits cycling on sidewalks in unspecified business districts; and

WHEREAS, Vehicle Code section 21100(h) gives the City authority to ban bicycling on sidewalks throughout the City; and

WHEREAS, in 2009, after completing an Environmental Impact Report (SCH# 2007101061), the City Council for the City of Imperial Beach approved the Imperial Beach Bicycle Transportation Plan ("BTP"); and

WHEREAS, the BTP, part of the City's General Plan, sets forth the City's goals to improve bicycle transportation within the City, and describes where the City hopes to allow and prohibit bicycling; and

WHEREAS, the BTP (at page 9-23) generally disfavors bicycling on sidewalks that are adjacent to streets, saying that sidewalks are designed for pedestrian uses and are encumbered by obstacles (parking meters, utility poles, and the like) that would interfere with cycling; and

WHEREAS, the BTP (on page 9-23) recommends that Class C cyclists (very young cyclists who lack the skills to be able to ride in the street) be permitted to use sidewalks for biking; and

WHEREAS, the BTP (at pages 9-23 and 9-28) also contemplates that cycling on sidewalks would be permitted where the sidewalk was not adjacent to a street and either the walkway was eight feet wide or wider or on bridges where, on a case-by-case basis, it is deemed necessary; and

WHEREAS, the City Council for the City of Imperial Beach believes that expanding the prohibition on riding bicycles on sidewalks in a manner consistent with the BTP will promote public safety.

NOW, THEREFORE, the City Council of Imperial Beach hereby ordains as follows:

SECTION 1. Section 10.56.180 of the Imperial Beach Municipal Code is hereby amended to read as follows:

"10.56.180. Riding prohibited on sidewalks.

- A. It is unlawful for any person to ride a bicycle upon any sidewalk.
- B. Subsection A does not apply under any of the following circumstances:

1. The sidewalk upon which the person was riding was not adjacent to a street and was either (a) eight feet or wider; or (b) on a bridge and designated as suitable for bicycling by the City Manager or his or her designee and posted accordingly; or
2. The person is under the age of 11."

SECTION 2. The City Council for the City of Imperial Beach finds that this Ordinance is consistent with the 2009 Bicycle Transportation Plan, part of the City's General Plan, and that this Ordinance implements portions of the Bicycle Transportation Plan. The City Council further incorporates by reference the Bicycle Transportation Plan and the Environmental Impact Report underlying it (SCH# 2007101061) into the record of proceedings for the approval of this Ordinance.

SECTION 3. The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Imperial Beach, California, on the 16th day of May, 2012; and

THEREAFTER ADOPTED at a regular meeting of the City Council of the City of Imperial Beach, California, on the 6th day of June, 2012, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK

APPROVED AS TO FORM:

JENNIFER M. LYON
CITY ATTORNEY

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Ordinance No. 2012-1129 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AMENDING SECTION 10.56.180 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO RIDING BICYCLES ON SIDEWALKS.

CITY CLERK

DATE



AGENDA ITEM NO. 6.2

STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: APRIL 3, 2013
ORIGINATING DEPT.: PUBLIC WORKS *HAL*
SUBJECT: RESOLUTION NO. 2013-7316 APPROVING THE REMOVAL OF SEVEN (7) DESERT GUM (EUCALYPTUS RUDIS) TREES FROM SPORTS PARK

BACKGROUND:

In an April 24, 2012 report by West Coast Arborists, Inc. (WCA) seven Desert Gum trees located adjacent to ball fields C, D, E and F, Sports Park were evaluated as "have a high degree of risk which indicates removal should be considered due to the clear and definable defects present." Attachment 2 provides the WCA report including the photos and noted dangers present with each of the seven trees.

DISCUSSION:

These trees should be removed as soon as possible. Since the report is nearly 12 months old, further delay would not be prudent given the risks noted by WCA. The removal of these trees is estimated at approximately \$400.00 per tree for a total removal cost of \$2,800.

Staff proposes no immediate replacement of the removed trees. Sport Park Master Plan - Phase 2, which was in design when placed in an unfunded status in FY 2009/2010 included the construction of nine (9) tree wells in the open space running west from the alley's southern parking lot between fields C, D, E and F. Currently there is no irrigation provided for replacement trees either at the existing locations or the proposed locations in the Sports Park Master Plan - Phase 2. If the Sports Park Master Plan - Phase 2 is constructed in the future, replacement trees could be included in the construction plan. Attachment 3 shows the Sports Park Master Plan - Phase 2 90% drawings with the future tree planters included.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The estimated cost for the removal of these seven (7) trees is \$2,800. The proposed funding for the seven tree removal is the FY 2012/2013 Park Maintenance O&M budget.

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Discuss the merits and drawbacks of the removal of the seven Desert Gum trees shown in attachment 2 without replacement at this time.
3. Adopt the attached resolution.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2013-7316
2. WCA report dated April 24, 2012 – Imperial Beach Sports Park-Desert Gum (7)
3. Landscape and Irrigation Plans for Sports Park Field E and F (portion thereof)
4. Aerial photo of Sports Park

RESOLUTION NO. 2013-7316

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING THE REMOVAL OF SEVEN (7) DESERT GUM (EUCALYPTUS RUDIS) TREES FROM SPORTS PARK

WHEREAS, in an April 24, 2012 report by West Coast Arborists, Inc. (WCA) seven Desert Gum trees located adjacent to ball fields C, D, E and F, Sports Park were evaluated as "have a high degree of risk which indicates removal should be considered due to the clear and definable defects present"; and

WHEREAS, these trees should be removed as soon as possible; and

WHEREAS, the removal of these trees is estimated at approximately \$400.00 per tree for a total removal cost of \$2,800; and

WHEREAS, staff proposes no immediate replacement of the removed trees; and

WHEREAS, Sport Park Master Plan - Phase 2, which was in design when placed in an unfunded status in FY 2009/2010 included the construction of nine (9) tree wells in the open space running west from the alley's southern parking lot between fields C, D, E and F; and

WHEREAS, currently there is no irrigation provided for replacement trees either at the existing locations or the proposed locations in the Sports Park Master Plan – Phase 2; and

WHEREAS, if the Sports Park Master Plan – Phase 2 is constructed in the future, replacement trees could be included in the construction plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. The removal of the seven (7) Desert Gum trees in Sports Park per the April 24, 2012 report by West Coast Arborists, Inc. is approved.
3. The use of Park Maintenance FY 2012/2013 O&M budget to pay for the removal of these trees is approved.
4. Immediate replacement of these seven trees is not required.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 3rd day of April 2013, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK



April 24, 2012

City of Imperial Beach
ATTN: Mr. Tony Serrano
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

RE: Imperial Beach Sports Park-Desert Gum (7)

Mr. Serrano,

Pursuant to your request this report has been prepared in order to address the seven (7) Desert Gum (*Eucalyptus rudis*) trees located adjacent to ball fields in the Sports Park. The purpose of the evaluations was to assess the health and condition of the trees and to offer maintenance recommendations based on those findings. The site was visited by Mr. Mike Palat (WCA Area Manager, ISA Certified Arborist/Utility & Municipal Specialist), and all comments that follow are based on his field observations.

OBSERVATIONS: All of the trees examined are directly adjacent to the baseball field and adjoining facility buildings. The attached spreadsheet lists each tree, any defects found, the size of the tree part most likely to fail, the probability of a failure occurring and the target rating. When these numbers are combined together, the tree is assigned an "Overall Risk Rating." The table provided on page 9 provides the interpretation and implication of each possible risk rating number. The following is a brief description of the fields used in the spreadsheet:

- Size of Part: 1=<6"; 2=6-18"; 3=18-24"; 4=>30"
- Probability of failure: 1=Low; 2=Moderate 3= Moderately High; 4=High; 5=Extreme
- Overall Target Rating: 1=Occasional Use; 2=Intermittent Use; 3=Frequent Use; 4=Constant Use

Trees were examined using a Level 2 tree risk assessment as detailed by *ANSI A300 (Part 9)-2011 Tree Risk Assessment, a. Tree Structure Assessment and A Photographic Guide to the Evaluation of Hazard Trees (Matheny & Clark)*. Using the processes set forth in these guidelines, all trees were given a numerical number which can be used in rating the risk associated with each tree.

DISCUSSION: Identifying and managing the risks associated with trees is often a subjective and complex process, often related as much to the structural issues as to health issues. Since the nature of tree failures remains rather unknown, our ability to predict which trees will fail and in what fashion is somewhat limited. As currently practiced, tree evaluation involves examining a



given tree for health and/or structural defects, associating those defects with a known pattern of failure, then rating the degree of risk involved.

A “hazard tree” is any tree with a structural defect(s) likely to cause failure of all or part of the tree, which could then strike a “target.” A target can be a person, vehicle, building, or a place where people gather such as a park bench, picnic table, sidewalk, street, or backyard. Because of the natural variability of trees, the severity of their defects, and the different sites upon which they grow, evaluating trees for hazardous defects can be a complex process. By applying the principles provided in the above listed reference material, we are able to better identify which trees are now a problem or may become a problem in the future.

Topping is an inappropriate trimming technique used to reduce tree size that cuts through stems, leaving stubs and multiple wounds within the crown. The severity of this type of pruning triggers a sort of survival mechanism within the tree causing the tree to activate latent buds, forcing the rapid growth of multiple shoots below each cut; these newly formed shoots grow quickly and are highly prone to breaking. This also severely weakens the tree by using up stored energy reserves and may eventually kill the tree. Although the initial goal may have been to reduce the tree’s height, ultimately this practice increases the amount of material within the canopy, severely compromises the health of the tree, introduces decay into the sapwood and heartwood, and permanently alters the natural canopy shape of the affected trees.

When roots are lost either by the direct the action of cutting or by the indirect action of compaction, there can be numerous impacts: 1) Through loss of support-when the big buttress roots are cut close to the tree, the tree has no support on that side and is prone to windfall. 2) Through loss of water-when the roots that supply water are lost, this makes the tree vulnerable to drought, and also to pests that attack water-stressed trees. 3) Through loss of nutrients-roots must grow to take up many nutrients, and when the soil is compacted by traffic or other loads, roots are unable to penetrate it. 4) Through loss of food-roots, like people, must be able to breathe to use the food they get from the leaves and when roots are smothered or lost via compaction, they can die from starvation. This will also impact the tree because the roots are unable to move the nutrients in the soil up into the tree.

SUMMARY: When performing a health or risk assessment for any given tree, one must consider both the likelihood and the consequences of a failure. These two factors are established by evaluating overall tree health and vigor, the structural condition of the tree (including all visible defects), the potential loads on the tree, the ability of the tree to adapt to these weaknesses, evaluating the likelihood that the tree or part of it will fall and cause injury or damage, and then assessing the value of the target in order to estimate the consequences of a failure.

Based on the location of the seven (7) eucalyptus trees evaluated, the potential targets are both mobile and static. A mobile target is one that is in motion or moving intermittently (such as pedestrians, vehicles and bikes). A static target is one that is fixed and not readily moved



(such as fences, buildings, benches, play equipment). The occupancy rate of this particular site varies, but would be considered both intermittent and frequent depending on the day of the week and the time; therefore the likelihood of harm being done to either persons or property is moderate to high.

Any tree identified with a risk rating of "9" or greater, is considered to have a high to extreme level of risk associated with it. Depending on the actual risk category, different options are available for mitigation as described in the "Overall Risk Rating and Action Thresholds" form on page 9. However, all of the trees examined for the purpose of this report have a degree of risk which indicates removal should be considered due to the clear and definable defects present. Use of the information found in the table will be helpful to management staff in deciding what level of risk they are willing to accept with regards to individual trees.

If it is the decision of city staff to remove the trees, then replacement with more site appropriate species should also be considered. Palm trees, such as Queen Palm (*Syagrus romanzoffianum*) and Mexican Fan palm (*Washingtonia robusta*) do very well in these types of locations; as do Brisbane Box (*Lophostemon confertus*), Australian Willow (*Geijera parviflora*), and Canary Island Pine (*Pinus canariensis*). Depending on which tree species are preapproved for planting in the city, there may be many more site appropriate trees to choose from. Also, one possibility for eliminating, or at least reducing, the problems with root compaction is to install planter boxes which can be constructed in different sizes in order to accommodate a variety of tree sizes.

The intent of this report was to provide as complete and unbiased an opinion as possible with regards to the current health and condition of the eucalyptus trees located near the ball fields in the Sports Park. Should you have any questions or require additional information, please feel free to contact me at (714) 412-7813.

Respectfully,

Rebecca Mejia

ISA Certified Arborist # WE-2355A

ISA Certified Tree Risk Assessor #-1534

West Coast Arborists Inc.

Tree #	Trunk Diameter	Tree Height	DEFECTS	Target	Size of Part	Probability of failure	Target Rating	Overall Risk	Photos
39	19	30	Portion of canopy over ball field has been topped, regrowth in this area is weaker and more apt to fail; highly compacted root zone.	Fence, ball field, public	2	3	4	9	1 & 2
40	19	30	Tree has been topped to provide clearance for adjacent building and ball field; roots cut, highly compacted root zone.	Building, ball field, public	2	3	4	9	3
41	18	25	Topped, vertical cracks on scaffolds with separated bark and exposed cambial tissues, highly compacted root zone. Overall very poor health.	Building, ball field, public	3	4	4	11	4-6
42	16	25	Poor structure, unbalanced canopy, topped, roots cut and highly compacted root zone. Declining health.	Building, ball field, fence,	2	4	4	10	7 & 8
43	12	20	Poor structure, large limbs with included bark, unbalanced canopy; highly compacted root zone.	Building, public	3	4	4	11	9 & 10
44	18	25	Topped, unbalanced canopy, damaged roots, compacted root zone; overall declining health.	Ball field, seating, public	3	3	4	10	11 & 12
45	19	20	Poor structure, topped, damage from a large limb failure, compacted root zone. High probability of multi-stem failure.	Seating, public	2	4	4	10	13 & 14

Size of part: 1=<6"; 2=6-18"; 3=18-30"; 4=>30"

Probability of failure: 1=Low; 2=Moderate 3= Moderately High; 4=High; 5=Extreme

Target rating: 1=occasional use; 2=intermittent use; 3=frequent use; 4=constant use

Overall Risk: 3-5=Low; 6-8=Moderate; 9-11=High; 12+=Extreme (see table on page 8 for further explanation).

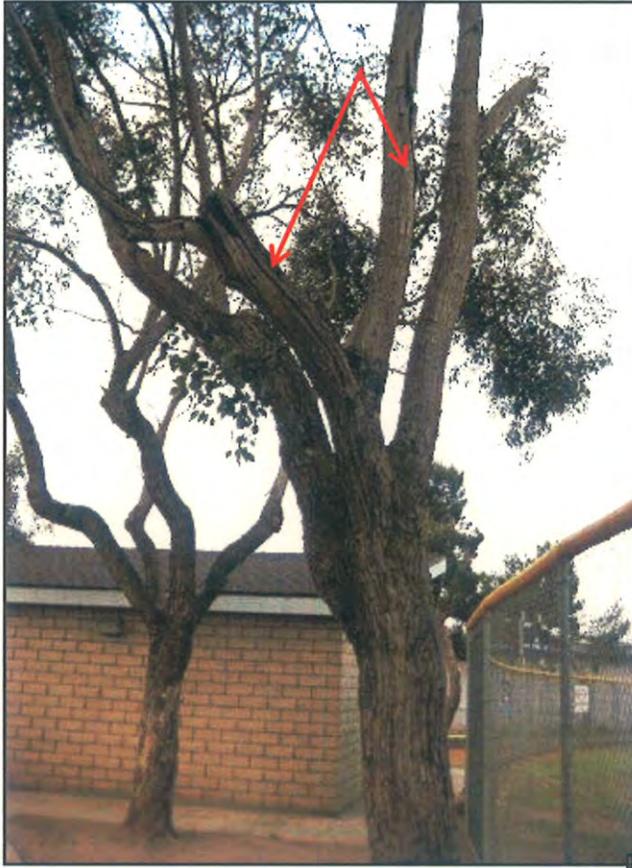


Figures 1 & 2. Tree #39, the canopy of this tree has been headed back very hard in the portions over the fence and adjacent ball field. As a consequence, the tree is off balance and potentially could drop weakly attached limbs onto the foot path and ball field causing harm to people using the area.



Figure 3. Tree #40, roots have been cut on at least 3 sides of the tree and the remainder of the root zone is highly compacted and not ideal for fine root growth. Portions of the canopy have been headed back to provide clearance to the building and nearby bleachers resulting in numerous weakly attached limbs that can break out easily and cause harm to both persons and property.

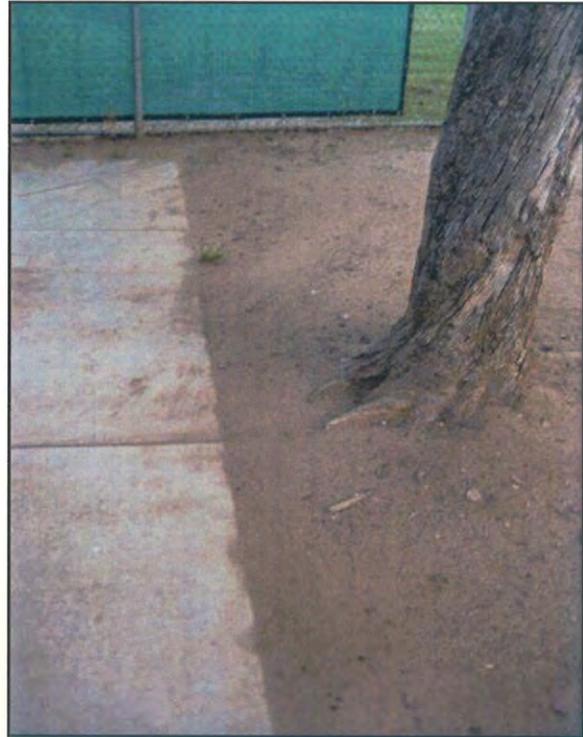
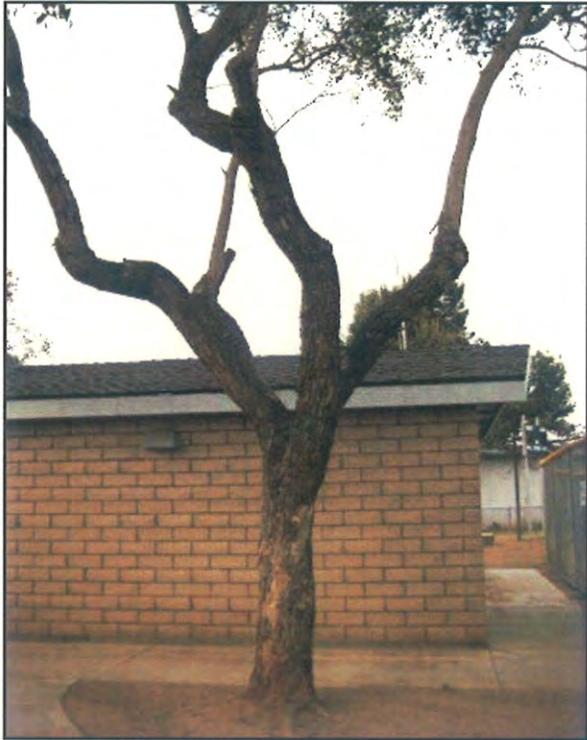




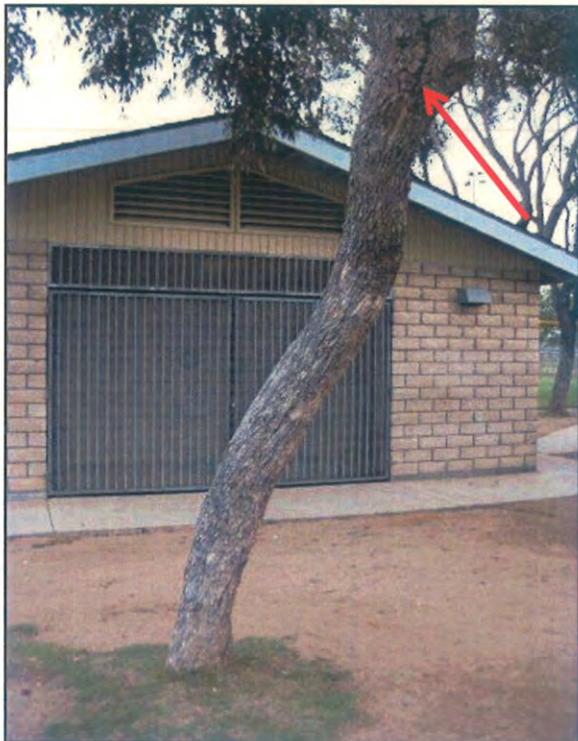
Figures 4 & 5 (at left, below right).
Showing the cracked and split limbs located throughout the canopy of Tree #41. These limbs have a very high level of risk associated with them and could break out at anytime.

Figure 6 (below, left). Showing the dry and compacted root zone found on this tree. There is also only a minimal root flare visible on the fence side of the tree; this could indicate a lack of proper root development in that area, raising the likelihood of the tree falling toward the sidewalk should it topple over. Also note that the tree is already leaning away from the fence.

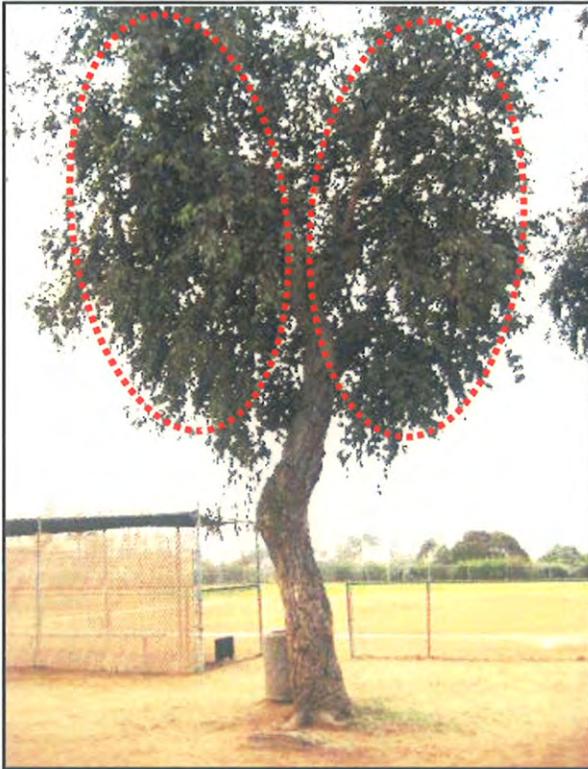




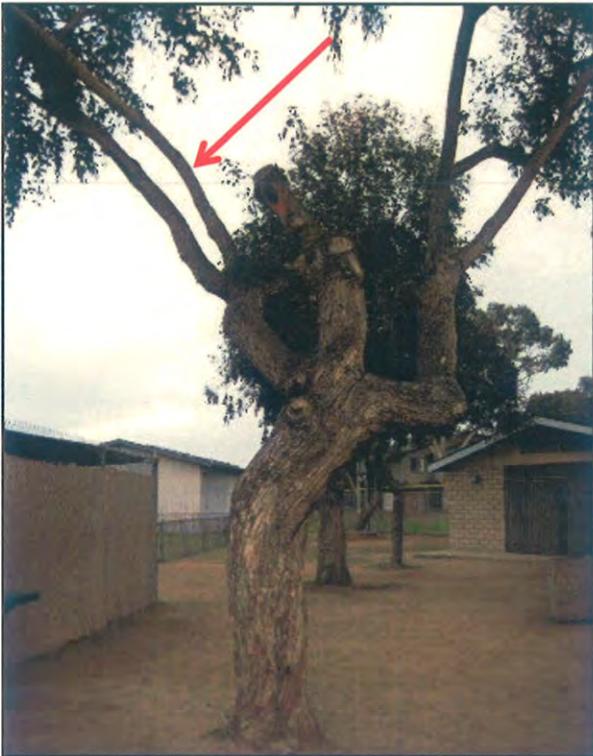
Figures 7 & 8. Showing Tree #42, which has been severely headed back, and also root pruned along the sidewalk edge. As the tree is leaning slightly away from the building, any roots on this side of the tree would generally be considered essential and their loss may have jeopardized tree stability.



Figures 9 & 10. Tree #43, note the two co-dominant upper stems which appear to be separating at the attachment site. This tree also has an unbalanced canopy and compacted root zone.



Figures 11 & 12. Showing Tree #44, which has been topped, and the two remain stems are supporting all the canopy weight. Note the 2 distinct parts of the canopy, this adds undue tension at the point of attachment. This tree also has a very compacted root zone and poor overall structure.



Figures 13 & 14. Tree #45, note the long thin limbs, with heavy end weight and weak attachment (these branches are regrowth from old topping cuts). Visible at a more recent break site is a column of decay, it is very common to have this type of branch failure in trees which have been topped.

The Overall Risk Rating and Action Thresholds

<i>Risk Rating</i>	<i>Risk Category</i>	<i>Interpretation and Implications</i>
3	Low 1	Insignificant - no concern at all.
4	Low 2	Insignificant - very minor issues.
5	Low 3	Insignificant - minor issues not of concern for many years yet.
6	Moderate 1	Some issues but nothing that is likely to cause any problems for another 10 years or more.
7	Moderate 2	Well defined issues - retain and monitor. Not expected to be a problem for at least another 5 - 10 years.
8	Moderate 3	Well defined issues - retain and monitor. Not expected to be a problem for at least another 1 - 5 years.
9	High 1	The assessed issues have now become very clear. The tree can still reasonably be retained as it is not likely to fall apart right away, but it must now be monitored annually. At this stage it may be reasonable for the risk manager/owner to hold public education sessions to inform people of the issues and prepare them for the reality that part or the entire tree has to be removed.
10	High 2	The assessed issues have now become very clear. The probability of failure is now getting serious, or the target rating and/or site context have changed such that mitigation measures should now be on a schedule with a clearly defined timeline for action. There may still be time to inform the public of the work being planned, but there is not enough time to protracted discussion about whether or not there are alternative options available.
11	High 3	The tree, or a part of it has reached a stage where it could fail at any time. Action to mitigate the risk is required within weeks rather than months. By this stage there is not time to hold public meetings to discuss the issue. Risk reduction is a clearly defined issue and although the owner may wish to inform the public of the planned work, he/she should get on with it to avoid clearly foreseeable liabilities.
12	Extreme	This tree, or a part of it, is in the process of failing. Immediate action is required. All other, less significant tree work should be suspended, and roads or work areas should be closed off, until the risk issues have been mitigated. This might be as simple as removing the critical part, drastically reducing overall tree height, or taking the tree down and cordoning off the area until final clean up, or complete removal can be accomplished. The immediate action required is to ensure that the clearly identified risk of harm is eliminated. For areas hit by severe storms, where many extreme risk trees can occur, drastic pruning and/or partial tree removals, followed by barriers to contain traffic, would be an acceptable first stage of risk reduction. There is no time to inform people or worry about public concerns. Clearly defined safety issues preclude further discussion.

The Table shown above outlines the interpretation and implications of the risk ratings and associated risk categories. This table is provided to inform the reader about these risk categories so that they can better understand any risk abatement recommendations made in the risk assessment report.



ASSUMPTIONS AND LIMITING CONDITIONS

1. Care has been taken to obtain all information from reliable sources. All data has been verified insofar as possible; however, the Consultant can neither guarantee nor be responsible for the accuracy of information provided by others. Standard of Care has been met with regards to this project within reasonable and normal conditions.
2. The Consultant will not be required to give testimony or to attend court by reason of this report unless subsequent contractual arrangements are made, including payment of an additional fee for such services as described in the fee schedule and contract of engagement.
3. Loss or alteration of any part of this report invalidates the entire report.
4. Possession of this report or a copy thereof does not imply right of publication or use for any purpose by any other than the person to whom it is addressed, without the prior written consent of the Consultant.
5. This report and any values expressed herein represent the opinion of the Consultant, and the Consultant's fee is in no way contingent upon the reporting of a stipulated result, a specified value, the occurrence of a subsequent event, nor upon any finding to be reported.
6. Unless expressed otherwise: 1) information contained in this report covers only those items that were examined and reflects the condition of those items at the time of inspection; and 2) the inspection is limited to visual examination of accessible items without dissection, excavation, or coring. There is no warranty or guarantee, expressed or implied, that problems or deficiencies of the tree(s) or property in question may not arise in the future..
7. Arborists are tree specialists who use their education, knowledge, training, and experience to examine trees, recommend measures to enhance the beauty and health of trees, and attempt to reduce the risk of living near trees. It is highly recommended that you follow the arborist recommendations; however, you may choose to accept or disregard the recommendations and/or seek additional advice.
8. Arborists cannot detect every condition that could possibly lead to the structural failure of a tree. Trees are living organisms that fail in ways we do not fully understand. Conditions are often hidden within trees and below ground. Arborists cannot guarantee that a tree will be healthy or safe under all circumstances, or for a specific period of time. Likewise, remedial treatments performed cannot be guaranteed..
9. Any recommendations and/or performed treatments (including, but not limited to, pruning or removal) of trees may involve considerations beyond the scope of the arborist's services, such as property boundaries, property ownership, site lines, disputes between neighbors, and any other related issues. Arborists cannot take such considerations into account unless complete and accurate information is disclosed to the arborist. An arborist can then be expected to consider and reasonably rely on the completeness and accuracy of the information provided.
10. The author has no personal interest or bias with respect to the subject matter of this report or the parties involved. He/she has inspected the subject tree(s) and to the best of their knowledge and belief, all statements and information presented in the report are true and correct.





STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: APRIL 3, 2013

ORIGINATING DEPT.: ADMINISTRATIVE SERVICES *KV*

SUBJECT: RESOLUTION No. 2013-7314 AUTHORIZING AN AGREEMENT WITH CHANDLER ASSET MANAGEMENT FOR INVESTMENT MANAGEMENT SERVICES

BACKGROUND:

Currently the Administrative Services Director/City Treasurer, along with administrative and accounting staff, manages the City's investment portfolio on a part-time basis. With the staffing reductions in the Finance Division and the Administrative Services Director assuming greater accounting oversight responsibilities, this staffing model is less than optimal in the long-term. Staff has determined that the City would benefit from resources to actively manage the portfolio in order to achieve an optimum return on investments and meet compliance requirements.

DISCUSSION:

The Administrative Services Department contacted various firms to investigate portfolio management services provided to the public sector. Of all the proposals received, three firms were deemed to best meet the needs of the City and advanced in the selection process. Over the past two months, the Administrative Services Director/City Treasurer met with representatives of Cutwater Asset Management, Chandler Asset Management, and PFM Asset Management Group to compare philosophies, service, and experience. References from the firms' clients were also contacted. Each of the firms indicated that the City of Imperial Beach could benefit from hiring an external investment management.

Present Situation

The City does not currently have on contract an investment advisory or management service. Selection of an investment for City purchase has been made through individual broker/dealers contacting the Administrative Services Director/City Treasurer. Prior investment policies did not include qualification requirements of broker/dealers doing business with the City.

Use of the broker/dealer approach places the City at risk of purchasing investments outside a formal competitive bid process, inadvertently paying undisclosed brokerage fees and commissions, and purchasing securities not permitted by the California Government Code for municipal investments due to broker/dealers not being held to fiduciary responsibilities for transactions. Using an investment manager also reduces the risks of overpaying for investments through price and commissions, and non-compliance with state laws.

Below are the advantages of an independent investment advisor vs. the broker/dealer approach to municipal investment purchases.

Independent Investment Advisor	Broker/Dealer
<ul style="list-style-type: none"> • Fiduciary responsibility • Owns no portfolio or inventory of securities • Fees are fully disclosed • Competitively bids every buy and sell • Fees based on assets under management (no commission on trades) 	<ul style="list-style-type: none"> • No fiduciary responsibilities • May sell from own inventory of securities • Fees are generally not disclosed • Independently sets price for securities • Fees based on transactions plus difference between bid and ask price

In order to take a more conservative approach and avoid the risks of the broker/dealer approach, on March 11, 2013 members of the City's Investment Committee, comprised of the City Manager, Assistant City Manager, and Administrative Services Director/City Treasurer, convened to review the proposals submitted by the three candidates that met the City's criteria. After careful review of all relevant data, the Investment Committee agreed to recommend Chandler Asset Management as the vendor of choice. Below is a summary of the criteria and approaches of the firms.

**MANAGING PUBLIC FUNDS
APPROACH AND SERVICES CRITERIA**

Investment Management	Chandler Asset Management's Approach	Other Firms' Approach
Investment Philosophy	Conservative approach to control investment risk with a focus on safety and liquidity first, then return	Conservative approach to control investment risk with a focus on safety and liquidity first, then return
Selecting an investment style	Fully customized program built to each client's unique needs	Fully customized program built to each client's unique needs
Structuring and rebalancing portfolios	Disciplined, repeatable processes that produce consistent results	Disciplined, repeatable processes that produce consistent results
Historical performance results	Proven track record of performance versus the client-selected benchmarks	Proven track record of performance versus the client-selected benchmarks
Methodology for computing and reporting performance	Global Investment Performance Standard (GIPS), the industry standard. Verified by independent third party review.	Global Investment Performance Standard (GIPS), the industry standard. Verified by independent third party review.

Compliance oversight	Charles River Development system with pre- and post-trade testing; monthly compliance statement	Charles River Development system with pre- and post-trade testing; monthly compliance statement
Transparency and disclosure	Comprehensive monthly reports on 3 rd business day of month with on-line access to prior reports, updated holdings and trades	Comprehensive monthly reports within first week of month with on-line access to prior reports, updated holdings and trades
Professional staff	Team of investment management experts with average of 20 years' experience; long history managing public funds; long tenure with the firm	Team of investment management experts with average of 10-20 years' experience; long history managing public funds; long tenure with the firm
Communication	Firm commitment to meaningful communication through phone calls, meetings, educational sessions; direct access to portfolio managers and upper management	Firm commitment to meaningful communication through phone calls, meetings, educational sessions; direct access to portfolio managers and upper management
Location of Investment & Client Service Teams	Headquartered locally in San Diego	Headquartered in Los Angeles and New York
Continuity	Firm continuity of professional team and investment process flows through to continuity for client; Founded in San Diego in 1988	Firm continuity of professional team and investment process flows through to continuity for client; Both firms providing services for between 25 – 30 years
Price for Services	0.10 of 1% (10 basis points) of ALL assets under management not to exceed \$15,000 per fiscal year.	0.10 of 1% (10 basis points) on the first \$20 million assets under management, and 0.07 of 1% (7 basis points) assets under management above \$20 million. No limit of total annual compensation

Chandler Asset Management demonstrated the ability to customize an investment model to meet City needs. The company bases its compensation amount on assets managed (with a cap of \$15,000 per fiscal year) rather than number of transactions. Additionally, there is an extensive portfolio accounting and reporting service. Additional benefits to the City include:

- A disciplined investment process consistently applied by a team of seasoned portfolio managers.
- Continuity of the program regardless of fluctuations in Administrative Services staff resources impacted by development of the budget, financial audits, risk management issues, information technology projects, or other related projects required and/or benefitting the City.
- Access to market resources such as Bloomberg, Trade Web, and proprietary optimization models.

- Ensure portfolio compliance with State Law, while providing the opportunity for increased investment earnings.
- Founded and headquartered in San Diego since 1988, with clients including (but limited to) County of San Diego, City of National City, City of San Marcos, San Diego Pooled Insurance Program Authority, City of Buena Park, City of Brea, City of Corona, Rancho California Water District (Temecula), and City of Newport Beach.
- Total compensation capped at \$15,000 per fiscal year, while the other proposals' not capped and varied depending on the size of the City's portfolio.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The annual cost of the contract would not exceed \$15,000 per fiscal year. This contract will be funded from the pooled investment account. Funds will be appropriated annually from this account for the duration of the contract. The Administrative Services Department anticipates that the cost of services will be more than offset by improved investment returns, added security, and avoidance of errors. It will also save staff time needed to direct and execute the investments of the City's long-term portfolio.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt a Resolution No. 2013-7314 authorizing the City Manager to execute on behalf of the City of Imperial Beach an agreement with Chandler Asset Management to provide investment portfolio management services.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2013-7314
2. Professional Services Contract between the City of Imperial Beach and Chandler Asset Management.
3. Chandler Asset Management Proposal
4. City's Investment Policy adopted November 7, 2012

RESOLUTION NO. 2013-7314

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING AN AGREEMENT WITH CHANDLER ASSET MANAGEMENT TO PROVIDE INVESTMENT PORTFOLIO MANAGEMENT SERVICES

WHEREAS, the City of Imperial Beach desires to achieve maximum investment portfolio performance with the use of full-time dedicated resources, and

WHEREAS, the City requested and received proposals from various qualified firms specializing in California municipal investment portfolio management; and

WHEREAS, Chandler Asset Management was recommended as the vendor of choice by the City's Investment Committee;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. That the proposal submitted by Chandler Asset Management to provide investment portfolio management services is hereby accepted.
2. That the City Manager is hereby authorized and directed to execute the Agreement with Chandler Asset Management to provide investment portfolio management services, a copy of which is attached hereto as Exhibit A and incorporated hereby this reference.
3. That the City Manager is hereby authorized and directed to take whatever actions are appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 3RD day of April, 2013, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK



City of Imperial Beach
AGREEMENT FOR PROFESSIONAL SERVICES

FOR INVESTMENT MANAGEMENT SERVICES

This Agreement, entered into this _____ day of _____, 2013, by and between the CITY OF IMPERIAL BEACH (hereinafter referred to as "CITY") and CHANDLER ASSET MANAGEMENT, INC. (hereinafter referred to as "CONSULTANT") (collectively "PARTIES").

RECITALS

WHEREAS, CITY desires to achieve maximum investment portfolio performance with the use of full-time dedicated resources; and

WHEREAS, CITY requested and received proposals from various qualified firms specializing in California municipal investment portfolio management and

WHEREAS, CONSULTANT is a(n) municipal investment portfolio management firm and has represented that CONSULTANT possesses the necessary qualifications to provide such services; and

WHEREAS, CITY has authorized the preparation of an Agreement to retain the services of CONSULTANT as hereinafter set forth;

NOW, THEREFORE, IT IS MUTUALLY AGREED THAT CITY DOES HEREBY RETAIN CONSULTANT ON THE FOLLOWING TERMS AND CONDITIONS:

Section 1. EMPLOYMENT OF CONSULTANT.

CITY hereby agrees to engage CONSULTANT and CONSULTANT hereby agrees to perform the services hereinafter set forth, in accordance with all terms and conditions contained herein. CONSULTANT represents that all professional services required hereunder will be performed directly by CONSULTANT, or under direct supervision of CONSULTANT.

Section 2. SCOPE OF SERVICES AND COMPENSATION.

- A. CONSULTANT shall provide services as described in Exhibit "A" entitled "Scope of Services" and Exhibit "B" entitled "Consultant Proposal", attached hereto and made a part hereof.
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement.
- C. CONSULTANT will, in a professional manner, furnish all labor and all personnel; all supplies, materials, equipment, printing, vehicles, transportation, office space, and facilities; all testing, analyses, and calculations; and all other means, except as otherwise expressly specified to be furnished by CITY, that are necessary or proper to complete the work and provide the required professional services.
- C. CONSULTANT shall be compensated for work completed, not to exceed **\$15,000 per year**, for basic services rendered under this Section 2, as more particularly described in Exhibit A.

Client shall compensate CONSULTANT monthly an amount calculated on the average market value of CITY'S portfolio, including accrued interest, in accordance with "All assets under Management" multiplied by the "Annual Investment Management Fee" of 0.10 of 1% (10 basis points) with total annual compensation to the CONSULTANT limited to \$15,000 per fiscal year. CONSULTANT shall be compensated for additional services only upon prior written approval of CITY.

- D. CONSULTANT shall submit monthly statements for basic and additional services rendered in accordance with this Agreement. Payments to CONSULTANT will be deducted monthly in arrears from the CITY'S custody account. CITY agrees that the CONSULTANT's billings are correct unless CITY, within ten (10) days from the date of receipt of such billing, notifies CONSULTANT in writing of alleged inaccuracies, discrepancies, or errors in billing.
- E. The fees expressed above do not include any custody fees that may be charged by Client's bank or other third party custodian.
- F. Fees shall be prorated to the effective date of termination on the basis of actual days elapsed, and any unearned portion of prepaid fees shall be refunded. Client is not required to pay any start-up or closing fees; there are no penalty fees.
- G. Fees shall be deducted monthly in arrears from Client's custody account.

Section 3. PROJECT COORDINATION AND SUPERVISION.

The Administrative Services Director, currently Kathleen VonAchen, is hereby designated as the PROJECT COORDINATOR for CITY and will monitor the progress and execution of this Agreement.

Section 4. LENGTH OF CONTRACT.

The contract between CONSULTANT and CITY will be terminated upon completion of the work as set forth in Section 2 above or in accordance with Section 16 below.

Should CONSULTANT begin work on any phase in advance of receiving written authorization to proceed, any professional services performed by CONSULTANT in advance of the said date of authorization shall be considered as having been done at CONSULTANT'S own risk and as a volunteer unless said professional services are so authorized.

Any delay occasioned by causes beyond the control of CONSULTANT may be reason for the granting of extension of time for the completion of the aforesaid services. When such delay occurs, CONSULTANT shall immediately notify the PROJECT COORDINATOR in writing of the cause and the extent of the delay, whereupon the PROJECT COORDINATOR shall ascertain the facts and the extent of the delay and determine whether an extension of time for the completion of the professional services is justified by the circumstances.

Section 5. CHANGES.

If changes in the work seem merited by CITY or CONSULTANT, and informal consultations with the other party indicate that a change is warranted, it shall be processed by CITY in the following manner: a letter outlining the changes shall be forwarded to CITY by CONSULTANT with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by CITY and executed by both parties before performance of such services or CITY will not be required

to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

Section 6. OWNERSHIP OF DOCUMENTS.

All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this Agreement shall be considered the property of CITY. CONSULTANT may retain such copies of said documents and materials as desired, but shall deliver all original materials to CITY.

Section 7. AUDIT OF RECORDS.

7.1. At any time during normal business hours and as often as may be deemed necessary the CONSULTANT shall make available to a representative of CITY for examination all of its records with respect to all matters covered by this Agreement and shall permit CITY to audit, examine and/or reproduce such records. CONSULTANT shall retain such financial and program service records for at least four (4) years after termination or final payment under this Agreement.

7.2. The CONSULTANT shall include the CITY's right under this section in any and all of their subcontracts, and shall ensure that these sections are binding upon all subcontractors.

Section 8. PUBLICATION OF DOCUMENTS.

Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Agreement shall be released by CONSULTANT to any other person or agency without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, shall be approved and distributed solely by CITY, unless otherwise provided by written agreement between the parties. After project completion, CONSULTANT may list the project and the general details in its promotional materials.

Section 9. COVENANT AGAINST CONTINGENT FEES.

CONSULTANT declares that it has not employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this Agreement, that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of the Agreement. For breach of violation of this warranty, CITY shall have the right to annul this Agreement without liability, or, at its sole discretion, to deduct from the Agreement price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

Section 10. NO ASSIGNMENTS.

Neither any part nor all of this Agreement may be assigned or subcontracted, except as otherwise specifically provided herein, or to which Agency, in its sole discretion, consents to in advance thereof in writing. Any assignment or subcontracting in violation of this provision shall be void.

Section 11. INDEPENDENT CONTRACTOR.

At all times during the term of this Agreement, CONSULTANT and any subcontractors employed by CONSULTANT shall be an independent contractor and shall not be an employee of the

CITY. CITY shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this Agreement; however, CITY shall not have the right to control the means by which CONSULTANT accomplishes its services. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT or sub consultant as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT shall follow the direction of the CITY as to end results of the work only.

Neither CONSULTANT nor CONSULTANT's employees shall in any event be entitled to any benefits to which CITY employees are entitled, including, but not limited to, overtime, any retirement benefits, workers' compensation benefits, any injury leave or other leave benefits, CONSULTANT being solely responsible for all such matters, as well as compliance with social security and income tax withholding and all other regulations and laws governing such matters.

Section 12. LICENSES, PERMITS, ETC.

CONSULTANT represents and declares to CITY that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. CONSULTANT represents and warrants to CITY that CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for CONSULTANT to practice its profession.

Section 13. INSURANCE.

CONSULTANT shall maintain, during the term of this Agreement, Workers' Compensation and Employer's Liability Insurance as prescribed by applicable law. Upon request, CITY shall be provided with satisfactory evidence that premiums have been paid and shall deliver to CITY certificates of insurance and endorsements as to each policy. Each certificate of insurance shall provide that the policy will not be materially altered or cancelled without first giving 10 days written notice to the CITY by certified mail. Coverage shall include appropriate waivers of subrogation as to the City. CONSULTANT agrees to this requirement irrespective of any other similar obligation imposed on others and CONSULTANT agrees to do so in conformity with the requirements set forth herein including those requirements set forth for certificates of insurance.

CONSULTANT shall assume liability for the wrongful or negligent acts, errors and omissions of its officers, agents and employees and sub Contractors in regard to any functions or activity carried out by them on behalf of CITY pursuant to the terms of this Agreement.

Section 14. CONSULTANT NOT AN AGENT.

Except as CITY may specify in writing, CONSULTANT shall have no authority, expressed or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, expressed or implied, pursuant to this Agreement to bind CITY to any obligation whatsoever.

Section 15. INDEMNITY.

To the fullest extent permitted by law, CONSULTANT shall indemnify, defend, and hold harmless the CITY, and its officers, officials, agents and employees from any and all claims, demands, costs or liability that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, its employees, agents, and subcontractors in the performance of services under this AGREEMENT. CONSULTANT's duty to indemnify under this section shall not include liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense arising from the active or sole negligence or willful misconduct by the CITY or its

elected officials, officers, agents, and employees. CONSULTANT's indemnification obligations shall not be limited by the insurance provisions of this AGREEMENT. The PARTIES expressly agree that any payment, attorney's fees, costs or expense CITY incurs or makes to or on behalf of an injured employee under the CITY's self-administered workers' compensation is included as a loss, expense, or cost for the purposes of this section, and that this section will survive the expiration or early termination of this AGREEMENT.

Section 16. TERMINATION.

CITY may terminate this Agreement at any time by giving ten (10) days' written notice to CONSULTANT of such termination and specifying the effective date thereof at least ten (10) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, reports and other materials prepared by CONSULTANT shall, at the option of CITY, become the property of CITY. If this Agreement is terminated by CITY as provided herein, CONSULTANT will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of CONSULTANT covered by this Agreement, less payments of compensation previously made.

Should CONSULTANT be in default of any covenant or condition hereof, CITY may immediately terminate this AGREEMENT for cause if CONSULTANT fails to cure the default within ten (10) calendar days of receiving written notice of the default.

Section 17. NON-DISCRIMINATION.

CONSULTANT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin, nor shall CONSULTANT discriminate against any qualified individual with a disability. CONSULTANT will take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex or national origin and shall make reasonable accommodation to qualified individuals with disabilities. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

Section 18. GENERAL CONDITIONS.

CONSULTANT shall provide no services for any private client within the corporate boundaries of CITY during the period that this Agreement is in effect, nor shall CONSULTANT, without, previous written permission from the PROJECT COORDINATOR, review any plan, map or other work which to the best of CONSULTANTS knowledge has been submitted by a private client for which the CONSULTANT has performed work within the previous 12 months or anticipates performing work in the succeeding 12 months. CONSULTANT shall immediately notify the PROJECT COORDINATOR in writing whenever CONSULTANT has reason to believe that aforementioned circumstance exists. CONSULTANT knows of no interests where it holds nor of any relationship it has or may have that would constitute a conflict of CONSULTANT performing the duties set forth in this Agreement solely in the best interest of CITY.

Section 19. OFFICE SPACE AND CLERICAL SUPPORT.

Consultant shall provide its own office space and clerical support at its sole cost and expense.

Section 20. SUBCONTRACTORS.

20.1. The CONSULTANT's hiring or retaining of third parties (i.e. subcontractors) to perform services related to this Agreement is subject to prior approval by the CITY.

20.2. All contracts entered into between the CONSULTANT and its subcontractor shall also provide that each subcontractor shall obtain insurance policies which shall be kept in full force and effect during any and all work related to this Agreement and for the duration of this Agreement. The CONSULTANT shall require the subcontractor to obtain all policies described in Section 13 above in the amounts required by the CITY, which shall not be greater than the amounts required of the CONSULTANT.

20.3. In any dispute between the CONSULTANT and its subcontractor, the CITY shall not be made a party to any judicial or administrative proceeding to resolve the dispute. The CONSULTANT agrees to defend and indemnify the CITY as described in Section 15 of this Agreement should the CITY be made a party to any judicial or administrative proceeding to resolve any such dispute.

Section 21. CONFIDENTIAL RELATIONSHIP.

CITY may from time to time communicate to CONSULTANT certain information to enable Consultant to effectively perform the services. CONSULTANT shall treat all such information as confidential, whether or not so identified, and shall not disclose any part thereof without the prior written consent of CITY. CONSULTANT shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services. The foregoing obligation of this Section 21, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information (ii) is, through no fault of CONSULTANT, hereafter disclosed in publicly available sources of information; (iii) is now in the possession of CONSULTANT without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to CONSULTANT by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

CONSULTANT shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this contract without the prior written consent of CITY. In its performance hereunder, CONSULTANT shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

Section 22. MEDIATION.

In the event of a dispute between CITY and CONSULTANT concerning the terms of this Agreement or its performance, the parties may, but are not required to, agree to submit such dispute to mediation. If both Parties agree to mediation, CITY and CONSULTANT agree to cooperate in good faith to promptly select a mediator, to schedule a mediation session, and to attempt to settle the claim or dispute through mediation.

Section 23. NOTICES.

All communications to either party by the other party shall be deemed made when received by such party at its respective name and address, as follows:

Kathleen VonAchen, CPFO
Administrative Services Director
City of Imperial Beach

Martin Cassell, CFA
Chandler Asset Management
ATTN: Operations Dept.

825 Imperial Beach Blvd.
Imperial Beach CA 91932

6225 Lusk Boulevard
San Diego, CA 92121

Any such written communications by mail shall be conclusively deemed to have been received by the addressee five days after the deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above.

Section 24. CALIFORNIA LAW; VENUE.

This Agreement and its performance shall be governed, interpreted, construed, and regulated by the laws of the State of California. Any action brought to enforce or interpret any portion of this Agreement shall be brought in the county of San Diego, California. CONSULTANT hereby waives any and all rights it might have pursuant to California Code of Civil Procedure § 394.

Section 25. ENTIRE AGREEMENT.

This Agreement, and its Attachments and Exhibits, set forth the entire understanding of the parties. There are no other understandings, terms or other agreements expressed or implied, oral or written. The following attachments are a part of this Agreement: **Request for Qualifications/Proposal and Proposal dated February 13, 2013.** No change, alteration, or modification of the terms or conditions of this Agreement, and no verbal understanding of the PARTIES, their officers, agents, or employees shall be valid unless agreed to in writing by both PARTIES.

Section 26. SEVERABILITY.

If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion shall be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement shall continue in full force and effect.

Section 27. TIME IS OF ESSENCE.

Time is of the essence for each and every provision of this agreement that states a time for performance and for every deadline imposed by the PROJECT COORDINATOR.

Section 28. COMPLIANCE WITH LAW.

CONSULTANT shall comply with applicable laws in effect at the time the services are performed hereunder which, to the best of its knowledge, information and belief, apply to its obligations under this Agreement.

Section 29. STATEMENT OF EXPERIENCE.

By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness, and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private owners, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

Section 30. CONFLICTS OF INTEREST AND POLITICAL REFORM ACT OBLIGATIONS.

During the term of this Agreement CONSULTANT shall not act as consultant or perform services of any kind for any person or entity whose interests conflict in any way with those of the CITY. CONSULTANT shall at all times comply with the terms of the Political Reform Act and the local conflict of interest ordinance. CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. CONSULTANT represents that it has no knowledge of any financial interests which would require it to disqualify itself from any matter on which it might perform services for the Agency.

CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act and local ordinance. Specifically, CONSULTANT shall file Statements of Economic Interest with the City Clerk of the CITY in a timely manner on forms which CONSULTANT shall obtain from the City Clerk.

Section 31. RESPONSIBILITY FOR EQUIPMENT.

CITY shall not be responsible nor held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by CONSULTANT or any of CONSULTANT's employees or subcontractors, even if such equipment has been furnished, rented, or loaned to CONSULTANT by CITY. The acceptance or use of any such equipment by CONSULTANT, CONSULTANT's employees, or subcontractors shall be construed to mean that CONSULTANT accepts full responsibility for and agrees to exonerate, indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment.

Section 32. NO WAIVER.

No failure of either the CITY or the CONSULTANT to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement shall constitute a waiver of any such breach of such covenant, term or condition.

Section 33. DRAFTING AMBIGUITIES.

The PARTIES agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether or not to seek advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each Party. This Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the Agreement.

Section 34. CONFLICTS BETWEEN TERMS.

If an apparent conflict or inconsistency exists between the main body of this Agreement and the Exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

Section 35. EXHIBITS INCORPORATED.

Exhibits "A" through "C" are incorporated into the Agreement by this reference.

Section 36. SIGNING AUTHORITY.

The representative for each Party signing on behalf of a corporation, partnership, joint venture or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, or entity and agrees to hold the other Party or PARTIES hereto harmless if it is later determined that such authority does not exist.

IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF IMPERIAL BEACH,
A municipal corporation

CONSULTANT/CONSULTANT:

Gary Brown, City Manager

Martin Cassell, CFA,
Chief Executive Officer
Chandler Asset Management

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

City Attorney

Kathleen VonAchen, CPFO
Administrative Services Director/City Treasurer

EXHIBIT A: SCOPE OF SERVICES



INVESTMENT MANAGEMENT AGREEMENT (Institutional Client, Non-ERISA)

1. Client Representative. In its capacity as investment manager, Chandler shall receive all instructions, directions and other communications on Client's behalf respecting Client's account from Kathleen VonAchen (Representative). Chandler is hereby authorized to rely and act upon all such instructions, directions and communications from such Representative or any agent of such Representative.
2. Investment Policy. In investing and reinvesting Client's assets, Chandler shall comply with Client's Investment Policy, which is attached hereto as Exhibit C.
3. Authority of Chandler. Chandler is hereby granted full discretion to invest and reinvest all assets under its management in any type of security it deems appropriate, subject to the instructions given or guidelines set by Representative.
4. Notices. All reports and other communications required hereunder to be in writing shall be delivered in person, or sent by first-class mail postage prepaid, by overnight courier, by confirmed facsimile with original to follow or by confirmed electronic mail with proof of receipt to the addresses set forth below. Either party to this Agreement may, by written notice given at any time, designate a different address for the receipt of reports and other communications due hereunder.

Martin Cassell, CFA
Chief Executive Officer
Attn: Operations Dept.
6225 Lusk Boulevard
San Diego, CA 92121

Kathleen VonAchen, CPFO
Administrative Services Director/City Treasurer
City of Imperial Beach
825 Imperial Beach Blvd.
Imperial Beach, CA 91932

5. Electronic Delivery. From time to time, Chandler may be required to deliver certain documents to Client such as account information, notices and required disclosures. Client hereby consents to Chandler's use of electronic means, such as email, to make such delivery. This delivery may include notification of the availability of such document(s) on a website, and Client agrees that such notification will constitute "delivery". Client further agrees to provide Chandler with Client's email address(s) and to keep this information current at all times by promptly notifying Chandler of any change in email address(s).
6. Proxy Voting. Chandler will vote proxies on behalf of Client unless otherwise instructed. Chandler has adopted and implemented written policies and procedures and will provide Client with a description of the proxy voting procedures upon request. Chandler will provide information regarding how Clients' proxies were voted upon request. To request proxy policies or other

information, please contact us by mail at the address provided, by calling 800-317-4747 or by emailing your request to info@chandlerasset.com.

7. Custody of Securities and Funds. Chandler shall not have custody or possession of the funds or securities that Client has placed under its management. Client shall appoint a custodian to take and have possession of its assets. Client recognizes the importance of comparing statements received from the appointed custodian to statements received from Chandler. Client recognizes that the fees expressed above do not include fees Client will incur for custodial services.
8. Valuation. Chandler will value securities held in portfolios managed by Chandler no less than monthly. Securities or investments in the portfolio will be valued in a manner determined in good faith by Chandler to reflect fair market value.
9. Investment Advice. Client recognizes that the opinions, recommendations and actions of Chandler will be based on information deemed by it to be reliable, but not guaranteed to or by it. Provided that Chandler acts in good faith, Client agrees that Chandler will not in any way be liable for any error in judgment or for any act or omission, except as may otherwise be provided for under the Federal Securities laws or other applicable laws.
10. Payment of Commissions. Chandler may place buy and sell orders with or through such brokers or dealers as it may select. It is the policy and practice of Chandler to strive for the best price and execution and for commission and discounts which are competitive in relation to the value of the transaction and which comply with Section 28(e) of the Securities and Exchange Act. Nevertheless, it is understood that Chandler may pay a commission on transactions in excess of the amount another broker or dealer may charge, and that Chandler makes no warranty or representation regarding commissions paid on transactions hereunder.
11. Other Clients. It is further understood that Chandler may be acting in a similar capacity for other institutional and individual clients, and that investments and reinvestments for Client's portfolio may differ from those made or recommended with respect to other accounts and clients even though the investment objectives may be the same or similar. Accordingly, it is agreed that Chandler will have no obligation to purchase or sell for Client's account any securities which it may purchase or sell for other clients.
12. Confidential Relationship. The terms and conditions of this Agreement, and all information and advice furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except (i) as required by law, rule, or regulation, (ii) as requested by a regulatory authority, (iii) for disclosures by either party of information that has become public by means other than wrongful conduct by such party or its officers, employees, or other personnel, (iv) for disclosures by either party to its legal counsel, accountants, or other professional advisers, (v) as necessary for Chandler to carry out its responsibilities hereunder, or (vi) as otherwise expressly agreed by the parties.
13. No Assignment & Amendments. Neither party may assign, directly or indirectly, all or part of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. This Agreement may be amended at any time by mutual agreement in writing.

14. Governing Law. It is understood that this Agreement shall be governed by and construed under and in accordance with the laws of the State of California.
15. Severability. Any provision of this Agreement which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.
16. Receipt of Brochure and Privacy Policy. Client has received the disclosure statement or "brochure" and "brochure supplement" also known as Part 2A and Part 2B of Form ADV, required to be delivered pursuant to Rule 204-3 of the Investment Advisers Act of 1940 (Brochure). Client has received a copy of Chandler's Privacy Policy.
17. Arbitration. It is agreed that any controversy between Chandler and the Client arising out of Chandler business or this Agreement, shall be submitted to arbitration conducted under the provisions of the commercial arbitration rules of the American Arbitration Association. Arbitration must be commenced by service upon the other party of a written demand for arbitration or a written notice of intention to arbitrate, therein electing the arbitration tribunal. In the event the Client does not make such election within five (5) days of such demand or notice, then the Client authorizes Chandler to do so on the Client's behalf. Judgment upon any award rendered by the arbitrators shall be final and may be entered in any court having jurisdiction thereof. This clause does not constitute a waiver of any right including the right to choose the forum, whether arbitration or adjudication, in which to seek resolution of disputes.

EXHIBIT B: CONSULTANT PROPOSAL

*****FOUND ON THE FOLLOWING PAGES AS ATTACHED*****



Chandler Asset Management

Professional Investment Management

for

City of Imperial Beach



February 13, 2013

Chandler Asset Management

Chandler Asset Management, Inc. (“Chandler”) is an SEC-registered investment adviser and certified woman-owned business enterprise with its principal place of business located in San Diego, California. Founded by Kay Chandler in 1988, the firm has provided fixed income investment management services to the public sector, as well as to hospitals, foundations, endowments, individuals and corporations.

Chandler is an independent, employee-owned California corporation. The key employees of Chandler are the owners of the firm: an ownership structure that contributes to our ability to attract and retain the highest quality investment professionals.

We provide portfolio management, client support services, and reporting from our headquarters in San Diego.

Chandler Asset Management
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747
www.chandlerasset.com

Chandler also has offices in Denver, Colorado and Pleasanton, California to assist with the firm’s client service and business development functions.

Qualifications of Chandler Asset Management

Our team of highly qualified investment professionals has extensive experience designing and implementing investment programs that meet the investment objectives of our public agency clients. The principals, Kay Chandler, President, and Martin Cassell, CEO and Chief Investment Officer, set the standard. Both began their careers as investment officers for large public agencies in California. Ms. Chandler served as an investment officer for San Diego County, and later for the City of San Diego for a total of over ten years. Mr. Cassell also served as an investment officer for the City of San Diego following Ms. Chandler’s tenure there, prior to joining our firm. Ms. Chandler has managed public sector portfolios for over 30 years, while Mr. Cassell’s experience with public sector portfolios spans over 21 years.

The experience the firm’s principals gained as investment officers within large public agencies contributes significantly to their unique qualifications and perspectives in leading a firm that manages public funds. Ms. Chandler and Mr. Cassell have carefully assembled a team of professionals with the specialized expertise and diverse skills necessary to implement highly effective investment management programs for local agencies. Our investment professionals apply time-tested, results-proven concepts of conservative, fixed-income management to the challenges of investing public funds in order to meet the specific objectives and constraints of each client. Each senior member of our portfolio management team has earned the designation of Chartered Financial Analyst, a rigorous certification program that is a globally recognized standard for measuring the competence and integrity of investment professionals. Please see detailed resumes of the Chandler team in **Appendix A**.

As of December 31, 2012, Chandler managed over \$6.4 billion in assets for 124 clients, including 70 public agency clients with assets totaling \$4.8 billion. A list of our agency clients can be found in **Appendix B**.

Scope of Services

- **Portfolio Management.** Chandler provides its services in the context of direct management of client portfolios. Our team employs a highly disciplined approach to managing portfolios. Team members use their years of investment experience to structure portfolios that achieve our clients' objectives. Our investment discipline generates competitive results by:
 - effectively managing portfolio risk
 - rebalancing the portfolio as needed to maintain the appropriate risk profile
 - employing a proprietary, quantitatively based credit analysis process
 - using our proprietary, quantitative *Horizon Analysis Model* (the *Model*) to determine the optimal portfolio structure for the current interest rate and yield curve environment
- **Investment Policy Review.** Our partnership with the City will begin with a thorough review of your investment policy. We will recommend updates and revisions as needed. We then review the policy at least annually and recommend revisions when necessary.
- **Competitive Transaction Executions, Settlement, and Documentation.** We execute all investments on a competitive basis, and document the quotes received. All trades are settled at the client's custodian bank using "delivery-versus-payment" procedures.
- **Portfolio Accounting and Reporting.** Chandler clients receive a monthly report that includes a management summary of portfolio characteristics, policy compliance and performance, as well as full accounting detail. All reports are available no later than the third business day following month-end.
- **Online Access.** Monthly and quarterly reports, holdings and transaction reports are available online through a secure web portal. Details of securities held can be downloaded directly into internal City reports through the portal.
- **Compliance Reporting.** Included in the monthly report is a detailed report of compliance with policy.
- **Client Education.** Team members serve as faculty members for national and regional associations. Our educational presentations are appropriate for staff, management and elected officials.
- **Communication.** We keep our clients fully informed of investment strategies, market conditions, and developments that are relevant to their investment programs. We meet with clients on a quarterly basis, and our investment professionals are available by phone during our extended business hours.

Investment Philosophy

We believe that effective risk management enhances the potential for higher total returns. Our goal is to meet your investment objectives for safety and liquidity while generating additional return through consistent, incremental outperformance of your benchmark.

At the beginning of our relationship, we will assist you in selecting a benchmark with a risk profile (modified duration and credit exposure) appropriate for you. Once you have chosen the benchmark, our team will structure your portfolio with a risk profile similar to that of your benchmark and will maintain the proper risk profile over time through periodic rebalancing.

Investment Process

The firm employs a rigorous, quantitatively based discipline, comprised of three stages—portfolio construction, security selection, and periodic rebalancing.

Portfolio Structure

Our proprietary *Horizon Analysis Model* is the quantitative foundation for Chandler's portfolio construction process. The *Model* enables the portfolio management team to integrate its research into the portfolio management process in a quantitative, disciplined, and repeatable way.

Inputs to the *Model* include: (1) current yields on Treasury, agency and corporate securities; (2) specific client constraints, such as maturity restrictions and maximum sector exposure; and (3) nine different forecasted interest rate scenarios that are at a six-month horizon date. The firm does not engage directly in macroeconomic forecasting. However, our analysis of current macroeconomic conditions is one of the factors we consider as we develop the nine different interest rate scenarios that comprise the third input to the *Model*.

Through an iterative process, the *Model* generates the "optimal portfolio structure" (duration, maturity distribution, yield curve positioning and sector allocation), which is the portfolio that achieves a return greater than the benchmark in each of the nine scenarios. That is, the *Model* generates a portfolio structure that we expect will outperform the portfolio's benchmark over a wide range of possible future interest rate movements.

The portfolio management team then evaluates the optimal portfolio structure, and may make adjustments as they begin the construction of the optimal portfolio. This combination of a rigorous quantitative structure and experienced qualitative oversight is a hallmark of all Chandler's portfolio management activities.

Security Selection

While the overall portfolio structure is established by the portfolio management team using the firm's *Horizon Analysis Model* and other tools, the security selection decision is a separate step in the process.

Chandler's investment team employs a proprietary credit analysis process designed for identification of stable and improving credits, as well as early detection of weak and deteriorating credits. The process includes both qualitative and quantitative aspects.

The firm's Credit Committee is responsible for fundamental macroeconomic, industry-wide, and issuer-specific analysis. Committee members, including the firm's Credit Analyst, meet weekly to develop a disciplined and actionable credit strategy. Individual members of the Committee prepare research reports and recommendations on individual issuers based on a mosaic of qualitative and quantitative data. These reports and recommendations are thoroughly vetted by the full Committee. The Committee's recommendations, including additions to and deletions from the Approved List, are subsequently reviewed by the entire Portfolio Management team and Chief Investment Officer Martin Cassell. Ultimate approval of credits is the responsibility of Mr. Cassell.

The decision to purchase a specific security on the Approved List is based on Chandler's evaluation of its relative value. Valuation techniques include historical trend and range analysis, relative value among different sectors, likely upcoming supply and demand, and qualitative overview based upon team members' experience.

Periodic Rebalancing

With the passage of time, portfolio characteristics tend to drift away from the desired structure. For that reason, the team reruns the *Horizon Analysis Model* monthly, and rebalances as market conditions and portfolio characteristics change.

Decision Making

Investment Strategy Formulation

The firm continuously formulates and reviews fixed income strategy. We employ a committee system for effective analysis, decision-making, and communication. Of our seven committees, four focus solely on the investment process. One member of each committee takes notes of committee discussion, findings, and recommendations and then forwards the notes to all members of the investment team.

The Economic and Market Analysis Committee, which is headed by Portfolio Manager Ted Piorkowski, focuses on the development of economic inputs and interest rate scenarios for the *Horizon Analysis Model*, the proprietary tool we employ to develop portfolio structure. The Committee meets on a monthly basis.

The Credit Committee, which is headed by Portfolio Manager William Dennehy II, is responsible for evaluating issuers for inclusion in the Approved Issuer List. The Committee meets on a weekly basis.

The Sector Committee, which is headed by Portfolio Manager Ted Piorkowski, is tasked with sector valuation methodology and evaluation of new instruments and sectors for suitability. The Committee meets on a monthly basis.

The Quantitative Analysis Committee, which is headed by Portfolio Manager Jayson Schmitt, develops and sets the structure for the *Horizon Analysis Model* and evaluates the *Model's* process for improved technology and methods. The Committee meets on a monthly basis.

Team Integration

The entire investment team meets weekly to review the findings and recommendations of the Committees, market conditions, and client portfolio characteristics to determine any need for portfolio rebalancing. The team leaves this meeting with specific investment tasks to carry out, including trades, analytic tasks, and client communication responsibilities.

The investment team meets off-site on a quarterly basis to discuss economic, market and credit conditions using committee research to establish the firm's investment outlook, portfolio target characteristics, and sector strategy for the ensuing quarter.

Maintaining the Investment Strategy over Time

In order to facilitate investment management and promote consistency among portfolios with similar objectives and benchmarks, the firm has developed a Strategy Review process. On a daily basis, investment team members compare the characteristics of each portfolio to the "Target Structure" defined for each. A proprietary system that compiles account data and highlights differences in duration, term structure, sector allocation, and security selection facilitates the portfolio managers' review and analysis. If the team decides to make changes to certain portfolios, then team members work together to execute the necessary transactions.

Research Resources

The ongoing development of sophisticated tools for investment research is a high priority at Chandler. The firm devotes considerable resources to enhancing our own in-house capabilities and to evaluating research from outside sources to incorporate into our own proprietary processes. Members of the portfolio management team conduct rigorous analysis of research acquired from external sources.

Some of the primary research sources our team uses for diverse market perspectives and for raw data for our proprietary analytical systems include:

Bloomberg, L.P.

Chandler uses the Bloomberg system to monitor market activity and security prices in real time, and to execute transactions. Bloomberg's extensive database is an important resource in our fundamental evaluation of credit quality and relative value.

Charles River Development Investment Management System (CRD)

The firm employs CRD to automate and streamline our investment management operations. Our clients benefit from extensive portfolio management tools, efficient trade order management, and real-time pre-trade compliance testing and monitoring on a single integrated platform.

TradeWeb[®], MarketAxess[®]

We use TradeWeb, MarketAxess and other electronic trading platforms for price discovery, competitive bidding, and trade execution and documentation.

Stone & McCarthy Research Associates

The independent firm of Stone & McCarthy Research Associates (SMRA) provides a broad macroeconomic analysis, in-depth market commentary, and sector analysis. SMRA's examination of current economic conditions and projections of future economic scenarios is a major tool for developing the firm's horizon forecasts.

Egan-Jones, Gimme Credit

External resources that enhance our credit research process include the independent sources of Egan-Jones Ratings Company and Gimme Credit, LLC.

Bank of America/Merrill Lynch Fixed Income Indices

We download constituent securities and characteristics of these indices as an element in our own analysis of value and risk in the market.

Portfolio Management Discipline

Chandler employs a disciplined portfolio management process that is custom-tailored to individual clients. Based on your risk guidelines and liquidity requirements, as documented in your Investment Policy and elsewhere, our team will execute an investment program designed to add value in the following ways:

- We will maintain the proper duration in your portfolio in order to manage market risk;
- We will manage the portfolio's duration distribution or placement of securities along the yield curve based on relative value analysis;
- We will manage sector allocation based on analysis of market and credit conditions and in compliance with your investment guidelines;
- We will analyze relative value of securities and continuously review dealer inventories to identify securities that offer the best value for implementing our strategies; and
- We will maintain an ongoing dialogue with you through periodic investment meetings and frequent telephone contact with your staff.

Trading

The investment team is responsible for trading the firm's portfolios. Team members execute transactions through web-based trading platforms such as TradeWeb® and MarketAxess®, or directly through individual brokers. The firm may aggregate trades, where possible and when advantageous to clients, and then allocate trades to individual portfolios on a fair and equitable basis.

The main consideration for broker selection is best execution in order to maximize the clients' total benefit under the circumstances of the transaction. When selecting a broker, a minimum of three quotations will be sought and documented on trade tickets, which can be reported to clients at the time of execution.

The winning seller delivers securities directly to the custodian bank using standard delivery-versus-payment ("DVP") procedures.

Compliance with Investment Guidelines

Maintaining compliance with your Investment Policy, investment objectives and constraints and applicable code is a high priority at Chandler. We employ a multi-level compliance review process to ensure portfolios conform to client guidelines.

The firm utilizes the Charles River Development Investment Management System (“CRD”), which allows automated compliance testing. When we begin our relationship with you, a firm compliance officer will code each element of your investment policy into the system. With this system, each time a portfolio manager prepares to execute a transaction, CRD performs an automated pre-trade compliance test that prohibits execution of the trade if it does not comply with your policy.

Other procedures used to ensure compliance with your policy, objectives, State code, market conditions, and Chandler-imposed constraints include:

- A daily reconciliation of transactions and cash balances with custodian information
- A month-end review of each portfolio to confirm compliance with policy
- A detailed written compliance report at month-end
- A comprehensive weekly process to ensure credit quality meets your policy standards and our strict quality requirements
- A portfolio structure that satisfies liquidity objectives with short maturity securities and return objectives with higher duration investments
- Frequent communication between our team and yours to help us stay informed of any new developments that may modify your objectives
- In-person meetings with you as frequently as you choose to provide additional opportunities to review portfolio composition and performance at a high level

Investment Styles and Performance

Chandler develops and implements portfolio strategies that are tailored to meet the exact needs of each client. Portfolios with similar characteristics are grouped into composites for the purpose of computing and reporting GIPS®-compliant performance results. The GIPS standards define an industry wide standard for performance calculation and reporting which facilitates comparison among investment firms.

In the table below, we provide performance for the three investment styles most often selected by our public agency clients, measured over a ten-year period, and compared to benchmarks, as required by GIPS®.

The Chandler Ultra Short Bond style has a target duration of approximately 1.01 years, and is benchmarked to the Bank of America/Merrill Lynch Blended 0-3 Year Treasury Index.

The Chandler Limited Maturity style has a target duration of roughly 1.73 years, and is benchmarked to the Bank of America/Merrill Lynch 1-3 Year Treasury Index.

The Chandler Short Term Bond style has a target duration of about 2.45 years, and is benchmarked to the Bank of American/Merrill Lynch 1-5 Year Government Index.

Chandler Asset Management
Annualized Composite Performance (Gross)
As of December 31, 2012

Investment Style	One Year*	Three Years	Five Years	Ten Years
Chandler Ultra Short Bond	0.74	1.02	1.79	2.55
<i>BofA ML Blended 0-3 Treasury</i>	<i>0.26</i>	<i>0.69</i>	<i>1.38</i>	<i>2.25</i>
Chandler Limited Maturity	1.16	2.00	2.96	3.20
<i>BofA ML 1-3 Treasury</i>	<i>0.43</i>	<i>1.44</i>	<i>2.32</i>	<i>2.72</i>
Chandler Short Term Bond	1.80	2.88	3.80	3.70
<i>BofA ML 1-5 Year Government</i>	<i>0.98</i>	<i>2.54</i>	<i>3.35</i>	<i>3.36</i>

**One year performance has not been annualized. Past performance is not indicative of future results.*

Please see the attached GIPS disclosures for these composites in **Appendix C**.

Client Service

Contact with our clients is on a regular basis and is as extensive as requested by our clients. Portfolio managers make frequent calls to update clients on market conditions and portfolio adjustments. They also inquire about any changes in cash flows that might affect the portfolio structure. Our client services staff works closely with our clients – reviewing investment policies, assisting with custodial relationships, and providing investment training among many other things.

Client Reporting

We prepare detailed monthly accounting and performance reports, which are delivered via encrypted email no later than the third business day following month-end. We also provide quarterly portfolio reports that include economic and market information as well as discussion of strategy and transactions.

A brief description of our reports follows, but the best way to understand how comprehensive and user-friendly our reports are is to review the samples that we have provided in **Appendix D**.

Monthly Reports

We provide monthly portfolio accounting reports to all clients as part of our regular services. Each monthly report begins with a one-page management summary of portfolio characteristics that provides an excellent overview of the portfolio, including performance relative to the client's selected benchmark(s). A detailed asset listing, including cost, book, and market values, a transaction ledger, an earned interest report, and a cash flow report follows the summary page.

Quarterly Investment Reports

We provide quarterly reports to clients in a format designed to facilitate discussion between the portfolio manager and the client. The reports present portfolio characteristics, returns, and compliance using graphs, charts, and illustrations in a format that is useful for management, elected

officials, and interested members of the public. Like all of our reports, the periodic performance report can be customized to meet specific client needs. We propose to provide this report for our quarterly meetings with you.

GASB Report

We will provide a fiscal year-end report that provides all the information you will need to prepare the portfolio risk assessment required by GASB 40.

Web Access

The *Chandler Report Viewer* website offers secure online access and the ability to download daily updates of transactions and holdings, as well as historic monthly and quarterly reports.

Fee Information

Chandler would be pleased to provide comprehensive investment management services to the City in accordance with the following fee schedule:

**Chandler Asset Management
Fee Schedule**

Assets Under Management	Annual Asset Management Fee
All Assets	0.10 of 1% (10 basis points)

Total compensation shall not exceed \$15,000 per fiscal year. Fees are calculated based on the average balance of assets under Chandler’s direct management (market value including accrued interest); fees may fluctuate based on portfolio value. Fees are billed monthly in arrears. Funds held in Local Government Investment Pools (LGIPs) are excluded from fee calculations.

Our proposed fee schedule is all-inclusive for the services that Chandler will provide to the City, including meetings, personal visits, and educational offerings for your staff. Our fee schedule does not include charges that the City will incur for third party custodial services at a bank trust department; these charges are minimal.

Working with Chandler

What truly distinguishes Chandler is our ability and willingness to provide custom-tailored investment management and robust client service targeted to your specific objectives and unique circumstances. Our solution will be designed to provide optimal, achievable results, not only in terms of investment performance, but also in dedicated client service.

For further information, please contact Ned Connolly, Senior Vice President, Client Service at (858) 546-3737 or ned.connolly@chandlerasset.com.

EXHIBIT C: CITY'S INVESTMENT POLICY

*****FOUND ON THE FOLLOWING PAGES AS ATTACHED*****

RESOLUTION NO. 2012-7266

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING THE CITY OF IMPERIAL BEACH INVESTMENT POLICY

WHEREAS, a comprehensive investment policy provides a level of accountability for investment officials and promotes greater public trust in the investment process; and

WHEREAS, the policy for the investment of all City financial assets seeks to satisfy the primary objective of safety of principal, with the subsequent goals of liquidity and yield; and

WHEREAS, an investment policy provides a municipality with direction for how investments shall be placed within the specific securities as outlined by type and maturity sector in the policy; and

WHEREAS, the authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659; and

WHEREAS, governing body adoption of an investment policy is a recommended best practice by the Government Finance Officers Association; and

WHEREAS, California Government Code Sections 53646(a)(1-2) states that public agencies may provide an annual investment policy to the legislative body of each local agency and that for local agencies other than counties, either the treasurer or chief fiscal officer may annually render a statement of the investment policy to the legislative body; and

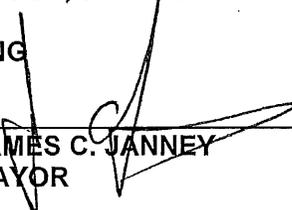
WHEREAS, California Government Code Sections 53646(a)(2) further requires that for non-county agencies such as municipalities, the legislative body is required only to consider the investment policy or any changes to the investment policy at a public meeting.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. That the attached Investment Policy Update for FY 2012-2013 is hereby reviewed, considered, approved and adopted.

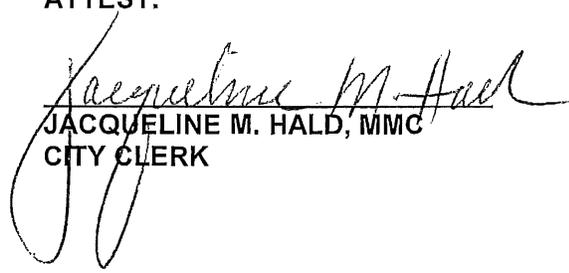
PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	COUNCILMEMBERS:	BRAGG, SPRIGGS, JANNEY
NOES:	COUNCILMEMBERS:	NONE
ABSENT:	COUNCILMEMBERS:	BILBRAY, KING



JAMES C. JANNEY
MAYOR

ATTEST:



JACQUELINE M. HALD, MMC
CITY CLERK

**CITY OF IMPERIAL BEACH
CITY COUNCIL / REDEVELOPMENT SUCCESSOR AGENCY POLICY**

SUBJECT: INVESTMENT POLICY UPDATE	POLICY NUMBER	EFFECTIVE DATE	PAGE
	408	11/07/12	1 of 11

ADOPTED BY: Council Action

DATED: 06/18/97

AMENDED BY: Resolution No. 2012-7266 and

DATED: 11/07/12

Redevelopment Agency Successor Agency Resolution No: SA-12-17

INVESTMENT POLICY

POLICY

Under authority granted by the City Council and City Manager, the Administrative Services Director/City Treasurer is responsible for investing the unexpended cash in the City and Redevelopment Successor Agency Treasury.

The investment of the funds of the City of Imperial Beach and the Imperial Beach Redevelopment Successor Agency is directed to the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659.

The primary objective of the investment policy of the City of Imperial Beach is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give the City of Imperial Beach the optimum combination of necessary liquidity and optimal yield based on cash flow projections, while maintaining safety of principal.

SCOPE

The investment policy applies to all financial assets of the City of Imperial Beach and the Imperial Beach Redevelopment Successor Agency as accounted for in its annual financial statements. Policy statements outlined in this document focus on the Imperial Beach's pooled funds, but will also apply to all other funds under the Administrative Services Director/City Treasurer's span of control unless specifically exempted by statute or ordinance. This policy is applicable, but not limited to all funds listed below:

•General Fund •Wastewater (Sewer) Fund •Capital Funds •Other Special Revenue Funds, Debt Service Funds, Internal Service Funds •Trust and Agency Funds (including funds of the Redevelopment Successor Agency) • Any new fund created by the City Council unless specifically exempted.

PRUDENCE

The standard to be used by investment officials shall be that of a "prudent investor" and shall be applied in the context of managing all aspects of the overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City and Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

It is the City's and Agency's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic, bond market or individual security credit analysis. These occasional losses must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

Investments held in the City's investment portfolio as of initial adoption of this policy (November 2012) were purchased under the authority and guidelines of a previously City Council adopted investment policy and may not conform to parameters and restrictions stipulated in this investment policy. The presiding City Council, upon the advice of the Investment Advisory Committee, will provide the Administrative Services Director/City Treasurer direction as to actions, if any, to be taken in order to bring all investment holdings into compliance.

The Administrative Services Director/City Treasurer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

Safety of Principal

Safety of principal is the foremost objective of the City of Imperial Beach and the Agency. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the investment portfolio to three years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation. As is authorized by the California government code, any securities with maturities longer than five years require prior approval of the Imperial Beach City Council.

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City/Agency to meet all reasonably anticipated operating requirements.

MATURITY MATRIX

Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly. The weighted average maturity of the pooled portfolio should not exceed three years and the following percentages of the portfolio should be invested in the following maturity sectors:

Maturity Range

Suggested Percentage

1 day to 7 days	10 to 50%
7 days to 180	10 to 30%
180 days to 360 days	10 to 30%
1 year to 2 years	10 to 30%
2 years to 3 years	0 to 30%
3 years to 4 years	0 to 25%
4 years to 5 years	0 to 20%
Over 5 years	Council Authorization Required *

* One exception does exist regarding the investment of bond reserve funds. If in the opinion of the Administrative Services Director/City Treasurer, matching the segregated investment portfolio of the bond reserve fund with the maturity schedule of an individual bond issue is prudent given current economic analysis, the investment policy authorizes extending beyond the five year maturity limitation as outlined in this document.

PERFORMANCE EVALUATION

Investment performance is monitored and evaluated by the Investment Advisory Committee. Investment performance statistics and activity reports are generated on a quarterly basis for presentation to the Investment Advisory Committee and to the City Council/Board. Annually, a statement of investment policy, and any proposed changes to the policy, will be rendered to the Investment Advisory Committee and to the City Council/Board for consideration at a public meeting.

The investment portfolio is designed to at least attain a market average rate of return through economic cycles. The market average rate of return is defined as average return on the Local Agency Investment Fund (assuming the State does not adversely affect LAIF's returns due to budget constraints).

DELEGATION OF AUTHORITY

The City Council/Board assigns the responsibility of investing unexpended cash to the Administrative Services Director/City Treasurer. Daily management responsibility of the investment program may be delegated to senior level Finance Department staff, who shall establish procedures for operations consistent with this investment policy.

INVESTMENT COMMITTEE

An investment committee consisting of the City Manager/Executive Director, Assistant City Manager/Deputy Director, and Administrative Services Director/ Treasurer shall be established to provide general oversight and direction concerning the policy related to management of the City's investment portfolio. Assigned Finance Department staff members may serve in a staff and advisory capacity, although are not members of the Committee. The Committee shall review and approve quarterly investment reports prepared and submitted by the Finance Department and Administrative Services Director/City Treasurer, or meet as necessary to discuss changes to the report and/or the investment strategies. The Investment Committee, serving as the legislative body of the Investment Policy, will have the quarterly reports for their review within thirty (30) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impair their ability to make impartial investment decisions. Additionally the Administrative Services Director/City Treasurer and other members of the Investment Advisory Committee are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

SAFEKEEPING OF SECURITIES

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement. All trades executed by a dealer will settle delivery versus payment (DVP) through the City's safekeeping agent.

Securities held custody for the City shall be monitored by the Administrative Services Director/City Treasurer to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the City Administrative Services Director/City Treasurer in written form and included in the quarterly reporting to the Investment Committee and the City Council/Board.

INTERNAL CONTROL

Separation of functions between the Administrative Services Director/City Treasurer and City senior level finance staff is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the Administrative Services Director/City Treasurer, and executed and confirmed by senior level finance staff. All wire transfers initiated by senior level finance staff must be approved by and transmitted by the Administrative Services Director/City Treasurer and reconfirmed by the appropriate financial institution to the senior finance staff. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by senior finance staff on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the City's cash and investments that have a material impact on the financial statements. The Administrative Services Director/City Treasurer and/or Investment Advisory Committee shall review and assure compliance with investment process and procedures.

REPORTING

The Administrative Services Director/City Treasurer shall review and render quarterly reports to the City Investment Advisory Committee and to the City Council which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. The quarterly reports will be submitted to the Investment Committee within thirty (30) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code. Once approved by the Investment Committee, the quarterly reports shall be placed on the City Council's meeting agenda for its review and approval no later than 60 days after the quarter ends.

QUALIFIED BROKER/DEALERS

The City shall transact business only with banks, savings and loans, and with qualified broker/dealers. The broker/dealers should be primary or regional dealers. The Administrative Services Director/City Treasurer will

make exceptions only upon written authorization from the Investment Advisory Committee. Investment staff shall investigate dealers wishing to do business with the City to determine if they are adequately capitalized, have pending legal action against the firm or the individual broker, and make markets in the securities appropriate to the City's needs.

The Administrative Services Director/City Treasurer and/or senior finance staff shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the City. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the investment policies and intends to sell the City/Agency only appropriate investments authorized by this investment policy. No broker/dealer may be approved to do business with the City without confirmation of receipt of the investment policy.

COLLATERAL REQUIREMENTS

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

AUTHORIZED INVESTMENTS

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.
2. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal National Mortgage Association (FNMA), the Student Loan Marketing Association (SLMA), and the Federal Home Loan Mortgage Corporation (FHLMC). There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

all investments detailed in items 3 through 10 are further restricted to a percentage of the cost value of the portfolio in any single issuer name to a maximum of 5%. The total value invested in any one issuer shall not exceed 5% of the issuers net worth. Again, a five-year maximum maturity limitation is applicable unless further restricted by this policy. Notably, exception of the limitations of items 3 through 10 are permitted for the investment securities held in the City's portfolio as of November 7, 2012,

3. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances. Banker's acceptances purchased may not exceed 180 days to maturity or 30% of the cost value of the portfolio.
4. Commercial paper ranked P1 by Moody's Investor Services or A1+ by Standard & Poor's, and issued by domestic corporations having assets in excess of \$500,000,000 and having an AA or better rating on its' long term debentures as provided by Moody's or Standard & Poor's. Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 5% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the cost value of the portfolio.
5. Negotiable Certificates of Deposit issued by nationally or state chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.

**Council Policy Number: 408
Amended: November 07, 2012**

6. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, and San Diego County Investment pool, or other local government fixed income investment pools in the region, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments.
7. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
8. Medium Term Corporate Notes, with a maximum maturity of five years may be purchased. Securities eligible for investment shall be rated AA or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the market value of the portfolio and no more than 5% of the market value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 15% limitation
9. Ineligible investments are those that are not described herein, including but not limited to, common stocks and long term (over five years in maturity) notes and bonds are prohibited from use in this portfolio unless as noted previously approved the City Council. It is noted that special circumstances arise that necessitate the purchase of securities beyond the five-year limitation. On such occasions, requests must be approved by City Council prior to purchase. City Council approval is not required for investment of longer term securities of bonded debt reserve investments as long as the approved bond documents authorize such investments.
10. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the City of Imperial Beach may be purchased as allowed under State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be utilized.

The following summary of maximum percentage limits, by instrument, are established for the City's totaled pooled funds portfolio, which excludes debt-related funds. City and Successor Agency funds are reported separately. These percentages are in compliance with the California Government Code for the investment of local government funds:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	Upon Demand	N/A	\$50 million per account	N/A
San Diego County Investment Pool or other similar local government investment pools	Upon Demand	N/A	Limits as prescribed by respective pool	N/A
Treasury Bills	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	5 Years	N/A	100%	N/A
Bankers Acceptances	180 Days	N/A	30%	(A), (B)
Commercial Paper	270 Days	AA	25%	(A), (B)
Negotiable Certificates of Deposit	5 Years	N/A	30%	(A), (B)
Time Certificates of Deposit – Banks or Savings and Loans	5 Years	N/A	25%	(A), (B)
Medium Term Corporate Notes	5 Years	AA	30%	(A), (B), (C)

- (A) 5% of outstanding paper of issuing corporation
- (B) 5% of the portfolio in one corporation
- (C) Excluding investments held by the City as of November 7, 2012.

DERIVATIVE INVESTMENTS

Derivatives are investments whose value is "derived" from a benchmark or index. That benchmark can be almost any financial measure from interest rates to commodity and stock prices. The use of derivatives for the investment of City idle cash is prohibited under this policy. If deemed appropriate, a Guaranteed Investment Contracts (GICs), a derivative investment instrument generally accepted as prudent and safe, may be undertaken for the investment debt reserves derived from issued bond proceeds..

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the City of Imperial Beach/Redevelopment Successor Agency Investment Policy and supersede any and all previous applicable language.

INTEREST EARNINGS

All moneys earned and collected from investments authorized in this policy shall be allocated quarterly to various City fund accounts based on the cash balance in each fund at quarter end as a percentage of the entire pooled portfolio. Funds in a negative cash position on average over the course of the fiscal year will not be allocated investment income nor will they receive market value adjustments as fiscal year end, as prescribed by GASB Statement 31. An accounting of such adjustments to withdraw negative interest in such funds, often referred to as a true up, will take place at fiscal year-end.

Additionally, in conformance with GASB Statement 31 the purchase price or book value of the City investments will be adjusted at year-end to account for the amortized cost of any investment securities purchased at a premium or a discount. Book Value reflects the value at which an investment security is shown on the holder's balance sheet, and is the acquisition cost less amortization of premium or accretion of discount. This annual accounting adjustment brings the value of the security closer to its par value as it approaches the maturity date and avoids the appearance of a "paper loss" in the final year if the investment purchased at a premium matures at face or par value.

LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater their market price volatility. Therefore, it is the general policy of the City to limit the potential effects from erosion in market values by adhering to the following guidelines:

All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.

Maturity dates for long-term investments will coincide with significant cash flow requirements where possible, to assist with short term cash requirements at maturity.

All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

PORTFOLIO MANAGEMENT ACTIVITY

The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations and prudent investment principals. These objectives will be achieved by use of the following strategies:

Active Portfolio Management. Through active fund and cash flow management, taking advantage of current economic and interest rate trends, the portfolio yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total portfolio.

Portfolio Maturity Management. When structuring the maturity composition of the portfolio, the City shall evaluate current and expected interest rate yields and necessary cash flow requirements. It is recognized that in normal market conditions longer maturities produce higher yields. However, the securities with longer maturities also experience greater price fluctuations when the level of interest rates change.

Security Swaps. The City may take advantage of security swap opportunities to improve the overall portfolio yield. A swap, which improves the portfolio yield, may be selected even if the transactions result in an accounting loss. Documentation for swaps will be included in the City's permanent investment file documents.

Competitive Bidding. It is the policy of the City to require competitive bidding for investment transactions that are not classified as "new issue" securities. For the purchase of non-"new issue" securities and the sale of all securities at least three bidders must be contacted. Competitive bidding for security swaps is also suggested, however, it is understood that certain time constraints and broker portfolio limitations exist which would not accommodate the competitive bidding process. If a time or portfolio constraining condition exists, the pricing of the swap should be verified to current market conditions and documented for auditing purposes.

POLICY REVIEW

The City of Imperial Beach's investment policy shall be adopted by resolution of the City Council \Redevelopment Successor Agency Board on an annual basis. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to City Council for approval.

Glossary of Terms

Accrued Interest - Interest earned but not yet received.

Active Deposits - Funds which are immediately required for disbursement.

Amortization - An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price - The price a broker dealer offers to sell securities.

Basis Point - One basis point is one hundredth of one percent (.01).

Bid Price - The price a broker dealer offers to purchase securities.

Bond - A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap – Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Book Entry Securities – Securities, such stocks held in “street name,” that are recorded in a customer’s account, but are not accompanied by a certificate. The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors’ concerns about the certificates themselves. All the large New York City banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the “book-entry” custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Bearer and Registered Bonds - In the past, bearer and registered bonds were issued in paper form. Those still outstanding may be exchanged at any Federal Reserve Bank or branch for an equal amount of any authorized denomination of the same issue. Outstanding bearer bonds are interchangeable with registered bonds and bonds in “book-entry” form. That is, the latter exist as computer entries only and no paper securities are issued. New bearer and registered bonds are no longer being issued. Since August 1986, the Treasury’s new issues of marketable notes and bonds are available in book-entry form only. All Treasury bills and more than 90% of all other marketable securities are now in book-entry form. Book-entry obligations are transferable only pursuant to regulations prescribed by the Secretary of the Treasury.

Book Value - The value at which a debt security is shown on the holder’s balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker – In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit - A deposit insured up to \$250,000 by the FDIC at a set rate for a specified period of time, which this limit of \$250,000 limit was extended till December 31, 2013. The limit was previously \$100,000.

Collateral - Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Comprehensive Annual Financial Report (CAFR) or Annual Financial Statements - The official annual financial report for the City. CAFRs and Annual Financial Statements include five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Constant Maturity Treasury (CMT) - An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Coupon - The annual rate of interest that a bond’s issuer promises to pay the bondholder on the bond’s face value.

Credit Analysis - A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custody - A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for the securities.

Discount - The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification - Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration - The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System - The central bank of the U.S. that consists of a seven member Board of Governors, 12 regional banks, over 8,000 commercial banks, and 17,000 depository institutions that are members.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently \$250,000) per account.

Fed Wire - A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Inactive Deposits - Funds not immediately needed for disbursement.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Investment Agreements - An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Liquidity - Refers to the ability to rapidly convert an investment into cash.

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Maturity - The date upon which the principal or stated value of an investment becomes due and payable.

New Issue - Term used when a security is originally "brought" to market.

Perfected Delivery - Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio - Collection of securities held by an investor.

Primary Dealer - A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - A transaction where the seller (bank) agrees to buy back from the buyer (City) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO) - A transaction where the seller (City) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Risk - Degree of uncertainty of return on an asset.

Safekeeping - see custody.

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market - A market made for the purchase and sale of outstanding issues following the initial distribution.

Settlement Date - The date on which a trade is cleared by delivery of securities against funds.

Time Deposit - A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Bills - U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

U.S. Government Agencies - Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield - The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity - The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve - The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.