CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: May 13, 2009

To: Honorable Mayor & City Council

From: Katie Lichtig, Assistant City Manager
Megan Roach, Senior Management Analyst

Subject: UPDATE ON AMERICAN RECOVERY AND REINVESTMENT ACT FUNDING AND CITY PROJECTS

Attachments: 1. City of Beverly Hills Stimulus Projects and Grant Summary

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INTRODUCTION

Staff recommends that the City Council receive and file an update on the status of American Recovery and Reinvestment Act funding for City projects and programs.

On February 17, 2009 President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. The total cost of the package is $787 billion, and consists of nearly $355 billion for upgrades to transportation, infrastructure, construction, public safety, and energy efficiency projects, $144 billion in state and local fiscal relief, and $288 billion in personal and business tax credits. The allocations relevant to cities are a combination of competitive and formula grants.

On March 11, 2009, the City Council authorized the City Manager to apply for and accept grant funding under the ARRA consistent with the following project categories:

- Fire station renovation and fire prevention public information materials
- Broadband technology and disaster recovery programs
- Water infrastructure replacement and water conservation programs
- Street infrastructure repair and maintenance
- Social services programs
- Library community outreach programs
- City facility renovation and upgrades

DISCUSSION

Since mid-February an interdepartmental team has been meeting on a regular basis to evaluate the funding programs and to identify projects that Beverly Hills could either automatically receive funding for through formula grants or projects that the City would

be eligible to submit for competitive funding. The City's team has identified twenty projects, of which three will receive formula funding and the remaining seventeen will be submitted for competitive grant funding. A breakdown of the stimulus projects, grant programs and application due dates is included as Attachment 1 to this staff report. The City's total formula allocation is $1,220,388 and total competitive funding request is $30,493,951for a combined total request of $31,714,339.

Over the past several weeks City staff has coordinated closely with our Sacramento and Washington D.C. lobbyists to advocate on behalf of the City's stimulus projects. On April 10, 2009, the City sent letters to Senator Pavley and Assemblyman Feuer requesting their support of the City's "shovel-ready" projects for stimulus funding. City staff will continue to coordinate with our lobbyists to keep our congressional officials informed of the status of these projects and any funding received.

In addition, City staff is currently designing a page on the City's website that will provide a range of information on the City's implementation of ARRA funding. The page will list the projects that the City has selected, along with the public/economic benefits of the projects; links to federal and state websites that provide expanded information; notification of requests-for-bid; and press releases issued by the City.

City staff also provided the City Council's Legislative Committee with an update on stimulus funding opportunities at their May 5th meeting. During the meeting the Committee had a question about potential stimulus funding for the UNITE program. Staff researched the various funding opportunities and believes there are two grants that have the potential of funding the UNITE program. The first is the Broadband Technology Opportunities Program (BTOP). The National Telecommunications and Information Administration is currently holding a series of public hearings on the BTOP and has invited local agencies to submit comments, which will assist in the development of program guidelines. The City submitted comments in early April and staff will continue to monitor the program for the announcement of grant application guidelines and submission due dates.

The second potential funding source is the COPS Secure Our Schools (SOS) grant. This grant provides funding to local governments to assist with the establishment and enhancement of a variety of school safety equipment and/or programs in order to promote the development of school safety efforts. The City submitted an application for the grant program in Fiscal Year 2008, but did not receive an award. Only five agencies in California received funding in 2008 and all are located in Northern California. There is only $16M in the Fiscal Year 2009 COPS-SOS program. It is likely that the number of projects that will be funded under this year's program will not be a significant increase over last year. However, City staff will continue to monitor the program for the announcement of grant application guidelines and submission due dates.

FISCAL IMPACT

There are no match requirements for the ARRA funding. The ARRA mandates that 50% of the funds must be spent within twelve months of obligation. At this writing, the majority of the funding is available until September 30, 2010. There are no current plans to issue a second stimulus package.

The ARRA is focused on job creation, and while it is hard to estimate the number of jobs created at this time, it is an expected positive outcome of these grants. Local job

creation will temporarily assist in boosting the regional economy via the implementation of these capital improvements.

Receiving stimulus funds under the ARRA necessitates staff completing the required follow-up reporting and grant compliance. The City's interdepartmental team is spending numerous hours in the analysis of the ARRA programs, and are committed to additional hours needed for program application, implementation and reporting.

Staff will provide future updates to the City Council as more information on the ARRA and our eligible projects becomes available. A summary of the ARRA funds coming to our community will be posted and updated on the City's website and when funds are released they will be reported on the federal website, www.recovery.gov.

RECOMMENDATION

Staff recommends that the City Council receive and file an update on the status of American Recovery and Reinvestment Act funding for City projects and programs.

Katie Lichtig
Approved By

City of Beverly Hills
Stimulus Projects and Grant Information Summary

Department	Grant Name	Requested Funding Amount	Application Due Date/Status	Project Name	Project Description
Community Services/Community Development	Community Development Block Grant (CDBG) - Formula	$69,187 (formula allocation)	TBD - Funding will come through County of Los Angeles	TBD	Grant guidelines are pending, however, the County is encouraging cities to develop "shovel-ready" projects in the areas of housing rehabilitation or infrastructure improvements.
Information Technology	Broadband Technology Opportunities Program	$1,000,000	TBD - City submitted comments to the Department of Commerce for the development of the grant application guidelines	Expansion of Pilot Wireless Data Network	Leverage the City's current pilot wireless data network system for maximum availability to the public, and determine potential projects and/or partnership opportunities for the City of Beverly Hills and surrounding cities to contribute to the development and implementation of a National Broadband Plan.
Fire Department	Assistance to Firefighters	$300,000	TBD - Application guidelines have not been released	Fire Station Renovations	Purchase and install energy efficient air conditioning unit for Headquarters Station; purchase and install emergency generator for Fire Station 2 and renovate gym/workout facilities at Fire Station 3.
Police Department	Byrne JAG - Competitive	$114,968	Application submitted on April 27, 2009	Crime Analyst Position	Unfreeze Crime Analyst position, which will make sworn law enforcement officers more available on the street and assist BHPD in its efforts to prevent crime from occurring and to apprehend the persons responsible for committing crimes that do occur.
Police Department	Byrne JAG - Formula	$67,514 (formula allocation)	Application submitted to City of Los Angeles on April 13, 2009 for inclusion in regional application	Computer Forensic Services	Contract for computer forensic examination services to acquire evidence from digital devices and apprehend criminals.
Public Works	Energy Efficiency and Conservation Block Grants - Competitive	$8,700,000	TBD - Staff will attend the CA Energy Commission's May 4th workshop to obtain more information on funding guidelines for small cities	Solar Panel Installations at City Facilities	Implement renewable energy design by building photo-voltaic solar panel systems at eight City facilities including buildings and parking garages.
Public Works	Safe Drinking Water State Revolving Fund (SDWSRF)	$25,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Student Educational Outreach Program	Provide outreach to the student community on water and energy saving hands-on participatory program. Teachers can incorporate lessons into their math and science curriculum with classroom projects, assignments, activity booklet, and assign the home audit kit for students to go through with their parents. (Recommended for 5th and 6th grade students).
Public Works	SDWSRF	$8,800,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Water Steel Tanks Replacement	Replace five existing steel water storage tanks and on-site piping that is essential for portable water uses including fire suppression.

Public Works	SDWSRF	$37,500	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Rehabilitation of Fluoride Treatment Facility	Rehabilitate the fluoridation treatment facility by making modifications and additions to meet Technical Requirements in CDC "Engineering and Administrative Recommendations for Water Fluoridation".
Public Works	SDWSRF	$518,500	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Old Obsolete Water Meter Replacement	Change out the 61 remaining old obsolete turbine water meters and replace them with state of the art compound water meters that use the smart e-coder technology.
Public Works	SDWSRF	$175,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Mechanical Mixing with Green Technology	Install SolarBee Potable Water Circulators in each of the five Steel Water Tanks to: Provide efficient system to boost or breakpoint chlorinate; Reduce nitrification and loss of residual chlorine or chloramines; Reduce high heterotrophic plate counts; and Reduce excessive ice buildup in cold climates
Public Works	SDWSRF	$518,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Water Meter Leak Detection Program	Install a leak detection unit on residential water meters to continuously monitor the system for leaks by identifying the location of the leaks. Leak locations can be investigated during or at the end of the specified time period and connected to a computer pc and then correlated to concentrate on the area of interest for repair. The unaccounted water is currently 6%; this program will increase accountability and mostly conserve water by reducing the loss of water.
Public Works	SDWSRF	$125,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Green Potable Water Circulatory System	Install SolarBee Potable Water Circulators in each side of the Coldwater Reservoir to prevent stagnation, thermal stratification and short circuiting and provide an efficient system to boost or breakpoint chlorinate.
Public Works	SDWSRF	$1,288,283	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Deep Well Development at Robertson Yard	Develop a functional deep well on existing City property to optimize the capacity of the City's water treatment plant and help alleviate water shortages to Southern California.
Public Works	SDWSRF	$80,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Replace/Upgrade Water Saving Devices	Replace and/or upgrade toilets, urinals and spray heads with water savings devices recommended to improve water efficiency in city facilities and parks at various locations.
Public Works	SDWSRF	$550,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Rehabilitation of 60 Plus Year Old Reservoir	Necessary rehabilitation due to aging infrastructure. Recommendation based upon investigation by Engineer to rehabilitate the walls by polysulfide pressure injection of problem areas and to apply a membrane coating to the interior side of the roof with Zebron or an engineered approved equivalent aromatic waterproofing material.

Public Works	SDWSRF	$1,500,000	Pre-application submitted on February 27, 2009. Staff is awaiting notification on whether the City is invited to the 2nd round to submit a financial application.	Shallow Groundwater Well Development in Beverly Hills	To investigate the groundwater within the aquifers of the Hollywood Basin for potential drilling of the shallow water wells near the treatment plant to supplement the City water supply.
Public Works	Clean Water State Revolving Fund (CWSRF)	$2,500,000	Pre-application submitted on March 24, 2009. Staff is working on the financial application.	Sewer Line Replacement	Replace and/or rehabilitate approximately two miles of existing 80-year-old sewer lines throughout the city.
Public Works	SDWSRF & CWSRF	$4,261,700	Pre-applications submitted on Feb. 27th and Mar. 24, 2009. Staff is awaiting notification for the SDWSRF application and is working on the CWSRF financial application.	Octogenarian Water Line Replacement	Replace approximately 8,500 linear feet of aging water lines including fire hydrants and water valves to ensure a reliable infrastructure.
Public Works	Highway Infrastructure Investment (MTA) - Formula	$1,083,687 (formula allocation)	Request to Proceed With Construction Application Package submitted to Caltrans on April 17, 2009	City Street Resurfacing	Grind and overlay of City streets & alleys (45 miles in the City of BH selected utilizing the City's current Pavement Mgmt Plan (PMP). Streets were last rehabilitated on average 30 years ago.

Total Formula Allocation	$	1,220,388
Total Competitive Funding Request	$	30,493,951
TOTAL	**$**	**31,714,339**