



AGENDA REPORT

Meeting Date: June 30, 2015

Item Number: F-1

To: Honorable Mayor & City Council

From: Raj Patel, Assistant Director of Community Development / City Building Official

Subject:

- A. AN ORDINANCE OF THE CITY OF BEVERLY HILLS ESTABLISHING REGULATIONS ON THE USE OF HEAVY TRUCKS IN THE TROUSDALE ESTATES AREA.
- B. A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES & CHARGES TO ESTABLISH BUILDING PERMIT FEES FOR THE USE OF HEAVY TRUCKS IN THE TROUSDALE ESTATES AREA FOR THE FISCAL YEAR 2015/2016

Attachments:

- 1. Ordinance
- 2. Resolution
- 3. Fee Study for Trousdale Estates Area Construction Hauling, May 2015

RECOMMENDATION

Staff recommends the City Council conduct a first reading on an ordinance to codify the City's Interim Regulations on the Use of Heavy Trucks in the Trousdale Estates Area and adopt a resolution establishing fees for the administration of the regulations.

INTRODUCTION

In recent years the Trousdale Estates Area has seen a significant increase in the volume of building permit activity and the related impacts of construction vehicles. The proposed ordinance and resolution will establish heavy truck regulations in connection with building permits issued for construction in the Trousdale Estates area. The City has conducted an analysis and prepared a report with data indicating the estimated cost required to administer the coordination, inspection and permitting requirements and the revenue sources anticipated to provide those services, including General Fund revenues. The established fees include a \$119.86 charge imposed on construction development permits in the Trousdale Estates Area and a \$252.20 vehicle inspection fee per inspection.

DISCUSSION

At the June 17, 2014 Study Session, the City Council directed staff to develop and implement temporary measures for the purpose of regulating heavy truck activity related to construction sites in the Trousdale Estates Area. The temporary measures recommended by the City's traffic consultant were introduced as a part of the building permit process and included limiting vehicles to a maximum gross vehicle weight of 50,400 lbs., requiring secondary braking devices, establishing haul routes and time limits for vehicle management, and advanced scheduling of all pick-ups and deliveries. In addition, trucks specifically involved with construction sites were required to obtain an initial annual vehicle inspection conducted by a third party vendor selected by the City.

The temporary measures have been effective. Establishing predetermined routes, advanced scheduling, and time limits has improved the overall coordination of construction vehicles. It has also resulted in improved coordination between the various departments that share responsibilities related to construction vehicles. There are currently approximately 500 vehicles that have passed inspection and are authorized to be used for construction pick-ups and deliveries.

The proposed Ordinance implements the temporary measures as permanent requirements to regulate construction activities, including the regulation of heavy trucks accessing and parking at construction sites, within the Trousdale Estates area. The Ordinance establishes the following requirements:

1. Trousdale Construction Traffic Management Plan – requires a construction traffic management plan documenting haul routes, delivery times, parking plans, contact persons, and demonstrating compliance with the requirements and restrictions.
2. Construction Parking Restrictions – limits hauling or construction related vehicles associated with a single construction site to park on a public street to a maximum of two vehicles.
3. Construction Vehicle Regulations (applicable to any vehicle with three or more axles with a gross weight of 10,000 pounds or more or any vehicle having a gross weight of 26,000 pounds or more):
 - o Construction vehicles may only travel on streets within the Trousdale Estates area to access a construction site between the hours of 8:30 AM and 3:15 PM.
 - o Construction vehicles must be annually inspected and certified by the City's licensed safety inspector.
 - o Construction vehicles shall prominently display a City-issued decal.
 - o Construction vehicles must have a functioning secondary braking system.
 - o Construction vehicles must provide 24-hour notification.
4. Heavy Vehicle Escort Restrictions – (applicable to any vehicle with a gross weight of 50,400 pounds or more and at the discretion of the city) requires a 72-hour notification to the City and a Police Department escort.
5. Remedies – A violation may cause the City to temporarily suspend building permit work, amended the project's construction traffic management plan, impose fees in connection with investigating alleged violations, or revoke the building permit.

Meeting Date: June 30, 2015

Fee Study

The scope of this project included an analysis of the costs associated with implementing the City of Beverly Hills heavy construction vehicle regulations within the Trousdale Estates neighborhood. The project also included developing a structure of fees to recover all or a portion of these costs.

During the past year, staff has been collecting information to determine the anticipated costs related to the ongoing implementation of these regulations. The City to date has spent in excess of \$400,000 which includes staff time, vehicle inspections, signage, and enforcement overtime. The City retained Capital Accounting Partners, LLC to use this cost information and historical permit data to develop a fee structure intended to solely recover these ongoing costs.

The recommended fees include:

- **Vehicle Inspection Fee:** This fee is to recover the costs associated with having a third party vendor perform vehicle inspections. The fee includes the actual cost of the third party inspection (approximately \$200 per vehicle) plus a fixed administrative processing fee at the current established flat fee of \$52.20 for a total approximate cost of \$252.20 per vehicle due at the time of inspection.
- **Vehicle Implementation Fee:** A fee of \$119.86 will be imposed on each construction permit issued in the Trousdale Estates Area to recover costs related to ongoing implementation of the new regulations. The Fee Study for methodology and factors that determined the fee are included as Attachment 3.

The City has existing fees for Construction Vehicle Parking that will be collected at the time of permit issuance. Fees associated with Police Escorts, street closures, and investigations will be collected at the current schedule of fees established rates.

Capital Accounting Partners, LLC has determined that any expenses that were recommended by the City traffic consultant related to upgrades to the roadway, installation of traffic signage, and (over-time) enforcement costs are not recoverable by way of implementing a fee.

FISCAL IMPACT

The total estimated annual cost for instituting the program is \$201,000. This includes a cost of \$120,000 for vehicle inspections that will be offset by the proposed Inspection and Administrative Fee per Vehicle and a cost of \$81,000 for ongoing implementation to be offset by the Administrative Fee per development permit. The cost estimate of \$81,000 is based on the addition of one Customer Service Representative (2-year limited term) requested by staff as part of the FY 2015-16 budget to administer the program.

Approved By
Susan Healy Keene, AICP
Director, Community Development



ATTACHMENT 1

AN ORDINANCE OF THE CITY OF BEVERLY HILLS ESTABLISHING REGULATIONS ON THE USE OF HEAVY TRUCKS IN THE TROUSDALE ESTATES AREA

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The City Council hereby amends the Beverly Hills Municipal Code by adding Chapter 8 (“TROUSDALE ESTATES HEAVY TRUCK REGULATIONS”) to Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) to read as follows:

Chapter 8: TROUSDALE ESTATES HEAVY TRUCK REGULATIONS

9-8-1: PURPOSE

The purpose of this section is to regulate construction activities, including the regulation of heavy trucks accessing and parking at construction sites, within the Trousdale Estates area.

9-8-2: DEFINITIONS

A. “Trousdale Estates area” shall mean all property within the City’s boundaries located north of Doheny Road and east of Schuyler Road, except that land zoned R-1.X, and that portion of lot A of the Doheny Ranch tract northwesterly of tract numbers 24485 and 24486, commonly referred to as the Greystone Mansion property.

B. “Gross weight” shall mean the combined weight of any vehicle, its trailer, passengers, equipment, payload, and any other items associated with the vehicle.

9-8-3: APPLICABILITY

Notwithstanding any other provision of the Beverly Hills Municipal Code, and unless otherwise exempt under state law, all persons in receipt of a building permit issued by the building official for a construction project located in the Trousdale Estates area are subject to this chapter. The requirements and restrictions of this section shall be included as conditions of approval in any building permit issued for work within the Trousdale Estates area, and shall be in lieu of any other permit required under Title 8, Chapter 2 for hauling debris, materials, or equipment. The City Council may establish by resolution a fee for the cost of coordinating and monitoring compliance with this Chapter.

9-8-4: TROUSDALE CONSTRUCTION TRAFFIC MANAGEMENT PLAN

A construction traffic management plan documenting haul routes, delivery times, parking plans, contact persons, and demonstrating compliance with the requirements and restrictions of this Chapter, in a form approved by the building official, must be submitted to the building

official or his or her designee before a vehicle having a gross weight of ten thousand (10,000) pounds with three (3) or more axles or a vehicle having a gross vehicle weight of twenty six thousand (26,000) pounds or more may access a construction site within the Trousdale Estates area. The construction traffic management plan required by this Chapter shall be consistent with any other traffic management plan for the construction project and shall be updated as necessary to ensure consistency with other traffic management plans.

9-8-5: PARKING RESTRICTIONS

No more than two hauling or construction related vehicles associated with a single construction site may park on a public street, except as otherwise permitted by the building official or transportation official or when parking at the Greystone Mansion property. Hauling or construction vehicles must park immediately in front of the construction site and must display a parking permit issued by the building official at the time the initial building permit is issued and which corresponds to the specific construction project. The City Council may establish by resolution a fee for each parking permit. This section shall not be construed to prohibit any vehicle from parking on private property.

9-8-6: REGULATIONS APPLICABLE TO VEHICLES HAVING A GROSS WEIGHT OF 10,000 POUNDS OR MORE WITH THREE OR MORE AXLES OR VEHICLES HAVING A GROSS WEIGHT OF 26,000 POUNDS OR MORE

Vehicles having a gross weight of ten thousand (10,000) pounds with three (3) or more axles or vehicles having a gross vehicle weight of twenty six thousand (26,000) pounds or more may only travel on streets within the Trousdale Estates area to access a construction site if the following conditions are satisfied:

A. The vehicle may only travel on streets within the Trousdale Estates area to access a construction site between the hours of 8:30 AM and 3:15 PM.

B. The vehicle must be annually inspected and certified by the City's licensed safety inspector. The City Council may set a fee by resolution for the cost of the vehicle inspection and related administrative costs. The inspection required by this section is separate and distinct from all other truck inspection requirements established under State law.

C. A record of the vehicle's certification must be on record with the City at all times the vehicle is operated within the Trousdale Estates area.

D. The vehicle shall prominently display a City-issued decal indicating that the vehicle has been certified for operation within the Trousdale Estates area.

E. The vehicle must have a functioning secondary braking system.

F. The person in receipt of the building permit must provide the building official, or his or her designee, 24-hour advanced notice, excluding weekends and holidays, prior to causing the vehicle to travel into or through the Trousdale Estates area.

9-8-7: REGULATIONS APPLICABLE TO VEHICLES HAVING A GROSS WEIGHT OF 50,400 POUNDS OR MORE

No vehicle having a gross weight of fifty thousand four hundred (50,400) pounds or more may travel on any street located within the Trousdale Estates area to access a construction site unless the recipient of the building permit demonstrates to the satisfaction of the building official that a truck exceeding 50,400 pounds in gross weight is necessary and no other feasible options exist to conduct the permitted construction activity. If a truck exceeding 50,400 pounds is approved for use in the Trousdale Estates area, in addition to the conditions required under Section 9-8-6, the following conditions must be satisfied:

A. The person in receipt of the building permit must provide the building official, or his or her designee, 72-hour advanced notice, excluding weekends and holidays, prior to travelling into or through the Trousdale Estates area.

B. The vehicle must be escorted by the Police Department to and from the truck's destination. The recipient of the building permit shall be responsible for all costs related to the police escort, including but not limited to the cost of police officers, traffic control officers, and signage.

9-8-8: REMEDIES

If the recipient of a building permit violates or causes a violation of this section, the building official may temporarily suspend work authorized by the building permit, amend a project's construction traffic management plan, impose fees in connection with investigating alleged violations, or revoke the building permit. Any vehicle violating a provision of this section shall be denied access to a construction site within the Trousdale Estates area or directed to a commercial scale to demonstrate that the vehicle's gross weight otherwise conforms to the requirements of this section.

Section 2. Subsection B. of Section 7-2-202 of Article 2 ("Commercial Vehicle Restrictions") of Chapter 2 ("TRAFFIC REGULATIONS") of Title 7 ("TRAFFIC, PARKING, AND PUBLIC TRANSPORTATION") of the Beverly Hills Municipal Code is amended to read as follows:

B. Except as otherwise provided by Title 9, Chapter 8, any vehicle when necessary, for the purpose of making pick ups and deliveries of goods, wares, or merchandise from or to any premises located on any prohibited street, or for the purpose of delivering materials on a prohibited street to be used in the repair, alteration, remodeling, or construction of any building or structure for which a building permit has previously been obtained;

Section 3. CEQA Finding. The City Council hereby finds that it can be seen with certainty that there is no possibility the adoption of this Ordinance will have a significant effect on the environment because the Ordinance only regulates the use of heavy vehicles accessing construction sites and will not result in any increased vehicle traffic within the City. It is therefore exempt from California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations.

Section 4. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Ordinance shall remain in full force and effect.

Section 5. Publication. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation published and circulated in the city within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code, shall certify to the adoption of this Ordinance and shall cause this Ordinance and the City Clerk's certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this city.

Section 6. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on August 29, 2015.

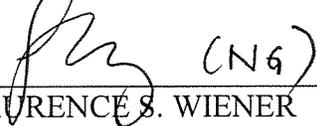
Adopted:
Effective:

JULIAN A. GOLD, M.D.
Mayor

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
Interim City Manager

ATTACHMENT 2

RESOLUTION NO. 15-R- _____

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES & CHARGES TO ESTABLISH BUILDING PERMIT FEES FOR THE USE OF HEAVY TRUCKS IN THE TROUSDALE ESTATES AREA FOR THE FISCAL YEAR 2015/2016

The Council of the City of Beverly Hills does resolve as follows:

Section 1. The City Council hereby establishes, amends, modifies and fixes, effective August 29, 2015, fees, permit fees, City service charges, and other fees, charges, and required payments for municipal services, use of City property, inspections, enforcement activities or for other indicated purposes, as set forth in Exhibit "A" under the column "Fiscal Year 2015/16." Said designations in Exhibit A shall supersede and prevail over any prior provisions concerning the same item in any former resolution, motion or other action of this Council, and pursuant to Ordinance No. 79-O-1749 shall also prevail over any inconsistent provisions of the Municipal Code. Such fees, permit fees, City services charges and other fees, charges, and required payments for municipal services, use of City property, inspections, enforcement activities or for other indicated purposes, as set forth in Exhibit A shall be included and incorporated into the City's Comprehensive Schedule of Taxes, Fees & Charges.

Section 2. The City Council is taking action only on those fees, permit fees, City service charges, and other fees, charges, and required payments for municipal services, use of City property, inspections, enforcement activities or for other indicated purposes, as modified as set forth in Exhibit A. The (i) remaining fees, permit fees, City services charges, and other fees, charges, and required payments for municipal services, use of City property, inspections, enforcement activities or for other indicated purposes as set forth in the current Comprehensive

Schedule of Taxes, Fees & Charges; and (ii) fees, permit fees, City service charges, and other fees, charges, and required payments for municipal services, use of city property, inspections, enforcement activities or for other indicated purposes as set forth in any resolution(s) adopted by the City Council, that are not listed in Exhibit A to this Resolution, have not been readopted or revised and remain in place at the current rate.

Section 3. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the City Council of this City.

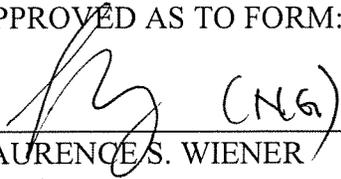
Adopted:

JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
Interim City Manager



DON RHOADS
Chief Financial Officer

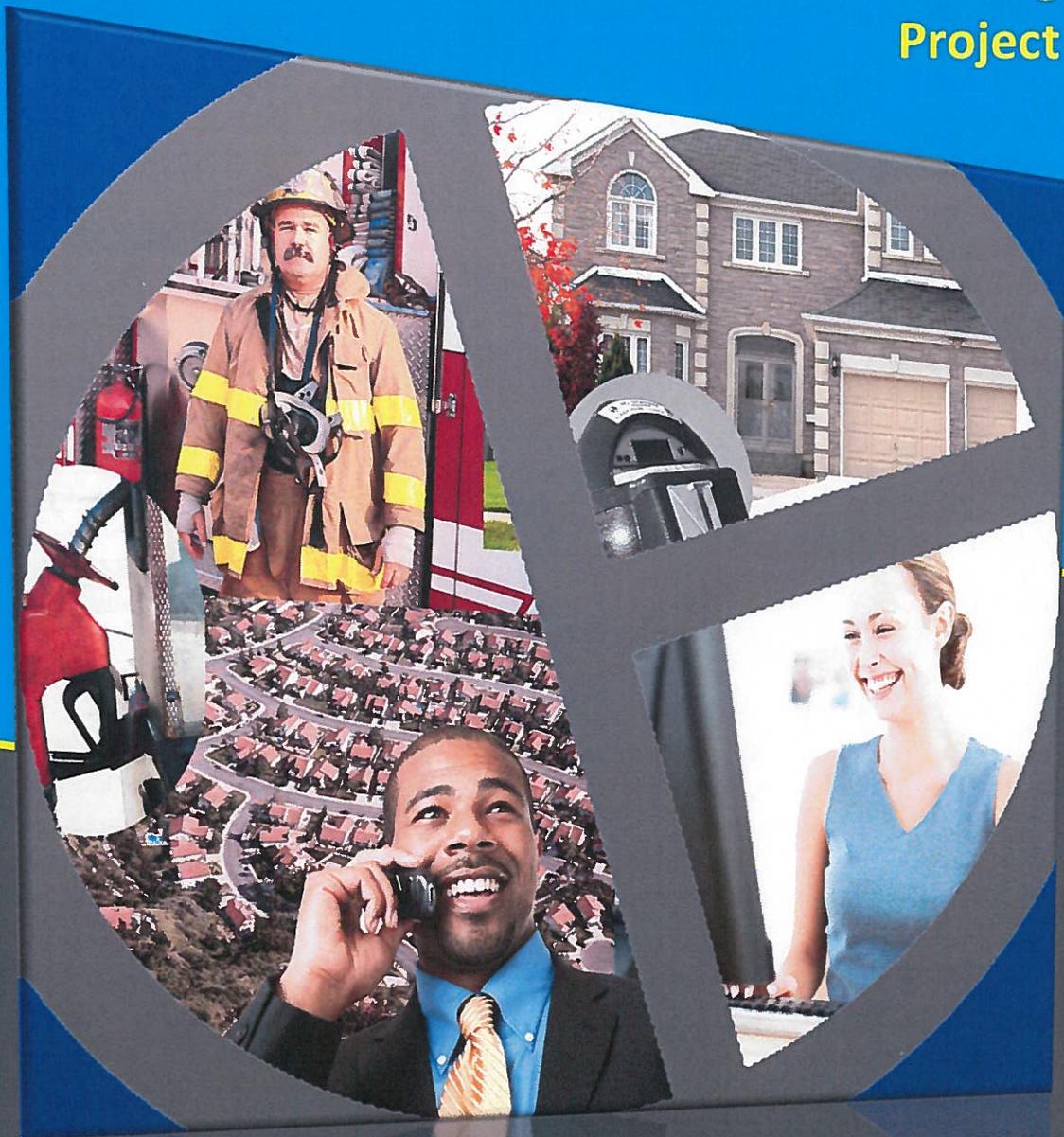
Exhibit A

PROPOSED RATES

		<u>Fiscal Year 2014/15</u>	<u>Fiscal Year 2015/16</u>
15-R-XXXX	Trousdale Estates Heavy Truck Hauling: Inspection & Administrative Fee per Vehicle	N/A	\$252.20
15-R-XXXX	Administrative Fee per Building Permit	N/A	\$119.86
15-R-XXXX	Police Escort *Fully allocated hourly rates for all personnel involved plus any outside costs	N/A	Actual Cost*
15-R-XXXX	Street Signage	N/A	Actual Cost
15-R-XXXX	Investigation of Alleged Violations	N/A	Actual Cost*
15-R-XXXX	*Fully allocated hourly rates for all personnel involved plus any outside costs		

ATTACHMENT 3

The City of Beverly Hills Trousdale Estates Construction Hauling Project



Capital Accounting Partners, LLC
May 2015



INTRODUCTION AND SCOPE

The scope of this project included a thorough analysis of the costs associated with implementing the City of Beverly Hills heavy construction vehicle regulations within the Trousdale Estates neighborhood. The project also included developing a structure of fees to recover all or a portion of these costs.

COST INCLUDED IN THE ANALYSIS

After careful consideration and discussions with staff, costs to be included in the fee were limited to truck inspections and administrative staff to coordinate and monitor the flow of construction traffic into and out of the Estates. On an annual basis, the costs of additional administrative staff is \$87,258. Costs associated with vehicle inspection is set under contract with a vender and will be a “pass through” to the customer.

CONSIDERATIONS IN DEVELOPING A FEE SCHEDULE

We had three objectives for creating a schedule of fees for recovering these costs:

1. The Trousdale fee schedule had to be simple to calculate and simple to administer;
2. The Trousdale fee schedule could not be a detriment to the higher priority of compliance. Thus cost recovery, while important, was not the first priority; and
3. The priority for cost recovery was the cost of the additional administrative staff to coordinate the flow of construction traffic into and out of the neighborhood.

Using these objectives we looked at several different cost recovery models. For example we looked at assigning cost based on the square footage of construction. We looked at assigning cost for standalone mechanical, electrical, and plumbing permits. We also looked at various combinations of these two concepts.

In the end, it was determined that the fee should only recover additional administrative staff to coordinate the program and the direct cost with vehicle inspection and permitting.

MAPPING THE PROCESS TO CONTROL AND MONITOR TRAFFIC FLOW

As we discovered, there is a detailed system to control and monitor the flow of construction traffic into and out of Trousdale Estates.

The process involves the following activities.

Preconstruction activities:

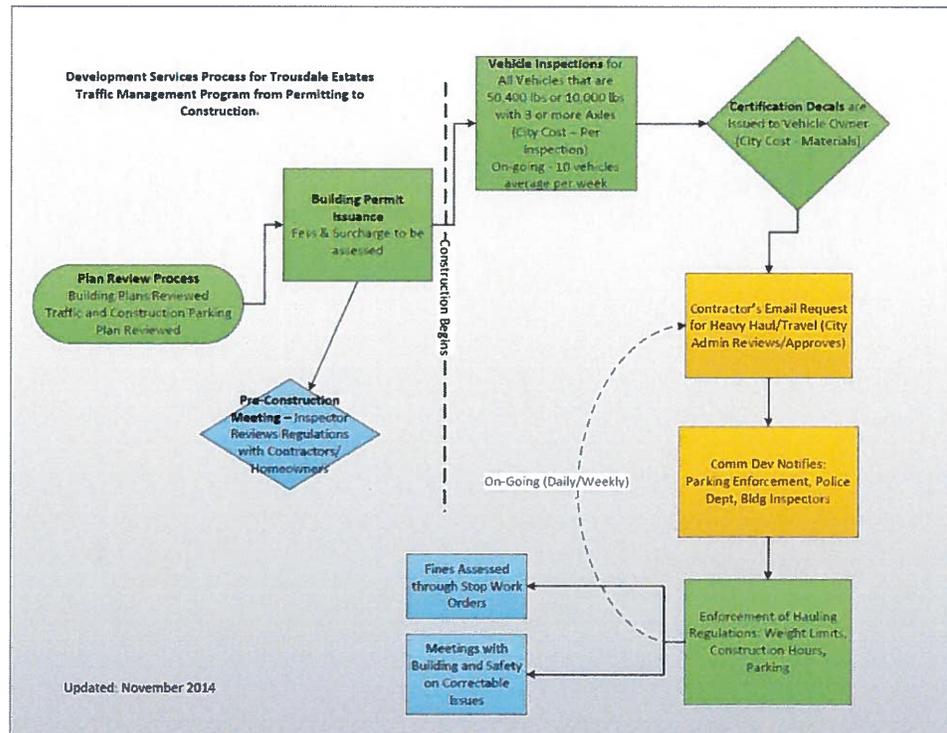


1. Review construction scheduling for traffic and construction parking;
2. Issue building permits and charge appropriate fees vehicle inspection;
3. Confirm vehicle inspections and certifications;
4. Issue certification decals for inspected vehicles;

Construction activities:

5. Contractor emails requests to the City for a heavy haul trip;
6. Community Development Department notifies Parking Enforcement, Police, and Building Inspection; and
7. Enforcement of regulations, weight limits, construction hours, and parking.

Graphically, this process can be illustrated in the following manner.



FINAL COSTS TO BE INCLUDED

After several discussions with staff we concluded that there were two costs that should be recovered:

1. The cost to inspect the construction vehicle and provide for a decal. This will essentially be a pass through with additional costs for administration and the decal.
2. The cost for the coordination of construction traffic into and out of the Trousdale Estates neighborhood.

VEHICLE INSPECTION PERMIT



The first cost to recover is the expense of inspections and permitting of the individual construction vehicle that will be making the trips into and out of the neighborhood. Our recommendation is to do the following:

- 1) Contract with a reliable vender for vehicle inspections;
- 2) Require each vehicle operating in the Neighborhood to obtain an inspection from this qualified vender;
- 3) Create a pass through fee for vehicle inspection. This means that the person seeking the vehicle inspection pays the City at the actual cost plus a markup for administration. The City currently has a fee for permit processing and we would recommend using this fee as the administrative processing charge. This processing fee would also provide a decal to be placed on the vehicle as proof of inspection.

CONSTRUCTION VEHICLE TRAFFIC PERMIT

As we detailed above, a process has been designed and put into place that controls and monitors the flow of construction traffic into and out of Trousdale Estates. The following table outlines this cost and the calculation of a fee to recover this cost based on the average number of construction related permits.

Calculating Cost of Coordinating Construction Traffic	
Annual Cost of Traffic Coordination	\$ 87,258
Estimated Number of Construction Related Permits	728.00
Total Cost Per Construction Permit	\$ 119.86

This means that every construction related permit in the Trousdale Estates Area would have an additional \$119.86 vehicle permit for the City to coordinate the flow of construction traffic.

CONCLUSION

While more costs can certainly add to the equation, it was the view of the team that adding additional costs would be counter to the primary objective of monitoring the flow of traffic and vehicle inspections. The costs that we have included are just for additional staff to coordinate the flow of construction traffic into and out of the Trousdale Estates neighborhood. In addition, the costs for vehicle inspection and permitting would also be recovered but as a simple pass through plus a permit processing fee.