



Independent, locally owned and operated!

www.lamorindaweekly.com 925-377-0977

Published May 23rd, 2012

Fee Hikes in Orinda's Future Orinda City Council learns of latest budget headaches

Laurie Snyder

The May 15 Orinda City Council meeting began on a somber note as participants were informed of the passing May 9 of Orinda's first mayor, Dick Heggie. A Rotarian and former Orinda Citizen of the Year, Heggie also co-founded the Orinda-Tabor Sister City Foundation and served as director of the Orinda Community Foundation.

Council members adopted the evening's agenda in his honor before proceeding on to the latest round of budget and infrastructure project discussions in front of a large crowd, which included a significant number of students from Miramonte High School.

One of those students whistled in surprise as Mayor Steve Glazer explained - during the portion of the meeting devoted to the latest news about the Glorietta Storm Drain Project - how the cost of this one project relates to the small number of homes it will impact versus the size of Orinda's approximately \$10 million overall budget.

A budget buster, the project is under review yet again because only two of the roughly 10 firms anticipated to express interest in the project actually submitted bids by the May 1 deadline. Both bids came in well above what the Council and staff were expecting.

The lower of the two - \$1,484,430 - was submitted by Bay Pacific Pipelines, Inc., and "exceeds the approved Capital Improvement (CIP) Budget of \$1,254,308," according to the staff report for this meeting. The bid submitted by K.J. Woods Construction, Inc., the second firm competing for the project award, was \$1,688,000. At first blush, the City Engineer initially thought the project would cost even less - \$1,016,772.

Council Member Dean Orr asked why only two bids were received, and was advised by Public Works Director Chuck Swanson that several of the other companies expected to bid were already booked to work on other projects, had issues with subcontracting, or felt they would not be able to make enough profit. Additionally, the project's complexity and risk may have also factored into their decisions.

The Council touched briefly on the viability of re-opening the bidding process, but ultimately opted not to do so. The project is time sensitive due to obligations incurred by the City under a related settlement with the Robles family, as well as the expiration dates on the environmental permits and easements, which have already been obtained in order to expedite the project.

When Orr pointed out a potential \$200,000 discrepancy on line 14 of the budget submitted by the winning bidder, Swanson observed, "That's where we speculate the savings is." He and City Manager Janet Keeter also stated that Public Works personnel are confident that they will be able to reduce the projected budget even further "through value engineering and recommendations from the low bidder regarding alternative construction methods." As a result, the Council agreed that the project should move forward, and directed staff to negotiate aggressively with Bay Pacific Pipelines to reduce the project's overall cost.

In addition, Council members held a public hearing regarding the City's plans to charge more for many of the services it delivers. According to the staff report, the hikes are being implemented - for everything from administrative operations to recreation programs - because the City's fees "have not been adjusted for overall changes in the Consumer Price Index (CPI) since July 1, 2008," and "to comply with the Council's policy that charges be set to recover the actual cost of providing certain services."

Planning Department fees, already restructured in 2010, will increase by three percent. Fees for non-planning items will rise roughly 7.9 percent, based on the compounded Bay Area CPI (percentages for 2009: 1.2, 2010: 1.8, 2011: 1.7, 2012: 3.0). And, new fees will be introduced, including a Police services "fix-it ticket" fee of \$10 to compensate the City for the time it takes an officer to check and sign-off on the correction of the violation of the vehicle.

Council members and staff anticipate that these fee changes will bring in an additional \$25,000 in revenue - deemed critical in light of the latest budget updates showing that the City's property tax revenues will be roughly a quarter of a million dollars less than originally anticipated.

Reach the reporter at: laurie@lamorindaweekly.com

[back](#)

Copyright © Lamorinda Weekly, Moraga CA