



AGENDA
SPECIAL CITY COUNCIL MEETING
TUESDAY, FEBRUARY 9, 2010, 5:00 P. M.
CITY COUNCIL CONFERENCE ROOM
245 E. BONITA AVE.

CITY COUNCIL:

Mayor Curtis W. Morris
Mayor Pro Tem Denis Bertone
Councilmember Emmett Badar
Councilmember John Ebiner
Councilmember Jeff Templeman

1. CALL TO ORDER

2. ORAL COMMUNICATIONS

(For anyone wishing to address the City Council on an item on this agenda. Under the provisions of the Brown Act, the legislative body is prohibited from taking or engaging in discussion on any item not appearing on the posted agenda.)

a. Members of the Audience

3. STUDY SESSION

a. Mid-year 2009-10 budget review and Preliminary Report on 2010-11 City of San Dimas Budget.

4. ADJOURNMENT

The next meeting is on Tuesday, February 9, 2010, 7:00 p.m.

AGENDA STAFF REPORTS: COPIES OF STAFF REPORTS AND/OR OTHER WRITTEN DOCUMENTATION PERTAINING TO THE ITEMS ON THE AGENDA ARE ON FILE IN THE OFFICE OF THE CITY CLERK AND ARE AVAILABLE FOR PUBLIC INSPECTION DURING THE HOURS OF 8:00 A.M. TO 5:00 P.M. MONDAY THROUGH FRIDAY. INFORMATION MAY BE OBTAINED BY CALLING (909) 394-6216. CITY COUNCIL MINUTES AND AGENDAS ARE ALSO AVAILABLE ON THE CITY'S HOME PAGE ON THE INTERNET: <http://cityofsandimas.com>

HEARING ASSISTANCE SYSTEM: THE CITY OF SAN DIMAS CITY COUNCIL CHAMBERS ARE EQUIPPED WITH A HEARING ASSISTANCE SYSTEM. PLEASE CONTACT THE CITY CLERK AT 909/394-6216 TO CHECK OUT A RECEIVER.

POSTING STATEMENT: ON FEBRUARY 5, 2010, A TRUE AND CORRECT COPY OF THIS AGENDA WAS POSTED ON THE BULLETIN BOARDS AT 245 EAST BONITA AVENUE (SAN DIMAS CITY HALL) 145 NORTH WALNUT AVENUE (LOS ANGELES COUNTY PUBLIC LIBRARY, SAN DIMAS BRANCH); AND 300 EAST BONITA AVENUE (UNITED STATES POST OFFICE).



Agenda Item Staff Report

2009 – 2010 Preliminary Budget Study Session

TO: Honorable Mayor and Members of City Council
For the Meeting of February 9, 2010

FROM: Blaine Michaelis, City Manager

INITIATED BY: Ken Duran, Assistant City Manager

SUBJECT: Mid Year Budget Report and Budget Preparation Study Session

SUMMARY

The purpose of the Study Session is two fold. First, in light of the state of the general economy and the State budget crisis, staff has prepared a mid-year budget report. The report will review revised revenue and expenditure projections for the current fiscal year.

The second portion of the session is for each department to review with the Council a brief preliminary summary of what they will be looking at as we prepare recommendations for the FY 2010 - 11 budget. More importantly we want to hear from the Council regarding other budget items you would like for us to include in the budget analysis and deliberations. We are not asking for any specific direction or decision from you on any specific budget matter – our purpose is to let you know what we are planning to bring forward so those concepts can be combined with the other areas you would like us to consider.

MID-YEAR BUDGET REPORT

General Fund

In September staff prepared a comprehensive presentation on the fiscal picture of the General Fund. We reported that the 2008-09 financial audit indicated that the General Fund Balance, meaning total cash balance was \$16,902,809. We also presented some known expenditure cost savings and identified expenditures to be put on hold due to the uncertain economy.

The adopted FY 2009 10 General Fund budget was comprised of \$19,473,621 in projected revenues and \$18,654,693 in expenditures, leaving \$532,194 in excess revenue over expenditures after transfers in and out. The following is an analysis of the projections for the major revenue and expenditure sources of the General Fund.

Revenue

Property Tax - Property tax revenue was projected at \$2.33 million, just slightly higher than in FY 08 - 09. In consultation with our property tax consult we estimate that we will be very close to our budget for this fiscal year.

Sales Tax - Sales Tax projections were budgeted at approximately the same level as last year, \$6.5 million. It appears that revenue will be below budget. At this point an estimate is in the \$500,000 range. However, we will be meeting with our sales tax consultant soon and will have a better projection.

Franchise Taxes – Collectively franchise taxes were budgeted at approximately \$1.98 million. Revenue is projected to come in around the budgeted amount.

Transient Occupancy Tax – (TOT) – TOT was budgeted at \$690,000, which included a full year for the Holiday Inn Express. Even with our reducing the budget estimate for this year due to the general economy TOT is expected to be approximately \$50,000 below projections.

Business License – Projected budget for business license was \$394,000. Revenue is expected to be approximately \$19,000 below budget.

Document Stamp Tax – The document stamp tax is a fee collected by the County on property transactions. With the number of property sales down we drastically reduced our budget this year, however, our projection is that it will be slightly, approximately \$10,000 above budget.

Building Permits – Anticipating a slow building economy we budgeted less than in prior years. The budget projection was \$172,000, about half of the prior year. Due to some unanticipated projects pulling permits this year to date we are already at \$275,000, \$100,000 over budget.

Vehicle License Fees – The projected budget for Vehicle License Fees is \$3 million, slightly above last year, and anticipated to meet budget.

Interest Income – Due to lower interest rates it is projected that interest income will be approximately \$240,000 below budget. In the next few months we will be looking at other investment options.

Planning Fees – Due to the lack of planning activity planning fees were only budgeted at \$20,500 but are projected to be close to \$30,000.

Recreation Fees – Recreation fees are projected to be down by approximately \$30,000 mostly due to reductions at the Swim and Racquet Club and reductions in registration for recreation programs and facility rentals.

Parking Permits / Local Violation Fines – It is projected that revenue will be at budget.

Total Revenue Projections

The biggest variables for the remainder of the year are sales tax revenue and building permits. Given the above projections the total revenue could be in the range of \$690,000 below budget.

Expenditures

In September staff presented a FY 08 – 09 year end budget report. The report highlighted that the adopted budget surplus was \$532,194. It also identified known expenditure savings of \$255,237. Those savings still hold true. The report also identified deferral of some General Fund Projects as follows:

Projects Deferred

General Plan Update - \$250,000
 Public Works Open House - \$3,000
 Contract for Emergency Preparedness Coordinator - \$10,000
 Sycamore Ranch House Painting - \$6,000
 Fund 20 – Ladera Serra and Marchant Park Paint and Carpet - \$46,200
 (Reduces that amount of transfer from Fund 1 - \$46,200)
 Total - \$315,200

Collectively between the budget surplus, known savings and deferred projects the total budget savings equal \$1,102,631. This amount is in excess of what is anticipated to cover the general fund revenue shortfall.

Special Funds

All Special Funds are projected to end the year with a positive fund balance.

FY 2010 - 11 PRELIMINARY BUDGET PREPARATIONS

Staff is preparing the FY 2010 - 11 with extremely cautious revenue projections. If the state of the general economy remains the same it is anticipated that revenue sources that are tied to the economy will continue to be flat or decline. Again, we are also unsure as to any impact on the City's revenue sources from actions by the State. Therefore, staff is preparing operational expenditures with this overriding theme in mind. By and large we are preparing a budget that maintains current levels of service and minimizes the number of new projects.



CITY OF SAN DIMAS
Administration
2010-11 Budget Study Session
February 9, 2010

Highlighted Budget Items:

Government Access Channel – We initially entered into a one year contract with the University of La Verne for management of the Government Access Channel. That contract is expiring and staff is intending to bring forward a new contract at your next meeting. There is a slight increase in the contract amount due to some additional staffing cost. The annual contract amount is \$66,500, much of that is offset by the 1% PEG fee.

Insurance Costs – Typically by now we would have the insurance deposit rates from the CJPIA but they are not yet available.

PERS Contribution Rate – The PERS contribution rate for FY 10 – 11 will be 13.048%, a .5% increase, equally an approximate \$25,000 increase.

San Dimas Dial-a-Cab – Over the past few years the ridership for Dial-a-Cab has seen a dramatic increase. In the next few months staff will be presenting to the Council some suggestions for either service adjustments or fare increases to help control the cost increases of this service.

Sheriff's Department Contract – It is expected that there will be less than a 3% increase to the Sheriff's Department contract. A 3% increase equates to approximately \$175,000. As was previously reported it is anticipated that there will be a reduction in the Liability Trust Fund contribution.

Emergency Preparedness Intern – Staff has been in discussions with the City of La Verne on sharing an Intern to assist both Cities with emergency preparedness. It is anticipated that our share of the cost would be approximately \$8,000 a year.

General Municipal Election – There will be a General Municipal Election in March 2011. The estimated cost is \$80,000.

PC Replacements – The City's PC's utilized by staff are 5 years old and are utilizing early versions of Microsoft's operating system and Microsoft Office. The proposal is to replace approximately 80 PC's when we move back into the renovated City Hall. At that time they will be 6 years old. The cost estimate is \$120,000 and would be budgeted in Equipment Replacement Fund 70.



CITY OF SAN DIMAS
Parks & Recreation
Department
2010-11 Budget Study Session
February 9, 2010

General description of the Department's 2010-11 anticipated activity:

The Parks and Recreation Department staff will continue to efficiently utilize available resources in order to effectively deliver services in each of the department divisions; Landscape Maintenance, Facilities Maintenance and Recreation. The department will:

- Ensure proper care and maintenance of landscaping and trees in City parks, parkways and medians.
- Maintain safe, clean facilities for public use.
- Provide residents of all ages the opportunity to participate in a variety of recreation programs and activities.
- Develop well-designed public parks and facilities.

LANDSCAPE MAINTENANCE DIVISION

Landscape Maintenance Projects to be prioritized and completed:

- Continue to utilize the Cal-Sense Irrigation Software program for control and monitoring of irrigation systems for more efficient water use.
- Parks:
 - evaluate playground equipment replacement and fund one park
- Loma Vista Park:
 - resurface basketball court
- Marchant Park:
 - replace irrigation mainline
- Pioneer Park:
 - resurface basketball court
- SportsPlex:
 - annual field maintenance and improvements
 - retrofit access gate
 - automate storage room roll up door
- Parkways/Medians:
 - continue Juanita Ave. parkway tree removals (year 3 of 3 year phasing)
 - continue Town Core Ash tree removals (year 3 of 3 year phasing)
 - continue Town Core Carob tree removals (year 3 of 3 year phasing)
 - continue Park and Ride lot tree removals (year 2 of 3 year phasing)
 - evaluate Foothill/Cataract median landscape (Mayer tract)
- Trails:
 - Sycamore Creek Trail - ongoing maintenance and planting for compliance with Fish and Game permit requirements
 - continue project work on Poison Oak Trail if not completed in 2009-10

- Continue annual projects:
 - tree replacement/planting program
 - park and median island landscape and hardscape improvements
 - park and median island irrigation upgrades
 - park sidewalk repair/replacement
 - park trash receptacles, barbecues, tables and bench replacement
 - Cal Sense irrigation upgrades
 - vinyl trail fence repair/replacement
 - Urban Forest Grant match if awarded

FACILITIES MAINTENANCE DIVISION

Facilities Maintenance Projects to be prioritized and completed:

- Continue to effectively evaluate and plan for the short and long term maintenance needs of City facilities.
- Senior Citizen/Community Center:
 - maintain the facility through the increased usage as a result of City Hall and Community Building construction project
 - evaluate HVAC system for replacement
- Swim and Racquet Club:
 - annual floor maintenance on racquetball courts
 - jacuzzi circulation system retrofit/replace
 - convert one racquetball court to a cardio exercise room
 - replace carpet in locker rooms, aerobics room and hallway
 - repair/replace training pool deck
 - repair concrete bench area on competition pool area
- Horsethief Canyon Park Restroom:
 - recoat anti-graffiti product
 - retrofit fixtures
- Ladera Serra Park Recreation Building:
 - replace flooring
- Marchant Park:
 - Recreation Building - modify storage areas
 - Restroom Building - retrofit fixtures
- Pioneer Park Restroom:
 - recoat anti-graffiti product
- SportsPlex Restroom:
 - recoat anti-graffiti product
 - retrofit fixtures

RECREATION DIVISION

Recreation Projects to be prioritized and completed:

- Continue to provide quality recreation activities for participants of all ages, youth, teens, adults, and seniors, considering new and innovative programs in the following areas:
 - family recreation programs and activities

- health and fitness programs
- outdoor recreation activities
- recreation activities for the Special Needs population.
- Continue with staff training for the use and development of Active.Net Software.
- Continue to develop a comprehensive marketing and promotions plan for all Parks and Recreation Department facilities, programs and events.
- Continue to develop an enhanced training program for all Parks and Recreation Department personnel.
- Continue to develop a formalized volunteer program in an effort to increase recreation services through the assistance of trained volunteers.
- Continue to work collaboratively with Youth Organizations, Bonita Unified School District and other service providers to expand service opportunities where possible.
- Continue to provide an Activity Scholarship Program to provide financial assistance for participation on Recreation activities.
- Recognize 5th anniversary of the dog park with a canine special event.
- Continue to implement 50th Anniversary Events.
- Include 50th Anniversary enhancements at all Recreation Special Events.

PARKS AND RECREATION COMMISSION PROJECT LIST

- Youth Center or Student Union addition
- BMX Bike Park
- Lighted Basketball Courts at SportsPlex or a Park
- Marchant Park – new restroom building
- Horsethief Canyon Park Phase III development
 - 3rd dog area for rotational turf management
 - lights for dog park
 - overnight campground
 - bird/butterfly sitting area
- Splash Pad

GOLF COURSE CAPITAL IMPROVEMENT FUND

- Cart Clarifier
- Entry Monument Sign
- Parking lot repairs including driveways
- Fencing enhancements and repairs
- Cart path enhancements
- Tee box project

VEHICLE AND EQUIPMENT REPLACEMENT

- Replace Recreation Van (1999)
- Replace Pesticide Spray Rig

PROJECTS IN NEED OF COUNCIL DIRECTION

- Downtown Holiday Decorations to add to those purchased in 2009-10.
- Walker House Holiday lighting for trees and house.
- Martin House Holiday lighting for house.
- Continue to fund Community Park Development Fund – designate percentage.



CITY OF SAN DIMAS
Public Works Dept.
2010-11 Budget Study Session
February 9, 2010

General description of the Department's 2010-11 anticipated activity:

The Public Works Department and its Engineering and Street Maintenance Divisions will effectively continue to manage its prime responsibilities of planning, designing, inspecting private street improvements and maintaining the public infrastructure within the right-of-way, including the maintenance of vehicles and equipment.

The Department will:

- Provide prompt, courteous and professional customer service for the community.
- Safely, efficiently and effectively protect the City's physical investment of the right-of-ways through periodic maintenance, replacement and repairs of assets.
- Provide a safe, clean and pleasant environment for the public.

Due to the State budget issues, possible impacts to our City budget and the Gas Tax funds in year 2010-11, the Public Works Department will continue to steadily focus on a combination of projects that will be carried forward from this year, together with new major projects.

Economic Stimulus (ES) Jobs Bill (American Recovery & Reinvestment Act)

On Thursday, January 21, 2010, we heard that the House of Representatives recently passed the Jobs Bill (ARRA 2) which is proposed to be taken up to the U.S. Senate. Our understanding of the bill is that California will receive approximately \$2.9 billion for infrastructure improvements, similar to what the State received in the 2009 Stimulus Bill. In April 2009, our share or allocation of the stimulus monies based on capita came to approximately \$1,085,000 and these funds were allocated to the San Dimas Avenue project currently under construction. However, in February 2009, staff was not aware of any formula of allocations of any potential Stimulus funding. Therefore, as a strategy to secure potential available Stimulus funds, staff submitted a short list of projects (below) to the State and FHWA. These prioritized projects were based on the existing Federal street functional classification system and costs in anticipation of receiving some funding:

- 1) San Dimas Avenue Reconstruction, Rehabilitation and Landscape Median (between Gladstone Street and Foothill Boulevard). (Under construction)
- 2) Covina Boulevard Reconstruction and Rehabilitation (between Route 57 to Arrow Highway) *Estimate: \$1,000,000 (includes potential ARRA2 funding of \$440,000)*

2010-11 Budget Study Session

- 3) 5th Street Reconstruction and Rehabilitation (between Amelia Avenue and San Dimas Avenue) *Estimate: \$600,000 (includes potential ARRA2 funding of \$440,000)*
- 4) Slurry and Cape sealing of City's minor arterials and collector streets (as identified by the Federal Functional Classification System) *Estimate: \$500,000 (includes potential ARRA2 funding of \$440,000)*

Our understanding of the current bill (as written) is that the bill is more restrictive than the first stimulus legislation in that there are:

- 1) No formula for allocation of funds.
- 2) No relaxation of the cumbersome Federal administration process.
- 3) The bill is aimed at projects that are "Shovel Ready".
- 4) Projects submitted (February 2010) must receive Caltrans' approval, be advertised, awarded and filed with Caltrans for award no later than June 3, 2010.

With the above-mentioned strict time constraints, there remains the uncertainty of receiving timely approvals; in addition, this time around it's highly unlikely that Caltrans will allow addition of new projects to the already approved list. Therefore, rather than jeopardizing the City's chances of receiving ARRA2 funds, Staff is proposing to submit projects that are considered potential "shovel ready" and already in the above-mentioned Caltrans/Federal Highways list of approved projects; these being 5th Street and Slurry and Cape Sealing only, as Covina Boulevard will be delayed due to the need to secure permits from Caltrans and the MTA for the railroad crossing. In addition, a new commercial project is proposed on Covina Boulevard which is conditioned to install fire hydrants and other utility crossing, making the Covina Boulevard project inappropriate for the tight timeframe.

In June 2009, 5th Street from Amelia to Acacia was reconstructed and rehabilitated using City funds. There are segments of 5th Street from Acacia Street to Cataract Avenue still in need of repair. Since the State-approved project limits for 5th Street repairs extends up to San Dimas Avenue, Staff believes that we should seek ES monies for both 5th Street rehabilitation from Acacia Street to San Dimas Avenue and the slurring and cape sealing of city streets. These two projects require only Caltrans review and approval. Submitting approved projects like these that are varied in construction greatly increases our chances of securing \$880,000 of much needed funds for street repairs and maintenance.

2010-11 Budget Study Session

Department Capital Improvement and Special Projects

Projects Carried to Fiscal Year 2010-11

The State projects listed below will likely be carried over due to budget uncertainty and its impact to the General Fund, lack of timely progress, technical issues, delay or approval from the State.

Due to the above, the following projects will likely be carried over:

- Amelia Avenue/Gladstone Street/5th Street
- Baseline/Cataract Storm Drain
- Puddingstone/San Dimas Avenue Storm Drain
- Cliffside Drainage Channel
- Foothill Boulevard/San Dimas Avenue/San Dimas Canyon Road Video Detection System

Engineering Division Major Capital Improvement Projects

In addition to the above projects, the projects Public Works would like to focus on are:

- San Dimas Canyon Road Rehabilitation (between Foothill Boulevard and Romola Avenue)
- Knollwood Lane Reconstruction and Rehabilitation
- Foothill Boulevard at San Dimas Wash
- San Dimas Canyon and Bonita Avenue Signal upgrade and modification
- Lonehill Avenue/Arrow Highway Median and Signal Modifications (**design only**)
- Lonehill Avenue Reconstruction and Rehabilitation between Overland Court and Covina Boulevard (**design only**)
- Via Verde Reconstruction and Rehabilitation between Puente and Covina Hills Road (**design only**)

Special Projects

- Phase II of Sewer Master Plan Study
- Citywide Sidewalks - continue with comprehensive evaluation and combined assessment of sidewalks

Traffic

- Citywide Speed Zone Study (survey conducted after 7 years; adoption date January 2011)

2010-11 Budget Study Session

Major Annual Projects

- Town Core Decorative Street Light Installation (program doubled – two street blocks) 3rd Street – San Dimas Avenue to Walnut Avenue
- Pavement Preservation for Zone G – Southwest portion of City south of Via Verde and Puente Street
- Continue Annual Hazardous Sidewalk Repairs including Guardrail Replacement Projects and Programs
- Alley North of 2nd Street (Between Acacia Street and Cataract Avenue)
- Street Sign Replacement Program (Zones)

Equipment Replacement/Modification

- Utility Body Regular Cab
- Retrofit 3 trucks to be in C.A.R.B. compliance

Projects to Track for Future Consideration

- Comprehensive Forecast of Projects needed to maintain City's Street, Sewer, and Storm Drain Systems and funds to accomplish these Projects
- Improve the Efficiency and Plan for Future Needs of the Maintenance Yard
- Full Street Improvements on Baseline Road (Amelia Avenue to San Dimas Canyon Road)
- Downtown Municipal Parking Lots – Set Aside Funds for Major Reconstruction and Rehabilitation of 5 Parking Districts
- Replace Downtown Street Light wood Poles Bonita Avenue – San Dimas Avenue to Walnut Avenue
- Reconstruction, Rehabilitation, and Undergrounding of San Dimas Avenue between Railroad crossing to Alley south of 2nd Street
- Reconstruction and Rehabilitation of Via Verde between Puente Street and Covina Hills Road
- Reconstruction and Rehabilitation of Bonita Avenue between Eucla to San Dimas Canyon Road.
- Reconstruction and Rehabilitation of Lone Hill Avenue between Overland Court and Covina Blvd.
- Reconstruction and Rehabilitation of Cienega Avenue between Arrow Highway and Lonehill Avenue
- Interaction and Alignment Improvements of Cataract Avenue and Bonita Avenue



CITY OF SAN DIMAS

Community Development

2010-11 Budget Study Session

February 9, 2010

General description of the Department's 2010-11 anticipated activity:

The Community Development Department oversees Development Services, Building & Safety and Public Works facilitating interdepartmental coordination. The primary focus is long range planning projects, redevelopment and regional planning. Within the FY09-10 budget expenditures are within or less than the adopted budget except for the General Plan Update (\$250,000) which is on the "hold list."

Looking forward to FY10-11 Staff is focusing on continuing completion of the long range project backlog with existing resources. It is appropriate to give some consideration to how the General Plan Update should be addressed and to acknowledge the upcoming efforts related to SB375/climate action planning.

DEVELOPMENT SERVICES

The Development Services Department is comprised of three divisions: Planning, Building & Safety, and Code Enforcement. The department is generally responsible for current planning (development and design review, subdivision review, environmental review), implementation of the General Plan, and code enforcement. The department also provides support to other city departments. Each year, changes in state law create unfunded state mandates that place additional burdens upon staff resources, such as reducing greenhouse gas emissions through environmental review.

- Planning Manager - The position has been vacant since November 2009. The FY 09 -10 budget include funds for the position, however filling the position has been on hold.
- Code Enforcement - At their 2009 Spring Retreat, the City Council has indicated a desire to develop a more pro-active program. Limited pro-active enforcement has begun for RV parking and other front yard violations by utilizing parking enforcement officers; however, this still results in additional burden upon other staff responding to inquiries. What additional resources might be needed for a more proactive enforcement approach will be based upon Council direction as to what types of violations or geographic areas of city should be targeted for pro-active enforcement.

2010-11 Budget Study Session

BUILDING & SAFETY

The main function of the Building and Safety Division is to help safeguard the public health, safety and general welfare through performing plan checks, inspections, record maintenance and disaster preparedness. SB 1608 imposed a new requirement for the City to have a minimum of one Certified Access Specialist, plus imposed additional accessibility training mandates for staff.