



MINUTES
REGULAR CITY COUNCIL MEETING
TUESDAY, JUNE 26, 2012, 7:00 P. M.
SAN DIMAS COUNCIL CHAMBERS
245 E. BONITA AVE., SAN DIMAS, CA

PRESENT:

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

City Manager Blaine Michaelis
City Attorney Ken Brown
City Clerk Ina Rios
Assistant City Manager for Community Development Larry Stevens
Assistant City Manager Ken Duran
Director of Development Services Dan Coleman
Director of Public Works Krishna Patel
Director of Parks and Recreation Theresa Bruns

ABSENT:

Councilmember Denis Bertone

1. CALL TO ORDER AND FLAG SALUTE

Mayor Morris called the regular City Council meeting to order at 7:00 p.m. and led the flag salute.

City Manager Michaelis explained that Councilmember Bertone is in Washington DC advocating for the protection of Angeles National Forest and Mountain areas.

2. RECOGNITIONS

- a. Recognize Los Angeles County Fire Department Firefighter of the Year
- b. Recognize Los Angeles County Sheriff's Department Public Safety Employee of the Year

Mayor Morris said this is an opportunity to recognize the Firefighter of the Year and Public Safety Employee of the Year who serve in San Dimas and constitute our public safety protection. He introduced Assistant Chief Glenn Massey of the Los Angeles County Fire Department to provide a brief bio on Scott Gibbs, San Dimas Firefighter, and Captain Don Slawson, San Dimas Station, who will provide a brief bio on the Public Safety Employee of the Year Nancy W. DeMott.

1) Assistant Chief Glenn Massey, Los Angeles County Fire Department, provided a brief bio of this year's honoree Firefighter Scott Gibbs.

Mayor Morris congratulated and in appreciation of his efforts, presented a plaque to Scott Gibbs 2012 Firefighter of the Year.

2) Captain Don Slawson, San Dimas Station, provided a brief bio of Nancy DeMott, Community Services Assistant, Volunteer, Animal lover, sketch artist and the 2012 Public Safety Employee of the Year.

Mayor Morris congratulated and presented a plaque to Nancy DeMott, 2012 Public Safety Employee of the Year.

Mayor Morris acknowledged and thanked guests from the Los Angeles County Fire Department Station 141 and Station 64, and San Dimas Sheriff's Department for having a great safety record in San Dimas.

3. ORAL COMMUNICATIONS (Members of the audience are invited to address the City Council on any item not on the 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. However, your concerns may be referred to staff or set for discussion at a later date. If you desire to address the City Council on an item on this agenda, other than a scheduled public hearing item you may do so at this time or asked to be heard when that agenda item is considered. Comments on public hearing items will be considered when that item is scheduled for discussion. The Public Comment period is limited to 30 minutes. Each speaker shall be limited to three (3) minutes.)

a. Members of the Audience

1) Pui Ching Ho, Librarian, San Dimas Library, said readers can sign up until July 31st for the Summer Reading Program and earn prizes for reading; Richard Woloski presents his Puppet Show in the Community Building on Wednesday, June 27, 3:00 p.m.; the entire family will enjoy the Paper Making Workshop on July 30, at 3:00 p.m.; Sign language Workshop will be held on Thursday, July 5th, at 3:00; Children are invited to come to the Library on Saturday, July 7th to meet interesting reptiles. On Wednesday, July 11th, at 3:00 p.m., Ken Frawley will present a special program That Old Time Radio Show in the Community Building; the Book Party monthly Book Club Group will discuss the book for July *Fall of Giants* at 10:30 a.m. on Wednesday, July 11th.

2) Mitch Crawford, Chamber of Commerce, highlighted a brief bio of and introduced Elaine Regus, incoming 2012-13 Chairperson for the Chamber of Commerce.

3) Elaine Regus, Chairperson, Chamber of Commerce, outlined the upcoming new programs to promote business events for the community. She said tickets are available at the Chamber and online for the July 12th Installation Dinner/Awards Banquet to present the Outstanding Service Award to Congressman David Dreier; Business of the Year Award to Waste Management; new Business of the Year Olive Garden; Business Persons of the Year Jerry and Shirley Ennis of San Dimas Community News; Business Man of the Year Mike Wheeler, Albertson's; Business Woman of the Year Karen Gaffney, Improved Commercial Building of the Year Formica Building; and New Commercial Building of the Year Arrow Montessori School at Gladstone.

4) Mitch Crawford said it is his pleasure to announce the 2012 Citizen of the Year, Charles McCants.

5) Elaine Regus invited the community to join in the celebration of the City's 52nd Birthday Barbecue on Saturday, August 4, 2012. She said the festivities will begin at 4:00 p.m. and include children's activities, vendor booths, deep pit barbecue dinner; and the Answer will be playing. Presale tickets are available on July 2nd at the Chamber, Senior Citizens Center, and Golden State Water Company. The Chamber is recruiting volunteers needed to help make the event a success. She encouraged businesses to promote their business by becoming sponsors and/or by hosting a booth at the business expo. For additional information, the Chamber of Commerce can be contacted at 909.592.3818.

6) Caryol Smith, 1845 Fernridge Drive, Coordinator of Friends of the Dog Park, invited the community to the Bowser Bash, hosted by the City Parks and Recreation Department on Saturday, July 7, from 10:00 a.m. to 1:00 p.m., at Horsethief Canyon Park. She said the Inland Valley Humane Society will be on hand to microchip dogs for \$15, which includes registration.

7) Vivian Corrasco inquired about the status of her concerns expressed at the June 12th City Council meeting.

City Manager Michaelis said he would contact Ms. Corrasco.

4. CONSENT CALENDAR

(All items on the Consent Calendar are considered to be routine and will be enacted by one motion unless a member of the City Council requests separate discussion.)

MOTION: It was moved by Councilmember Ebner, seconded by Councilmember Templeman, and carried by those present (Councilmember Bertone was absent) to accept, approve, and act upon the consent calendar, as follows:

- a. Resolutions read by title, further reading waived, passage and adoption recommended as follows:
 - (1) **RESOLUTION NO. 2012-38, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS APPROVING CERTAIN DEMANDS FOR THE MONTH OF JUNE, 2012.**
- b. Approval of minutes for special City Council meeting of May 22, 2012 and regular City Council meeting of June 12, 2012. Mayor Pro Tem Emmett abstained from vote of June 12, 2012 Minutes. The vote carried 3.1; Councilmember Bertone was absent.

END OF CONSENT CALENDAR

5. OTHER MATTERS

- a. 2012-2013 Annual City Budget
 - 1) Adoption of 2012-2013 Annual Capital and Operating Budget.

Assistant City Manager Duran presented an overview of the challenges plaguing the 2012-13 Budget due to the dissolution of the redevelopment agency and provided a general background of the 2012-13 City Budget including highlights of the General Fund revenues and expenditures, and reserves. He said funds were drawn from the General Fund to make the annual debt service payment owed to the City for prior loans and loss of reimbursement for redevelopment related administrative costs. In addition, a reduction in sales tax resulted in significant loss to the General Fund revenues in the current fiscal year FY 2011-12 and FY 2012-13. He said a series of budget study sessions resulted in a revised budget that reduces expenditures in maintenance and operations and eliminates or adjusts programs; the City Council will continue deliberating on employee salary and benefit matters at future meetings. Staff recommended approval of the 2012-13 Annual Capital and Operating Budget with the understanding that staff will bring back additional recommendations and options for further budget reductions for future implementation.

Councilmember Templeman said that prior to the dissolution of redevelopment agencies, the Health and Safety Code stated that general fund money loaned to redevelopment agencies could be repaid from the redevelopment agency. In abolishing redevelopment agencies, the State abolished the right to repay that loan debt. He said San Dimas has been prudent in managing its budget and has accumulated 66% of the operating budget in reserves. In the future the City shall right-size what happens in San Dimas without the Housing and Redevelopment Agency programs.

In response to Mayor Morris, Assistant City Manager Duran replied that because anticipated tax increments to meet all obligations were not received in May 2012, the Successor Agency Fund 38 assumed a deficit of \$1.1 million when it was established on February 1, 2012, at the same time the redevelopment agency was dissolved.

In response to Councilmember Templeman, Mr. Duran replied that Fund 34 is the prior Housing Set-Aside fund. He said of the \$8 million in that fund, \$5 million was pledged to the Grove Station and Bonita Gateway low-moderate income housing projects. However, the remaining \$3 million will need to be allocated to the County.

Councilmember Ebiner pointed out that the Community Fund Program was eliminated and the City is not entertaining requests for funding. He commended staff for the shared effort in finding ways of reducing the budget prompted by the city's dire situation. He also inquired about salary increases listed in the budget.

City Manager Michaelis explained that the City has in place a performance based compensation system with a minimum and maximum salary range, as well as longevity pay. He said the budget currently includes pay increases for eligible employees who are not at the maximum step. He offered that the dissolution of redevelopment has made it necessary for the city to move to the next phase to achieve the adjustments that are now needed. Mr. Michaelis provided a brief update on the ever-changing status of proposed legislation and stated that the League of California Cities sent a letter to legislators in an attempt to address cities' concerns. He stated that city staff is proposing a budget that relies on reserves to move forward at this point, however, further discussion is anticipated in the weeks ahead.

Councilmember Templeman stated that it is necessary to find ways to balance the budget without spending down the reserves.

Mayor Morris stated that although this is not a public hearing, members of the audience are invited to comment or ask questions.

1) Jim McCants asked what the chances are of the State taking the City of San Dimas' or other cities' reserves.

City Manager Michaelis replied that reserve funds should be protected. He added that the United States Constitution and the State Constitution prohibit the impairment of a contract. He mentioned that some cities have filed lawsuits based on the impairment of a legal contract, and if it becomes necessary, the City of San Dimas can consider pursuing legal action against the State.

In response to Mr. McCants, Mayor Morris indicated that the State abolished redevelopment agencies and by the same theory can abolish cities and seize the reserves.

MOTION: It was moved by Councilmember Ebiner, seconded by Mayor Pro Tem Badar to adopt the Fiscal Year 2012-13 Annual City Budget. The motion carried 4.0; Councilmember Bertone was absent.

2) Adoption of Appropriation Limit for FY 2012-2013:

RESOLUTION NO. 2012-39, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ADOPTING APPROPRIATIONS LIMIT FOR FISCAL YEAR 2012-13 AND APPROPRIATE EXCESS REVENUES.

City Manager Michaelis explained that under provisions of State legislation, the City of San Dimas is required to limit expenditures and stated that for fiscal year 2012-13 the appropriations limit is \$59,484,367.

MOTION: After the title was read, it was moved by Mayor Pro Tem Badar, seconded by Councilmember Ebiner, to waive further reading and adopt **RESOLUTION NO. 2012-39, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS ADOPTING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2012-13 AND APPROPRIATE EXCESS REVENUES.** The motion carried 4.0; Councilmember Bertone was absent.

b. Review and adopt city-wide Mandatory Commercial Recycling Program.

Assistant City Manager Duran reported that effective July 1, 2012, AB 341 requires commercial businesses that generate four or more cubic yards of waste, or multi-family complexes with five or more units, to recycle in an attempt to achieve a 75% diversion rate by the year 2020. AB 341 also requires cities to have a mandatory commercial recycling program in place. Staff recommends adoption of the Commercial Recycling Program.

Councilmember Templeman inquired if businesses that recycle on their own would get credit.

Assistant City Manager Duran replied that a survey would be conducted, a data base of businesses that recycle would be kept, and other recycling efforts would be identified. Staff would follow up on businesses not yet recycling.

In response to Mayor Morris, Mr. Duran replied that calculation of the 75% diversion rate is not yet required, however, based upon past history, staff anticipates that in time that calculation will be required.

In response to Councilmember Ebner, Mr. Duran replied that staff time is required to monitor the program and inform the businesses of the state requirements.

MOTION: It was moved by Councilmember Templeman, seconded by Councilmember Ebner, to adopt the city-wide Mandatory commercial Recycling Program. The motion carried 4.0; Councilmember Bertone was absent.

c. Award of Cash Contract 2012-04, Downtown Façade Upgrade, to SPEC Construction Co., Inc. in the amount of \$225,650.

Administrative Assistant Frey summarized the bid process and analysis for the Downtown Façade Upgrade project. He stated that the low bid initially came in at \$234,150, however, after discussions with the low bidder regarding the retractable awnings, the quote was reduced to \$225,650. Staff recommends award of Cash Contract 2012-04, to SPEC Construction Co., Inc. in the amount of \$225,650, for the Downtown Façade Upgrade; authorize staff to approve contingencies if deemed necessary, not to exceed the existing budget; authorize staff to enter into deferred loan agreements and at the conclusion of the project, to record said loan agreements, as applicable, for 155 and 161 W. Bonita Avenue; and provide direction regarding the request from Pat Meyers to not reinstall the neon sign.

In response to Councilmember Templeman, Assistant City Manager Stevens replied that staff is inclined to support Mr. Meyers' request to not reinstall the neon sign. Mr. Meyers has indicated that he will make the sign available to any interested party who would like to acquire the sign. Mr. Stevens stated that the Historical Society does not have space to store the sign and is not willing to restore it, however, the sign can be temporarily stored at the City Yard.

Councilmember Ebner was partial to keeping historic signs in place as a connection to San Dimas' past, however, he will support any action of the City Council.

Mayor Pro Tem Badar stated that the property owner is entering into a façade upgrade program and has requested that the sign be removed. He supported the temporary storage of the sign at the yard.

Councilmember Templeman stated he likes the idea of historic markers and he volunteered to research historic preservation and restoration contractors.

MOTION: It was moved by Mayor Pro Tem Badar, seconded by Councilmember Templeman, to award Cash Contract 2012-04, Downtown Façade Upgrade, to SPEC Construction Co., Inc. in the amount of \$225,650; authorize staff to approve contingencies, enter into deferred loan agreements, record said loan agreements as outlined by staff; and to temporarily store Mr. Meyers' neon sign. The motion carried 4.0; Councilmember Bertone was absent.

6. ORAL COMMUNICATIONS

- a. Members of the Audience (Speakers are limited to five-minutes or as may be determined by the Chair.)

- 1) Judy Neal, 460 Kesley Rd., suggested that staff consider contacting San Dimas drug stores that might be interested in acquiring and restoring the sign.

- b. City Manager

City Manager Michaelis encouraged residents to tune in to Channel 3 for the *Ask the Mayor* first live call-in show at 7:00 p.m. on Thursday, June 28, 2012.

- c. City Attorney

There was no report.

- d. Members of the City Council

- 1) Councilmembers' report on meetings attended at the expense of the local agency.

There were no meetings attended at the expense of the City.

- 2) Designate Voting Delegates for 2012 League Annual Conference.

The League of California Cities conducts an annual business meeting to take action on conference resolutions. Councilmember Emmett Badar is the City's voting delegate and Councilmembers Denis Bertone and Jeff Templeman are the alternates.

MOTION: It was moved by Mayor Morris, seconded by Mayor Pro Tem Badar, to appoint Councilmember Templeman as the City's Delegate to the League of California Cities Annual Convention and to appoint Councilmember Bertone as Alternate to represent the City of San Dimas at the League of California Cities' Annual Convention. The motion carried 4.0; Councilmember Bertone was absent.

- 3) Reappointments to Equestrian Commission.

Assistant City Manager Duran reported that terms for Equestrian Commissioners Claudia Cook, Monica DeMonaco, and Yvette Picconi expire on July 31, 2012. The Commissioners are eligible for reappointment and have expressed a willingness to continue service.

MOTION: It was moved by Councilmember Templeman, seconded by Mayor Pro Tem Badar, to reappoint Claudia Cook, Monica DeMonaco and Yvette Picconi to the Equestrian Commission for a two-year term expiring July 31, 2014. The motion carried 4.0; Councilmember Bertone was absent.

4) Appointments to Parks and Recreation Commission.

Parks and Recreation Director Bruns stated that there are three vacancies on the Parks and Recreation Commission created due to term expirations by Commissioners Susan Davis, Georgia Florentine and Caryol Smith. The vacancies were advertised and previous candidates were contacted. Mayor Morris and Councilmember Ebiner interviewed 13 candidates on Thursday, June 14 and Monday, June 18, 2012.

MOTION: It was moved by Councilmember Ebiner, seconded by Mayor Morris, to appoint Kathy Perkins, Kevin Kenney, and Thomas Diaz to the Parks and Recreation Commission for a two-year term expiring the end of June 2014. The motion carried 4.0; Councilmember Bertone was absent.

5) Individual Members' comments and updates.

Councilmember Templeman expressed his appreciation that after the community forum, the Postal Services has decided not to close the San Dimas Post Office.

7. CLOSED SESSION

Mayor Morris recessed at 8:34 p.m. to a City Council closed session pursuant to Government Code Section 54956.9: Mayor Morris recused himself from participation as he is named in the litigation documents.

**a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(SUBDIVISION (a) OF GOVERNMENT CODE SECTION 54956.9)**

Name of Case: Robert Mathis II v. Curt Morris, Mayor of San Dimas; Curt Morris an individual; City of San Dimas; and Does 1 through 50, inclusive. Case No. KC063259

b. Report on closed session items.

Upon conclusion of the closed session, it was reported that the City Council rejected the settlement proposal.

8. ADJOURNMENT

Mayor Morris adjourned the regular meeting at 8:44 p.m. The next meeting is July 10, 2012, 7:00 p.m.

Respectfully submitted,

Ina Rios, CMC, City Clerk