

**MINUTES  
ALHAMBRA CITY COUNCIL  
ALHAMBRA REDEVELOPMENT AGENCY  
Joint Regular Meeting  
June 22, 2009  
5:30 p.m.**

**ROLL CALL:** At 5:30 p.m., on Monday, June 22, 2009, the Alhambra City Council and the Alhambra Redevelopment Agency (ARA) met in the Council Chambers of the Alhambra City Hall, 111 South First Street, Alhambra, California.

**CITY COUNCIL/ARA BOARD MEMBERS:**

**PRESENT: SHAM, MESSINA YAMAUCHI, PLACIDO, AYALA  
ABSENT: NONE**

**Officials Present:** City Manager/ARA Executive Director Fuentes, City Attorney/Agency Counsel Montes, Assistant City Manager/Personnel Director/Risk Manager Bacio, Director of Development Services/ARA Deputy Executive Director Martin, Director of Finance Longballe, Chief of Police Hudson, Deputy City Manager/Director of Utilities Swink, Deputy City Manager Schultz, Assistant to the City Manager Hayashi, Deputy Director of Utilities Ray, Deputy Director of Development Services Reynoso, Senior Deputy City Clerk Myles, Management Services Intern Paulson, Sergeant-at-Arms Rosas

**FLAG SALUTE:** Led by Chairman Ayala

**RESOLUTIONS BY TITLE ONLY**

On motion of Mr. PLACIDO, seconded by Mrs. MESSINA, and carried unanimously (SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA) the City Attorney/Agency Counsel was instructed to read by title only all resolutions appearing in these minutes which are required by law to be read in their entirety.

**Action Taken:** Hearing no objections, so ordered.

**PUBLIC HEARING**

**1. 2008-2014 DRAFT HOUSING ELEMENT – F2M7-87, N2M9-76, R2M9-22**

This was the time and place set by Notice No. N2M9-76 for the City Council to hold a public hearing to consider the adoption of Resolution No. R2M9-22 approving that certain Draft 2008-2014 Housing Element which, if approved, will update and supersede the current Housing Element that is part of the Alhambra General Plan as well as consider the Initial Study and Negative Declaration heretofore prepared in connection

therewith and receive public comment, if any, concerning the proposed adoption of such Resolution, including approval of the said environmental documents. A copy of the Housing Element, along with Resolution R2M9-22, is on file in the City Clerk's Office.

Director of Development Services **MARTIN** provided a brief summary and explained that the Housing Element was one of seven mandatory elements of the City's General Plan that is required to be updated typically every five years by cities in the Southern California Association of Governments (SCAG) region. The City has been working on the Housing Element for a year and a half and it meets all state law requirements. The California Department of Housing and Community Development (HCD) has reviewed the Housing Element and given it preliminary approval. The City of Alhambra already has a fair number of housing programs and zoning ordinance designations so that our existing programs do not require many new programs to meet the City's regional housing need as determined by SCAG. The main changes to this Housing Element update include amendments to the zoning ordinance and housing designations to provide clarification. The requirements of Senate Bill 2 are also met by the Housing Element as it designates two possible areas in the City, which can be amended if necessary, for homeless shelters. He also mentioned that consultants Genevieve Sharrow and Diana Gonzalez from Hogle-Ireland were available to answer any questions as they had assisted the City during the entire process of drafting the Housing Element before the Agency Board/Council this evening.

**Opened Public Hearing:** Chairman **AYALA** opened the public hearing

**Citizen Input:** Eric **SUNADA**, 805 East Pine Street, expressed concern for providing housing for low and extremely low income families and asked that the Agency Board/Council consider an amendment to the Housing Element to provide for such housing. He felt the current Element was skewed too much in favor of senior housing and that low to extremely low income families were underrepresented.

**Closed Public Hearing:** There being no one further wishing to speak, Chairman **AYALA** closed the public hearing.

**Discussion:** Responding to Mr. Sunada's concerns, Mr. **MARTIN** noted that there is nothing in the Housing Element that identifies a priority for senior housing. Many of the City's programs, such as the First Time Homebuyer Program, have low senior participation levels. Consultant Genevieve **SHARROW** added that to address the needs of families, a new objective to focus a portion of Agency assistance towards rental projects for families was added to Program 6 which is the Affordable Housing Development portion of the Housing Plan section of the Housing Element. Mrs. **MESSINA**, referencing the Table 22 Affordability Matrix on page 28 of the Element, asked whether this table was evidence that the City aimed to help a good mix of income categories. She also commented that she thought the report was excellent and pointed out the incredible amount of information it provided. Mr. **FUENTES** responded that the City's commitment to low and extremely low income families is evidenced in Program 6 of the Housing Element. One of the objectives in Program 6 is to focus a portion of Agency assistance toward rental projects that meet the needs of extremely low, very low and low income renters and large families; and, as funding permits, assist in the development of at least one new residential development that accommodates large families.

**Action Taken:** The Agency Board/City Council adopted **Resolution No. R2M9-22** entitled: *A Resolution of the Council of the City of Alhambra, California, adopting the 2008-2014 Housing Element to the Alhambra General Plan*

**Vote:** Moved: YAMAUCHI      Seconded: MESSINA  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

**AGENCY/COUNCIL CONSENT AGENDA (Item Nos. 2 – 8)**

All items listed under the Consent Agenda were considered by the City Council to be routine and, therefore, were enacted by one motion.

**2. ALLOCATION OF ADMINISTRATIVE COSTS ASSOCIATED WITH LOW/MOD HOUSING FUND – FY 2008-09 – F2M7-505, M2M9-505**

Staff requested the Agency Board allocate the administrative costs associated with the Redevelopment Low/Mod Housing Fund for Fiscal Year 2008-09 in an amount that equals \$393,721, as more fully discussed in the Director of Development Services' June 22, 2009 report on file in the City Clerk's office.

**Discussion:** None

**Action Taken:** Agency Board adopted **Minute Order No. M2M9-505** as follows:

RESOLVED by the Alhambra Redevelopment Agency that this Agency Board hereby determines that the estimated administrative costs associated with Low/Mod Housing Fund activities for Fiscal Year 2008-09 equals \$393,721.

**Vote:** Moved: YAMAUCHI      Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

**3. USE OF TAXES FROM INDUSTRIAL & CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT AREAS FOR COMMUNITY'S LOW & MODERATE HOUSING OUTSIDE PROJECT AREAS – F2M7-505, R2M9-1000**

Staff requested the City Council and Redevelopment Agency Board adopt a resolution finding that the use of Low/Mod Housing funds outside of the Industrial and Central Business District Project Areas will be of benefit to each Project Area, as more fully discussed in the Director of Development Services' June 22, 2009 report on file in the City Clerk's Office.

**Discussion:** None

**Action Taken:** City Council and Agency Board jointly and severally adopted **Resolution No. R2M9-1000** entitled: *A Joint Resolution of the City Council of the City of Alhambra and the Alhambra Redevelopment Agency finding that the use of taxes allocated from the Industrial Redevelopment Project Area and Central Business District Project Area (Project Areas) for the purpose of improving, increasing and preserving the community's supply of Low- and Moderate Income Housing outside the Project Areas will be of benefit to each Project Area*

**Vote:** Moved: YAMAUCHI      Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

**4. FY 2009-2010 STATEMENT OF INVESTMENT POLICY – F2M2-50, M2M9-53**

The City must annually adopt a formal Investment Policy that serves as a guide for the Treasurer to determine what types of investments, terms, and amounts are appropriate for the City and Agency to invest idle cash throughout the year. Consequently, staff requested City Council approval of a Statement of Investment Policy for Fiscal Year 2009-2010 as more fully discussed in the Director of Finance's June 22, 2009 report on file in the City Clerk's Office.

**Discussion:** None

**Action Taken:** City Council/Agency Board adopted **Minute Order No. M2M9-53** as follows:

RESOLVED by the Alhambra City Council that this Council hereby approves that certain investment policy document for the City of Alhambra and the Alhambra Redevelopment Agency entitled, *City of Alhambra Statement of Investment Policy - Fiscal Year 2009-2010*, on file in the City Clerk's Office as F2M2-50 and by this reference incorporated herein and made a part hereof as though fully set forth herein, which document supersedes and replaces that certain document entitled *City of Alhambra Statement of Investment Policy - Fiscal Year 2008-09*; and, the Director of Finance is hereby authorized to take any and all actions necessary to implement said Investment Policy.

**Vote:** Moved: YAMAUCHI      Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

**5. AGREEMENT: ALHAMBRA CENTRAL BUSINESS DISTRICT ASSOCIATION – F2M-55, C2M9-18, M2M9-54**

The City has maintained agreements with the Alhambra Central Business District Association (ACBDA) to provide promotional support to the merchants in the Central

Business District of Alhambra since 1974. An assessment, collected by the City from these merchants, is allocated for marketing and promotion activities specific to the District area. According to the ACBDA agreement, a maximum of 90% of the total funds collected each year by the City may be allocated to the ACBDA. The FY 2009-2010 minimum allocation total is estimated to be \$85,500.

**Discussion:** None

**Action Taken:** City Council/Agency Board adopted **Minute Order No. M2M9-54** as follows:

RESOLVED by the Alhambra City Council that this Council hereby approves that certain AGREEMENT, by and between the CITY OF ALHAMBRA and the ALHAMBRA CENTRAL BUSINESS DISTRICT ASSOCIATION (ACBDA), in the total minimum amount of \$85,500, for certain promotional activities within the Central Business District for a one-year period commencing on July 1, 2009 and continuing to and including June 30, 2010, a copy of which Agreement is on file in the office of the City Clerk as **Contract No. C2M9-18** and incorporated herein by reference and made a part hereof as though fully set forth herein; and, after such Agreement has been duly executed by said ACBDA, the Director of Finance is hereby authorized to execute said Agreement for and on behalf of the City of Alhambra and the City Clerk is hereby authorized to attest the same and to affix the Seal of said City thereto.

**Vote:** Moved: YAMAUCHI      Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

## 6. MINUTES

Minutes of the (8:00 a.m.) June 3, 2009 Special Meeting of the Alhambra Redevelopment Agency and the Alhambra City Council were ready for review and approval by both the Agency Board and/or the City Council.

**Discussion:** None

**Action Taken:** Agency Board/City Council approved as submitted.

**Vote:** Moved: YAMAUCHI      Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

## 7. ACCOUNTS PAYABLE – F2M9-500

Agency staff had submitted for the Agency Board's review and approval Accounts Payable for the period ended June 15, 2009, Check Nos. 10609 - 10627, in the total amount of \$232,661.35.

**Discussion:** None

**Action Taken:** Agency Board approved as submitted.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

#### **8. TREASURER'S REPORT - F2M9-1**

The Director of Finance had prepared the Treasurer's Report for the month of May, 2009, listing all of the City's and the Alhambra Redevelopment Agency's investments as of May 31, 2009, a copy of which is on file in the office of the City Clerk as File No. F2M9-1.

**Discussion:** None

**Action Taken:** Agency Board/City Council approved as submitted.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

### **AGENCY/COUNCIL OLD BUSINESS**

#### **9. CITY OF ALHAMBRA TOWING SERVICES: CONTRACT ANALYSIS OF PROPOSALS RECEIVED – F2M9-36, RFP2M9-3, C2M9-21**

By that certain June 22, 2009 report (the "Report") of the Chief of Police on file in the City Clerk's Office, staff had provided the City Council with an in-depth review and analysis of the proposals received from the three tow companies that responded to the City's Request for Proposal for Official Police Towing Services No. RFP2M9-3. After Council review, staff requested direction from the City Council regarding the award of contract.

**Citizen Input:**

- 1) Elda **BOJORQUEZ**, 1501 South Date Avenue, spoke about Henry's Towing, a family-orientated business founded by her father in 1978 that provides service not only to the City of Alhambra, but all of the San Gabriel Valley. Henry's Towing has been operating at the same location in Alhambra for the past 20 years and her family has lived in the same Alhambra home since 1985 making

them aware of all the programs and facilities the City of Alhambra offers its residents. With respect to service, Henry's Towing has an approximate response time to any call of 15 minutes and operates 24 hours a day. Its primary and secondary yards can provide storage for up to 320 vehicles and has the qualifications to provide light, medium and heavy duty towing. She believed that Henry's Towing had the best equipment and experience to provide the best service to the community.

- 2) Eric **NISHIZAWA**, 14028 Tahiti Way, explained that he was counsel for Al's Towing. He believed that it was in the best interest of the City to provide an exclusive towing contract with one company. He believed an exclusive contract enables the contracting company to provide the best service to the City and its residents because a rotational contract will result in uneven service. He also felt that a rotational contract is problematic because it would result in less money coming back to the City.
- 3) Joe **PAVON**, 905 Westminster Avenue, commented that the 3 companies involved with this Request for Proposal (RFP) process could provide towing services. As the owner of Al's Towing, he believed that what set his business apart from the others was the purchase of all of the equipment needed for the RFP including an ADA compliant truck and a heaving duty truck. He noted that he also made facility improvements in accordance with his understanding of the RFP and the commitment required to the City, the Police Department and the residents of Alhambra. He conveyed that he takes great pride in his work and believes in giving back to the community of Alhambra as it helps his business succeed. He hoped that the Agency Board/City Council would approve an exclusive contract with Al's Towing.

**Discussion:** Mr. **YAMAUCHI** expressed his desire for the Council to grant an exclusive contract to the best company. To approve a rotational contract would mean that for periods of time the company that scored lowest in the RFP process would be towing for the City and that is not desirable. Mayor **PLACIDO** agreed with Mr. Yamauchi's comments and noted that an exclusive contract would bring more consistency to the City's towing process. He was most concerned with the quality of service and safety provided by a company than the amount of money they would generate for the City.

Mrs. **MESSINA** stated that her preference was to have a rotational contract with two companies as it is always a good idea to have a back up and due to the fact that it is hard for businesses to turn a profit in the current economy. Mr. **SHAM** echoed the comments of Mr. Yamauchi and Mayor Placido and further noted that an exclusive contract would allow the City to hold one company accountable for towing services. The Agency Board/Council would also be able to end the exclusive contract if necessary as term limits can be placed on the contract. He also felt that a rotational contract could put a burden on the businesses involved as every other month they may have to lay off employees or redistribute work.

Chairman **AYALA** stated that based on his review of the current RFP and responses along with staff's analysis on the issue, both of the companies that currently provide towing services for the City have done an excellent job. Due to this fact, he would like to maintain the City's current system as staff has recommended that it works and has not

been problematic thus far. It also provides for back up if necessary and allows a company to compensate for what the other company may lack with respect to resources, such as the type of truck needed for a particular tow.

**Action Taken:** Agency Board/City Council awarded an exclusive contract to Al's Towing.

**Vote:** Moved: PLACIDO           Seconded: SHAM  
Ayes: SHAM, YAMAUCHI, PLACIDO  
Noes: MESSINA  
Abstain: AYALA  
Absent: NONE

## **PRESENTATION**

### **10. PROPOSED WATER INTERAGENCY TRANSFER – F2M9-62**

Deputy Director of Utilities **RAY** reported that the City of Alhambra is one of four member agencies to the San Gabriel Valley Municipal Water District (SGVMWD) and due to this fact is allowed to pump 8,025 acre feet of water from our ground water basin located in Azusa this fiscal year. The City of Alhambra's estimated production for fiscal year 2008/09 is 9,425 acre feet leaving estimated over production of 1,400 acre feet. In anticipation of this tendency to overproduce water, the City purchased water ahead of time and stored it in a cyclic storage account which acts like a bank for the purposes of providing water should the City overproduce. Currently, the total amount available in the cyclic account is 6,520 acre feet. If the estimated over production of 1,400 acre feet from this fiscal year is subtracted from the cyclic storage account the estimated year end balance left in the bank for the City is 5,120 acre feet. The City is permitted to lease up to our entire water right of 8,025 acre feet with the ability to purchase replacement water from the SGVMWD which has 19,000 acre feet of replacement water available.

The City has the opportunity to lease the year end balance of 5,120 acre feet at a transfer rate of \$405 per acre foot. The cost for the City to replace the water leased with water purchased from the SGVMWD is \$130 per acre foot. This means that if the City were to lease the water at \$405 per acre foot, it would bring in \$2,025,000 less the amount it would cost to replace the leased water at \$130 per acre foot which is \$650,000. Therefore, the net gain for the City would be \$1,375,000. The City would still be in a good position as the 5,120 acre feet would be replaced and the SGVMWD would still have additional water available to purchase if necessary. A copy of Deputy Director of Utilities Ray's presentation is available in the City Clerk's Office.

**Discussion:** Mrs. **MESSINA** asked how the acre feet of water were measured as they travel from the source that fills the basin in Azusa. Deputy Director of Utilities **RAY** responded that there is a meter in the pipeline where it is measured and that some water is lost through evaporation. Mr. **YAMAUCHI** asked if there would be any impact on the City's ability to provide and maintain a certain amount of water given the current drought in the region. He also wondered if the cost to replace the water could go up from the \$130 per acre foot and into which account the \$1,375,000 the City nets would be placed. Mr. **RAY** explained the lease was only for fiscal year 2008/09 and would allow the leasing agency to pump the water only until June 30, 2009, it would not impact

our future. The City would also be able to purchase more water rights from the SGVMWD if necessary and that the current cost of \$130 per acre foot was set for this year. The \$1,375,00 would go into the water agency fund.

Mr. **SHAM** asked about the agency that was interested in leasing the water and whether they were members of the SGVMWD. He also asked how much water the City of Alhambra was able to purchase from the 19,000 acre feet of replacement water available. He wondered if the City would be able to sell additional water rights to generate additional revenue. Mr. **RAY** answered that a company which has water rights in the San Gabriel Valley but is not one of the four member agencies overproduced their water rights which would cost them \$450 per acre foot to replace if purchased from the SGVMWD. Therefore, to purchase the 5,120 acre feet from the City at \$405 per acre foot would save them money. The City is able to purchase up to 10,000 acre feet from the 19,000 available as we share it with three other cities. The City is not permitted to buy the entire 19,000 acre feet and is only able to lease its production right for the year which is 8,025 acre feet. City Attorney **MONTES** added that generally there is a rule against this type of interagency transfer; however, the Municipal Water District has not provided as much water to some of the districts as they have in the past, leaving those districts looking for alternative sources of water. Due to the fact that the particular district the City belongs to has surplus rights, it has suspended the rule for the moment so that all of the four agencies that are in our district can take their excess capacity and market it to other districts.

Dr. **PLACIDO** asked whether the money gained through the transfer would allow the City to get more water projects completed. Mr. **RAY** responded that would provide additional funding to be used at the Council's discretion. City Manager **FUENTES** added that this was an opportunity to gain just over 1.3 million dollars and due to the fact that the transfer would be conducted in fiscal year 2008/09, as soon as we reach July 1, 2009, the City starts all over again with respect to our water rights.

**Action Taken:** City Council/Agency Board approved the interagency transfer of 5,120 acre feet of water.

**Vote:** Moved: PLACIDO      Seconded: YAMAUCHI  
Ayes: SHAM, MESSINA, YAMAUCHI, PLACIDO, AYALA  
Noes: NONE  
Absent: NONE

#### **ORAL COMMUNICATIONS – F2M9-4**

Marissa **CASTRO-SALVATI**, Region Manager, Local Public Affairs, Southern California Edison (SCE) made a presentation regarding the state of the utility system in Alhambra a copy of which is on file in the City Clerk's Office.

#### **CLOSED SESSION & CITY ATTORNEY ANNOUNCEMENT re SAME - F2M9-14**

City Attorney/Agency Counsel **MONTES** identified those items listed on this evening's agenda which would be discussed in Closed Session as follows:

**Conference with Real Property Negotiator (Govt. Code Section 54956.8):**

- a) Property: City parcel at the N/W Corner of Fremont Avenue & Hellman Avenue, Negotiating parties: The Heger Company, K&L Properties, Ward Nishida, and City Manager/ARA Executive Director Julio J. Fuentes & Director of Development Services Martin, Under Negotiation: Instruction to negotiators will concern price, terms of payment or both.
- b) Property: 410 West Main Street, Negotiating parties: America West Investment Inc. and City Manager/ARA Executive Director Julio J. Fuentes & Director of Development Services Martin, Under Negotiation: Instruction to negotiators will concern price, terms of payment or both.

**Conference with Legal Counsel--Existing Litigation (Govt. Code Section 54956.9(a):**

- 1) Correa et al. vs. City of Alhambra, LASC GC043144
- 2) Alhambra Police Officers' Association vs. City of Alhambra, et al., LASC GS011252

**Conference with Legal Counsel - Anticipated Litigation:** Significant exposure to litigation pursuant to Govt. Code Section 54956.9(b): None. Initiation of litigation pursuant to Govt. Code Section 54956.9(c): 1 matter.

**Discussion of Personnel Matters (Govt. Code Section 54957):** None

**Conference with City's Labor Negotiator (Govt. Code Section 54957.6):**  
None

whereupon at 6:20 p.m., the Agency Board and City Council moved into closed session pursuant to applicable law, including the Brown Act (Government Code Sec. 54950, *et seq.*) for the purpose of conferring with the Agency Counsel/City Attorney.

**RECONVENE & ARA RECESS:** At 7:10 p.m., the Agency Board and City Council moved out of closed session with all members present, whereupon the ARA Chairman recessed the Agency's meeting until such time as the City Council had completed the public portion of its agenda.

**MINUTES  
ALHAMBRA CITY COUNCIL  
Regular Meeting  
June 22, 2009  
7:00 p.m.**

**COUNCIL CHAMBERS**

**ALHAMBRA CITY HALL**

**RECONVENE & ROLL CALL:** At 7:10 p.m., on Monday, June 22, 2009 the Alhambra City Council met in the Council Chambers of the Alhambra City Hall

**PRESENT: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO**

**ABSENT: NONE**

**Officials Present:** City Manager Fuentes, Assistant City Manager/Personnel Director Bacio, City Attorney Montes, Director of Development Services Martin, Director of Public Works Chavez, Deputy City Manager/Director of Utilities Swink, Director of Community Services Jarvis, Chief of Police Hudson, Assistant Fire Chief Kabala, Library Director Hernandez, Deputy City Manager Schultz, Assistant to the City Manager Hayashi, Code Enforcement Manager Bisogno, Senior Deputy City Clerk Myles, Sergeant-at-Arms Rosas

**FLAG SALUTE: Led by Mayor Placido**

### **RESOLUTIONS BY TITLE ONLY**

On motion of Mr. YAMAUCHI, seconded by Mr. SHAM, and carried unanimously (SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO), the City Attorney was instructed to read by title only all resolutions appearing in these minutes which are required by law to be read in their entirety.

### **CEREMONIALS**

**1. COMMENDATION: JUNE KURAMOTO – F2M9-3**

The City Council, on behalf of the citizens of Alhambra, wished to recognize Alhambra resident **JUNE KURAMOTO** upon being an honored koto artist by the Asia America Symphony Association and Guild at the 2009 Bravo Awards Gala. Councilmember **YAMAUCHI** presented the **COMMENDATION** to **JUNE KURAMOTO**.

### **PUBLIC HEARING**

**2. PUBLIC HEARING: 2009-2010 BUDGET & 2009-2010 APPROPRIATION LIMIT – F2M9-17, N2M9-77, R2M9-23, R2M9-24**

This was time and place set by **Notice No. N2M9-77** for the City Council to hold a public hearing to consider the following:

- A. *FY 2009-2010 Budget:*** The adoption of the Annual Budget for the City of Alhambra, the Alhambra Redevelopment Agency, the Golf Course Clubhouse Corporation, the Alhambra Capital Improvements Corporation, and the Alhambra Public Financing Authority for the fiscal years 2009-2010, as well as the Capital Improvements Plan for the 2009-2010 through 2013-2014 fiscal years, as more fully discussed in the June 22, 2009 joint reports of the City Manager and Director of Finance on file in the City Clerk's Office.

City Manager **FUENTES** reported that the FY 2009-2010 Budget, as it is

currently written, calls for 132.9 million in total costs with no layoffs or furloughs necessary nor any reductions or eliminations of programs offered. The Budget increases General Fund reserves and is focused on infrastructure type work especially in the area of streets and furthering development, a hallmark of the City of Alhambra. It also incorporates the use of Federal Stimulus money to accomplish projects throughout the City.

Mr. Fuentes further reported that although the Budget is balanced and a sound financial plan for the City of Alhambra, it was still in jeopardy of becoming a deficit Budget if the State of California does not resolve its financial problems. The League of California Cities has advised the City that we are still at risk of losing our gas tax funds which would mean a loss of 1.4 million dollars which the City uses for street operations and maintenance projects. There is also concern that the Alhambra Redevelopment Agency will lose approximately \$850,000 which has been postponed for the time being as the California Redevelopment Association has been successful litigating the matter against the State of California thus far. However, the possibility remains that the State could take this money. Unfortunately, these two situations could unravel the balanced budget presented to the Council this evening.

Director of Finance **LONGBALLA** explained that if adopted this evening, a complete copy of the FY 2009-2010 Budget and Capital Improvement Plan (CIP) would be available at the City Clerk's Office for the public to review at any time during City Hall business hours. Copies would also be available at the Library, the Finance Department and on the City's website. He also pointed out that the Budget Message portion was great for anyone interested in an easy to read overview of the Budget, as it is only seven pages long and provides an informative summary of the whole Budget document. Mr. Longballa then gave a presentation highlighting the 2009-2010 Budget, the 2009-2010 CIP Budget, General Fund Reserves for FY 2008-09 & FY 2009-10, Total City Budget Expected Revenues and Planned Expenditures along with General Fund Expected Revenues and Planned Expenditures a copy of which presentation is on file in the City Clerk's Office.

**B. *FY 2009-2010 Appropriation Limit*** Proposition XIII B (Gann Initiative) prohibits local agencies from exceeding their 1978-79 fiscal year appropriations after allowing for cost-of-living (CPI) and population changes which are certified by the State Department of Finance. Proposition 111 allows the City to adjust its annual limits for the following factors:

- a) Either the California Per Capita Income or the percentage change in local assessment roll from the preceding year due to the addition of local nonresidential construction in the City.
- b) Either the City's own population growth or the population growth of the entire county.

Government Code Section 7910 requires agencies to adopt a resolution each

year disclosing their appropriation limit. In accordance with Proposition 111, the City is required to conduct a review of their appropriations limit during the annual financial audit. For fiscal year 2007-2008, the City's appropriation limit was reviewed by our auditors, Diehl, Evans & Company, LLP, and determined to be properly calculated. The calculations in computing the City of Alhambra's appropriation limit for the 2009-2010 fiscal year are on file in the Finance Department. The appropriation limit for the 2009-2010 fiscal year is \$106,175,453 and the applicable appropriations subject to this limitation are \$37,181,640. Therefore, the City is under the appropriations limit by \$68,993,813.

**Opened & Closed Public Hearing:** Mayor **PLACIDO** opened the public hearing, and as there was no one present desiring to speak, he closed the same.

**Discussion:** None

**Action Taken:**

1. Adopted **Resolution No. R2M9-24** entitled: *A Resolution of the Alhambra City Council approving the Budget of the City of Alhambra, including the Alhambra Redevelopment Agency, Golf Course Clubhouse Corporation, Alhambra Capital Improvements Corporation, and the Alhambra Public Financing Authority for the 2009-2010 fiscal year and the Capital Improvements Plan for the 2009-2010 through 2013-2014 fiscal years*
2. Adopted **Resolution No. R2M9-23** entitled: *A Resolution of the Alhambra City Council establishing the appropriation limit for FY 2009-2010 and approving the annual adjustment factors used in the calculation thereof*

**Vote:** Moved: AYALA    Seconded: YAMAUCHI  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
Noes: NONE  
Absent: NONE

**PRESENTATION**

**3. STRATEGIC PLAN UPDATE – F2M8-58**

On June 3, 2009, the City Council and Executive Staff met to review the current three-year goals (2008-2011) and six-month objectives to implement the City's strategic plan. Approximately every six months, the City Council and Executive Staff meet to update the objectives. During the strategic planning process, it was determined that the staff will review the progress of the goals and objectives and present to the City Council the status on a monthly basis, which progress is more fully discussed in the Assistant to the City Manager's June 22, 2009 report on file in the City Clerk's Office.

**Citizen Input:**

- 1) **Lola ARMENDARIZ** discussed the property owner/owners of 2121 West Main Street, the pool and pool building removal at Story Park, the purpose and significance of the Red Poppy Pride Program and with which garden supply store the City would be working with to distribute the poppy seeds, the Home Depot fencing and landscaping project and whether the City would share the costs of the project with Home Depot, the day Laborer situation at Home Depot, the potential "Dive-In" movie night, the Environmental Commission, the City's plan to go more "green" and the planned study regarding increases to the Public Works Maintenance Assessment District and whether the Police Facility Assessment would be included. She also suggested that the City reconsider any plans it may have for installation of a fountain at the Gateway Plaza project and consider eliminating the water feature at the Alhambra Park Veterans Memorial.

Regarding Ms. Armendariz' questions on the Strategic Plan items, Mayor **PLACIDO** asked that the Department Heads of each of the appropriate departments and/or lead staff member for the Strategic Plan item to meet with Ms. Armendariz and take the time necessary to ensure all of her questions were answered.

- 2) **Lillian ANAYA**, explained that the reason she attended City Council meetings was to get answers from Council that same evening, not to meet with City staff.

**Discussion:** None

**Action Taken:** City Council received and ordered filed the informational report presented this evening.

#### **CONSENT AGENDA (Item Nos. 4 – 8)**

All items, except Item No. 6, listed under the Consent Agenda were considered by the City Council to be routine and, therefore, were enacted by one motion.

#### **4. CONTRACT AMENDMENT: TECHNOLOGY SYSTEMS, INC. - F98-22, C98-5, M2M9-55**

Staff requested Council authorization to renew the City's Agreement with Technology Systems, Inc., for fiscal year 2009-2010 for computer programming and database support for the City's financial management, utility billing, and network systems as more fully discussed in the Director of Finance's June 22, 2009 report on file in the City Clerk's Office.

**Discussion:** None

**Action Taken:** Adopted **Minute Order No. M2M9-55** as follows:

RESOLVED by the Alhambra City Council that this Council hereby approves that certain FOURTEENTH AMENDMENT TO SOFTWARE

SERVICES AND CONSULTING AGREEMENT (the "Amendment"), by and between the CITY OF ALHAMBRA and TECHNOLOGY SYSTEMS INC. ("TSI"), a copy of which Amendment is on file in the office of the City Clerk as Contract No. C98-5 and by this reference incorporated herein and made a part hereof; and, after such Amendment has been duly executed by TSI, the Mayor is hereby authorized to execute said Amendment for and on behalf of the City of Alhambra and the City Clerk is hereby authorized to attest the same and to affix the Seal of said City thereto.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
Noes: NONE  
Absent: NONE

**5. CONTRACT AWARD: ALHAMBRA MUNICIPAL GOLF COURSE & MULTI-LEVEL DRIVING RANGE MAINTENANCE – F2M9-48, F2M3-84, C2M9-19, RFP2M9-5, M2M9-56**

Staff requested Council award a contract to ValleyCrest Golf Course Maintenance to provide for the maintenance of the Alhambra Municipal Golf Course and Multi-level Driving Range for the period of July 1, 2009 through June 30, 2014 as more fully discussed in the Director of Community Services' June 22, 2009 report on file in the City Clerk's Office.

**Discussion:** None

**Action Taken:** Adopted **Minute Order No. M2M9-56** as follows:

RESOLVED by the Alhambra City Council that this Council hereby accepts that certain proposal of Valley Crest Golf Course Maintenance, for the provision of professional services for maintenance of the Alhambra Golf Course and Multi-level Driving Range (the "Project"); and, in connection therewith, hereby directs the City Attorney to prepare the necessary Agreement (**Contract No. C2M9-19**) and after such Agreement has been prepared, approved as to content and form by the City Manager and City Attorney and duly executed by Valley Crest Golf Course Maintenance, the Mayor is hereby authorized to execute said Agreement for and on behalf of the City of Alhambra and the City Clerk to attest the same and to affix the Seal of said City thereto.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
Noes: NONE  
Absent: NONE

6. **JOINT RESOLUTION: DIRECTING THE CITY ATTORNEY/AGENCY COUNSEL TO COOPERATE IN A LEGAL CHALLENGE TO THE STATE'S PROPOSED SEIZURE OF THE CITY'S HIGHWAY USERS TAX ACCOUNT MONEY AND REDEVELOPMENT FUNDS – F2M9-39, R2M9-1001**

Staff wished to inform the Council of the League of California Cities' desire to plan potential litigation which would challenge the constitutionality of the State's proposed theft of City and County funds from the Highway Users Tax Account and Redevelopment funds and requests that Council consider adoption of a resolution stating the City of Alhambra's stance on the issue as more fully discussed in the Management Services Intern's June 22, 2009 report on file in the City Clerk's Office.

Management Services Intern **PAULSON** reported that for FY 2009-2010 the State is proposing to seize approximately 1.4 million dollars from the City's gas tax revenue and 75% of that amount for the following fiscal year for a total of 2.5 million dollars. In addition to these funds, the State is considering taking 350 million dollars worth of redevelopment funds statewide. The joint resolution before Council this evening would direct the City Attorney/Agency Counsel to cooperate in a legal challenge to the constitutionality of the seizure of the aforementioned funds based on Propositions passed in 1974 and 1998 which gave the voters power to limit the power of the State legislature to seize gas tax funds and also *CRA v. Genest*, a case decided by the Sacramento Superior Court in April of this year which found that efforts by the State to seize redevelopment tax increment for the State's general fund to be in violation of the State Constitution.

**Citizen Input:** **Craig ATHON**, 1616 West Hellman Avenue, expressed strong support of the joint resolution due to the fact the State should not be able to use local city funds as banks to raid when they cannot get their budget in order.

**Discussion:** Mr. **AYALA** asked whether the League of California of Cities has asked cities to participate in the cost sharing of the litigation effort. City Attorney **MONTES** responded no litigation had been put forward thus far but in the event that the City of Alhambra is asked to join a piece of litigation and costs will be incurred, the matter would come back to the City Council for approval. The resolution this evening expresses the City's opposition to the seizure of funds and signals the City's willingness to move in the direction of litigation. It will be bundled with similar resolutions from other League cities and sent to the State.

**Action Taken:** City Council and Agency Board jointly and severally adopted **Resolution No. R2M9-1001** entitled: *A Joint Resolution of the Alhambra City Council and the Alhambra Redevelopment Agency authorizing the City Attorney/Redevelopment Agency General Counsel to cooperate with the League of California Cities, the California Redevelopment Association, other cities and counties in litigation challenging the constitutionality of any seizure by state government of the City's street maintenance and redevelopment funds*

**Vote:** Moved: AYALA                      Seconded: YAMAUCHI  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO

Noes: NONE  
Absent: NONE

**7. PERSONNEL ACTIONS – F2M9-2, M2M9-57**

A list of Personnel Actions has been prepared showing the various appointments, classifications, salary changes, etc., since the last City Council meeting. It would be appropriate to ratify those actions by the City Manager. In addition, as more fully discussed in the Assistant City Manager/Personnel Director's June 22, 2009 report, the Council was asked to approve the class specifications for the employee position classifications of City Clerk, Deputy City Manager/Administrative Services Director and Administrative Analyst to more accurately reflect the current duties and qualifications of these classifications.

**Discussion:** None

**Action Taken:** Ratified the actions of the City Manager set forth in that certain Personnel Actions document dated June 22, 2009 and adopted **Minute Order No. M2M9-57** as follows:

RESOLVED by the Alhambra City Council that this Council hereby approves those certain specifications for the employee position classifications of City Clerk, Deputy City Manager/Administrative Services Director and Administrative Analyst, a copy of which said specifications are on file in the office of the City Clerk as F2M9-2 and by this reference incorporated herein and made a part hereof as though fully set forth herein.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
Noes: NONE  
Absent: NONE

**8. DEMANDS - F2M9-1**

Final Check List (108535 thru 108678) in the amount of \$1,706,688.39 and Schedule of Wire Transfers in the amount of \$382,839.61 for the period ended June 4, 2009 were submitted for Council's approval.

**Discussion:** None

**Action Taken:** Approved as submitted.

**Vote:** Moved: YAMAUCHI Seconded: SHAM  
Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
Noes: NONE

Absent: NONE

**ORDINANCES – URGENCY & FIRST READING**

**9. ORDINANCES IMPLEMENTING STAFFING REORGANIZATIONS IN THE 2009-2010 BUDGET – F2M9-2, O2M9-4546, O2M9-4547, O2M9-4548, O2M9-4549**

To implement the staffing and organizational changes described in the 2009-2010 Budget, staff is requesting the City Council to adopt the following ordinances.

**Discussion:** None

**Action Taken:** Directed the City Attorney to (1) introduce and read by title only **Ordinance No. O2M9-4546** entitled:

An Urgency Ordinance of the City Council of the City of Alhambra, California, Amending Chapter 2.16 of Title II of the Alhambra Municipal Code by establishing the duties of the Administrative Services Director and clarifying additional titles and duties to comply with current city practices

and **Ordinance No. O2M9-4548** entitled:

An Urgency Ordinance of the City Council of the City of Alhambra, California, establishing the benefits for newly created management and confidential employees; and setting the salary ranges for management and confidential employees to include newly created positions and correct discrepancies

after which such ordinances were to be adopted by a 4/5<sup>th</sup>s vote of the Council as they were urgency measures and, (2) introduce and give first reading to **Ordinance No. O2M9-4547** entitled:

An Ordinance of the City Council of the City of Alhambra, California, Amending Chapter 2.16 of Title II of the Alhambra Municipal Code by establishing the duties of the Administrative Services Director and clarifying additional titles and duties to comply with current city practices

and **Ordinance No. O2M9-4549** entitled:

An Ordinance of the City Council of the City of Alhambra, California, establishing the benefits for newly created management and confidential employees; and setting the salary ranges for management and confidential employees to include newly created positions and correct discrepancies

which ordinances would return for a second reading and adoption at the next Council meeting.

**Vote:** Moved: AYALA           Seconded: YAMAUCHI  
          Ayes: SHAM, MESSINA, YAMAUCHI, AYALA, PLACIDO  
          Noes: NONE  
          Absent: NONE

**ORAL COMMUNICATIONS - F2M9-4, F2M8-58, F2M4-74**

1. **Lola ARMENDARIZ** discussed her question on the property owner of 2121 West Main Street, the Strategic Plan goal to identify funding for bringing back the Summer Jubilee in 2010, eliminating non-essential programs such as the July 4<sup>th</sup> Celebration, Summer Jubilee and Rose Parade Float in the next few years for budget purposes, preventative maintenance in the City's parks as it relates to the Strategic Plan goal to use state grant-funded money to accomplish targeted renovations in various parks and the status of the renewal of the current Animal Care and Control Agreement. She also explained that the reason she attended City Council meetings was to ask questions, be informed and to know what is going on with the City. She thought the information she was seeking should be available at the meeting as staff was present for the purpose of answering questions as opposed to having to discuss questions with residents by referral at a later time. She hoped more residents would attend Council meetings in person to ask questions and receive answers.
2. **Craig ATHON**, 1616 West Hellman Avenue, spoke about a recent editorial in *Around Alhambra*. He did not agree with the editorial's assertions that California has a fragile business climate and that increases in taxes, rather than a reduction in spending, would further dim the fragile business climate. He believed that California's business climate may be bad at the moment, but California has a large population that provides a good climate in the long run. He felt if California businesses were taxed at the level of other states businesses, that money would help close the State's budget deficit.
3. **Marissa CASTRO-SALVATI**, Region Manager, Local Public Affairs, Southern California Edison (SCE), expressed concern about changes to the City's fee schedule including how the fees were instituted and their reasonableness. She requested a workshop or study session in the near future to be spearheaded by the City Council, City Manager, City Attorney, Director of Public Works and the City Engineer.
4. **Dana COP**, representing AT&T, also requested a special study session and discussion with the City Council and City staff regarding the fee schedule to help interested utility companies to better understand the increase in fees.
5. **Helen ROMERO-SHAW**, representing the Gas Company, echoed the comments of Ms. Castro-Salvati and Ms. Cop and added that the Gas Company had questions regarding the methodology used to calculate the fees and whether they fit in with their franchise agreement. She also requested a study session to address issues regarding the fee schedule and clarify the process so that in the future when work needs to be performed in the City by any of the utility companies, issues will not arise.

City Manager **FUENTES**, responding to the comments made by Ms. Romero-Shaw, explained that the City did meet with the Gas Company and spent a couple of hours discussing the fee schedule and explaining it in specific detail. The City Engineer has also provided additional information regarding the fees. He noted that before the fees were adopted, the City had two workshops/study sessions at which the fees were part of the agenda and that the agendas are mailed to the utility companies. The City never received any comment from the utility companies until after the fee schedule was adopted. He explained that the City's streets, such as Garfield Avenue which was recently overlaid, have been cut into frequently by the utility companies which impacts the quality of the streets. The City evaluated all of the processes to determine the amount to collect based on the services provided and can justify each adjusted fee. Many of the fees had not been adjusted since the mid 1980's. The City has a responsibility to collect what is reasonably due on behalf of the residents of Alhambra as all of the money will be put back into repairing and improving the streets.

Director of Public Works **CHAVEZ** added that the City had met on two or three occasions with Southern California Edison and met once with the Gas Company. The fees were discussed in detail including the process by which the City determined the fee amounts. To the best of her knowledge, the City never received a request for a meeting to discuss the fee schedule from AT&T. She added that to determine the fees, a typical project for each utility company was used and then broken down by how much time City staff spends on the project including all of the various tasks each staff member must perform in relation to the project from the City Engineer to those that type the paperwork. In addition, the City does not charge the utility companies when they come to the counter for a permit. They are billed on a quarterly basis and other agencies are not afforded that courtesy.

Mr. **AYALA** proposed that the Council be given more information such as a list of issues as well as what the City has discussed with the utility companies in the past as the Council did not have details on the matter before them this evening. Once the Council had been given the necessary information, they could decide whether another study session was warranted.

Mr. **YAMAUCHI** noted that he was unsure as to whether there would be adjustments to the fees at this point, but expressed concern about any misunderstanding or confusion on the part of the utility companies due to the fact that they will continue to perform work in the City. He echoed Mr. Ayala's comments regarding a lack of the necessary details and information on the matter before the Council this evening and explained that once the Council did have the appropriate information, they could make a decision. Responding, Mr. **FUENTES** explained that the City has offered to meet with the utility companies and would continue to offer to meet with them, but he wanted to clarify that there was a difference between a meeting to explain fees and a meeting to determine if a fee is reasonable. Getting into the issue of reasonableness could mean negotiating a fee that is acceptable to the City and the utility companies. If the Council would like to give direction to approach the matter in this way, then he would do so.

Mr. **SHAM** expressed concern about fees that were set regardless of the amount of time the utility companies were disrupting streets to perform work and suggested that perhaps the Council could look into this matter.

Mrs. **MESSINA** thought that if the formulas used to develop the fee schedule were a source of some of the issues then perhaps the Council could take a look at the formulas in the future, but as far as the changing the fees now, they have already been adopted.

Mayor **PLACIDO** encouraged all parties involved to work out the issues regarding the fee schedule and offered to participate in a meeting with City staff and the utility companies to help address their concerns and foster a mutual understanding. If after this meeting it was decided that the matter should be brought back before the entire City Council, then a study session could be arranged. He asked if any other members of the Council would be interested in joining the meeting to which Mr. **AYALA** responded that he would attend.

6. **Winston CHUA**, 1300 Circle Drive, introduced himself as a reporter for the *San Marino Tribune* that would be covering Alhambra news for San Marino.

#### **COUNCIL COMMUNICATIONS (ANNOUNCEMENTS & FUTURE AGENDA ITEMS) – F2M9-7**

Mrs. **MESSINA** explained that last week she attended the San Gabriel Valley Council of Governments' (COG) Jack Phillips Award Reception and wanted to inform the Council that she was now officially an officer of the COG and that the election for her specific position would be July 16, 2009.

Mr. **YAMAUCHI** asked that the meeting be adjourned in honor of the recently retired City Clerk, Frances A. Moore. He also asked for the opinions of his fellow colleagues on the Council and staff about the issue of persons that take recyclable materials from containers left on the street for pick up and also the fruit stands popping up in neighborhoods. He hoped that at some point in the near future the Council could address these issues because although he knows that these activities are illegal, he always feels bad for having to call the Police or Code Enforcement to address the situation.

Mrs. **MESSINA**, responding to Mr. Yamauchi, commented that she has received calls from residents who object to the behavior because they feel that the activities decrease the value of their neighborhoods. She calls Code Enforcement to address the issue whenever she observes the fruit stands in neighborhoods.

Mr. **AYALA** added that in his experience working for Los Angeles County, the primary issue with fruit stands is that some of the fruit from these vendors that was confiscated and tested by the Health Department was deemed to be unsafe. The fruit could potentially make people ill which makes it a Code Enforcement issue.

City Manager **FUENTES** explained that City takes an aggressive approach to persons that are found removing recyclables from containers on the street; we have issued citations and have been working with the courts on fines against the violators. Residents concerned about identity theft have called City Hall on the matter. As far as the fruit stands and street vendors are concerned, the City will issue citations, confiscate the product being sold and hold it for the vendor to come pick up as required by law.

Mayor **PLACIDO** remarked that Police Department and Code Enforcement have done an excellent job in being creative with the resources available to help stop those going through trash bins at night and in the early morning hours considering they have priorities to prevent other more serious offenses. He noted that while some residents choose to leave a small separate bag or container of recyclables for those persons that would otherwise go through their containers, recycling programs that create financial incentives for residents to recycle make other residents wary of people going into their containers. It is a complicated issue that the City continues to work on.

**ARA RECONVENE & ADJOURNMENT:** There being no further business for the Agency Board or Council to transact, the ARA Chairman and Mayor adjourned their respective meetings to 5:30 p.m. on **Monday, July 13, 2009**, in the Council Chambers of the Alhambra City Hall, 111 South First Street, Alhambra, California

**FRANCES A. MOORE, CMC**  
**CITY CLERK & ARA ASSISTANT SECRETARY**  
by  
**LAUREN MYLES, SENIOR DEPUTY CITY CLERK**