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**MINUTES  
LA PUENTE CITY COUNCIL  
ADJOURNED REGULAR MEETING OF  
MAY 23, 2012**

Per *Robert's Rules of Order Newly Revised 10<sup>th</sup> Edition*, minutes are a record of the actions taken by the body. These minutes do not include a summary of the discussion but only reflect the action taken by the body. A complete audio recording of this meeting is available on the City's website [www.lapuate.org](http://www.lapuate.org)

An Adjourned Regular City Council Meeting of the City of La Puente was held in the Council Chambers of City Hall, 15900 East Main Street, La Puente, California, on May 23, 2012, at 3:00 p.m.

**CALL TO ORDER**

Mayor Holloway called the meeting to order at 3:06 p.m.

**ROLL CALL**

Members present: Holloway, Klinakis, House, and Lewis

Members absent: Argudo

Staff present: City Manager Plumlee, City Attorney Casso, City Clerk Jacquez-Nares, Director of Administrative Services Komers, Director of Development Services Consultant DiMario, Police Chief Lt. Cacheiro, City Engineer Pagett, Assistant City Engineer Friej, Finance Manager Leung, Recreation Manager Lerma, Code Enforcement Supervisor Blakley, Associate Planner Chow, Rehabilitation Grant Specialist Galvan, and Management Intern Vargas

**PLEDGE OF ALLEGIANCE**

Council Member House led the Pledge of Allegiance.

**ORAL COMMUNICATIONS** - None.

**E. NEW BUSINESS OF THE CITY COUNCIL**

**E-1 BUDGET WORKSHOP: DISCUSSION AND DIRECTION REGARDING FISCAL YEAR 2012/2013 BUDGET**

City Manager Plumlee provided a brief introduction to this item.

Mayor Holloway requested to review the budget line item by line item and this process was not going to be presented in this manner today. He asked if this could be done before the budget was approved.

City Manager Plumlee stated that the mid-year information can be done line item by line item but the intention today was to provide the overview by department.

Director of Administrative Service Komers provided a PowerPoint Presentation and a summary on the year end 2011/2012 and beginning 2012/2013 Budgets. He stated that in the 2012/2013 budget the items that have been changed are that the staff positions are now being allocated at 100% to their corresponding departments to maximize the amount that comes from special funding sources. The maximum allowable amounts for administrative costs are being charged to these special funding sources to minimize the amount that will come from the General Fund.

Mayor Holloway requested to have an accurate representation of the staffing in each department and not to have one staff member in a position that is doing work across several departments and is doing several positions.

Mayor Holloway asked if the tax numbers provided show the potential tax increment from the new shopping center.

Finance Manager Leung stated that the El Super tax information is included in the fiscal year 2012/2013 budget.

Mayor Holloway stated that there was a difference with how the City would pay back the money they borrowed from the Sewer fund. This may become an issue at the town hall meeting.

Mayor Holloway requested to have a meeting that would drill down each line item of the entire budget because it is important to know why there were increases.

Mayor Holloway asked where the money would come from to establish the special funds because the City currently has a deficit.

Director of Administrative Services Komers stated that the plan is to establish a structural surplus for the City every year and the City would establish a fund balance policy.

Mayor Holloway stated that the issue with the revenue enhancements is that cities are low man on the totem pole; you have the State putting tax increases on the ballot and it is very difficult for cities to continue to add to the taxes.

Mayor Holloway requested to hear from Mayor Pro Tem Klinakis and Council Member House on the revenue enhancing options because they have experience in running successful businesses.

Mayor Pro Tem Klinakis stated that the businesses are providing revenue to the City. If we drive out the businesses, where will the City get this revenue? He is not in favor of adding additional fees for businesses.

Council Member House stated that he agrees with Mayor Pro Tem Klinakis. He suggested that the City look into charging outside businesses to do business within the City.

Mayor Holloway stated that everyone is hurting right now and anyway we look at this list someone would have to pay. Our community is not a wealthy community.

Council Member House asked if the business license fee could be tiered.

Mayor Holloway stated that the City needs to look at surrounding cities fees and make sure that we are not higher.

Mayor Holloway asked if there was another option for animal control services.

Council Member House complained about the animal control services that the County is providing.

A discussion ensued on the amount of votes needed for a tax increase.

Mayor Holloway stated that a parking permit had been tried in the past and it created an outcry from the residents. If this is implemented, then enforcement will have to be done.

Mayor Pro Tem Klinakis requested clarification on the FY 12/13 impact and the full impact.

Director of Administrative Services Komers explained that for the 12/13 impact it was partial year of savings but for the full impact that is a full year of savings.

Mayor Holloway recalled how trying to remove the calendar, spotlight, Easter, and Halloween events had created an outcry among the residents.

City Manager Plumlee asked the Mayor and Council if they had any feedback on the revenue or expenditure list.

Mayor Holloway stated that he would prefer to wait until the public's input on these items before he provided his feedback.

Mayor Pro Tem Klinakis also prefers to wait for the public's input and asked if waiting would cause a hold up in the Budget preparation.

City Manager Plumlee stated that the Council could wait until after the public's input to provide the direction to staff.

Council Member Lewis stated that eliminating the calendar and spotlight would be a good start. The City needs to be more progressive and use social media for these items. She agrees that the decisions will be hard but something needs to be done and she would also like to hear the public's input.

Director of Administrative Services Komers stated that at the end of the presentation there is a slide with a list of the dues for memberships that the City pays for Council and staff.

Mayor Holloway stated that at the town hall meeting he wants for staff to really make it clear the reasons why the City is in this predicament.

Mayor Holloway recessed the Council meeting at 4:36 p.m.

Mayor Holloway reconvened the Council meeting at 4:46 p.m.

City Manager Plumlee began with the department's overview of their budget. He started with the City Council's departmental budget then went over the Administration Budget. The significant change was the creation of an Executive Assistant position for an additional \$67,460 and an additional Management Intern position for \$10,250 which will come from the General Fund.

City Clerk Jacquez-Nares provided an overview of the City Clerk's Office Budget. The significant changes include the potential reclassification of the Administrative Secretary position from the City Manager's Office to the Clerk's Office and the potential elimination of the Records Technician position which increases the City Clerk's Office budget General Fund allocation for salaries an additional \$24,225.

Mayor Holloway asked if this budget includes any monies spent on Carol Cowley for interim City Clerk or for Adrian Garcia as acting deputy city clerk.

City Manager Plumlee answered that the budget does include monies for Adrian Garcia as acting City Clerk but none for the consultant for City Clerk services there are only Election cost services for Carol Cowley.

Mayor Holloway stated that he would like a breakdown on the stand alone election because he was led to believe it would cost less than if the election was consolidated with the county.

City Clerk Jacquez-Nares continued with the overview of her department.

Mayor Holloway asked about the staffing for the City Clerk's Office because if the proposed changes are not made, will the current positions in that department remain.

City Manager Plumlee stated that the proposed staffing changes have been incorporated in the budget but if they do not get adopted then the existing positions will still remain in place.

Director of Administrative Services Komers provided the overview for the Human Resources/Risk Management department's budget. The significant changes are the elimination of the Human Resources/Risk Manager position for \$134,970 and the creation of a Management Assistant position for \$65,150.

Council Member Lewis requested clarification on how the duties of the Human Resources/Risk Manager position will be handled if this position is eliminated and the Management Assistant position is not approved.

Mayor Holloway asked if the labor law attorney has an opinion on the removal of the Human Resources/Risk Manager position. He also requested to have her brief the Council on this and other items.

Director of Administrative Services Komers stated that she has not expressed a concern either way.

Finance Manager Leung provided the overview of the Financial Services Division. The significant change is the \$489,750 for the re-classification of salaries and benefits.

Mayor Holloway requested clarification on the \$489,750.

Finance Manager Leung clarified that the new accounting system is now charging all of the staff's time within their corresponding divisions.

Director of Administrative Services Komers provided the overview for the Information Technology Division.

Mayor Holloway asked if this includes the agreement with ANYONE. He also requested that staff contact Mike from ANYONE and provide him with an update on what the staff is doing and to inform him if there are any issues that need to be addressed. Mayor Holloway requested an update on the City's website.

Director of Administrative Services stated that the ANYONE agreement will expire at the end of June and that staff would solicit requests for proposals for this service. He stated that he has a draft of the webpages and he just needs to let them know to move forward.

City Manager Plumlee stated that he would have staff set up a meeting with Mike of ANYONE to talk to them about the website and the surveillance project.

Director of Administrative Services Komers provided the overview for the Insurance and Surety Division. This Division has been combined with Human Resources/Risk Management Division and would be eliminated.

Finance Manager Leung provided the Overview for the Retiree Benefits Division. The significant change was the increase in the premiums.

Finance Manager Leung provided the overview of the Non-Departmental account. This account is used to move funds such as the repayment of the Sewer Fund Loan and the purchase of the French American Bakery.

Mayor Holloway requested a quick update on the status of the French American Bakery. City Manager Plumlee stated that the plan was to take the property negotiation items into closed session at the next meeting and that these projects would be discussed during the Capital Improvement section of the budget.

Director of Development Services DiMario provided the overview of the General Services Division. This account is to pay for maintenance of City Hall and currently has the debt of the HVAC system. The surveillance system has also been budgeted in this account.

Director of Development Services DiMario provided the overview on the Public Works Services.

Mayor Holloway asked how the consultant for the position of Director of Development Services is being paid.

Director of Administrative Services Komers stated that this Division's budget includes six months of the consultant's pay and six months of the permanent position's pay.

Assistant Planner Chow provided the overview for the Transit Services Division. She stated that there are not many providers for this type of service like with the fixed route services.

Mayor Holloway asked if the staff was going to go out for bids for this service. He asked who are the on the bidders list. Mayor Holloway requested that this information be provided to all service providers. He also asked if the City would be replacing the buses for these services.

Director of Administrative Services Komers stated that there is a draft of the request for proposals that would be sent out in a couple of months.

City Manager Plumlee stated that there is not a bidder's list but it would be sent out through the normal channels. He stated that during the fleet presentation there will be information on the replacement of two busses and the additional vehicles being purchased.

Mayor Pro Tem Klinakis requested clarification on the numbers presented in this account. He would like to know if there is a current monitoring system for the riders that use this service.

Finance Manager Leung clarified that the differences between the preliminary, actuals and adopted budgets.

Assistant Planner Chow stated that Southland Transit does provide monthly invoices but they do not distinguish whether it is the same person or various people taking the trips.

Assistant Planner Chow provided the overview of the Planning/Zoning Services Division. The significant change is the funding for the zoning code update and the initial part of the housing element.

Mayor Holloway asked where the rest of the cost for the zoning code update is allocated.

Director of Development Services DiMario stated that the total amount to complete the zoning code update is included in the \$70,000.

Rehabilitation Grants Specialist Galvan provided the overview of the Housing/Community Services Division. The significant change is the increase of the funding for the housing rehabilitation grants.

Mayor Holloway asked what was the benefit received due to increasing the Community Development Block Grant Funding for these rehabilitation loans if they could not be processed. He asked if the current staffing could process these loans.

City Manager Plumlee stated that the current staff does not have the resources to process all these loans.

Rehabilitation Grants Specialist Galvan provided the number of applicants in both types of loans.

Director of Administrative Services Komers stated that staff is proposing the addition of a Management Assistant in the Administrative Services Division that would relieve the additional duties that the Rehabilitation Grant Specialist currently has and would allow for Ms. Galvan to focus only on the housing grants duties.

Council Member Lewis requested that Rehabilitation Grants Specialist Galvan provide the steps of the approval process for these grants.

Rehabilitation Grants Specialist Galvan provided the entire step by step process of approving the grants. She stated that it usually takes between four to five months for a grant to be processed and approved.

Mayor Holloway requested clarification on the residual amount from the previous years.

Finance Manager Leung explained that any residual funds are but in an unallocated fund for the City's use for the next fiscal year.

Mayor Pro Tem Klinakis asked if the additional CDBG funding for these grants was taken from the wall project.

Finance Manager Leung stated that the wall funding was from the residuals of the prior year's budget.

Director of Development Services DiMario stated that he would contact the CDC to have them help streamline the process to better serve the community with the current staff level.

Mayor Holloway requested that when the Community Development Block Grant (CDBG) funding discussion comes before the Council that staff is forthcoming with the level of service that can be provided with these funds and if they cannot be used in their entirety then they need to be allocated to another project.

Rehabilitation Grant Specialist Galvan provided an overview of the City's Spotlight Newsletter.

Recreation Manager Lerma provided an overview of the City's Calendar.

A Council discussion ensued then staff as given direction to request proposals for these publications and to also look into cost saving alternatives to produce these publications.

Director of Development Services DiMario provided the overview for the Building and Safety Division. This is the cost for the services provided by Willdan.

Director of Development Services DiMario provided the overview for the Engineering Services Division.

Mayor Holloway requested clarification on how the engineering services costs are being charged.

Director of Development Services DiMario stated that the services from the County are a direct charge.

Finance Manager Leung stated that Willdan's fee is at 65% of the permit fee.

Director of Development Services DiMario provided the overview for the Park Maintenance Division.

Mayor Pro Tem Klinakis requested clarification on the use of these special funds because his understanding is that these special funds are being used for administrative costs to

reduce the amount that would come out of the general fund which in turn reduces the services that the special funds provide such as street repairs.

City Manager Plumlee stated that he was correct but that the critical needs are still a priority that would be met.

Council Member House left the meeting at 6:02 p.m.

Director of Development Services DiMario provided the overview for the Waste Management Services Division.

Mayor Holloway requested that staff work with Valley Vista to provide a count on the residents that have utilized the green program.

Director of Development Services DiMario provided the overview of the Sewer Construction/Maintenance Division.

Director of Development Services DiMario and City Engineer Pagett provided the overview for the 2007 Sewer Revenue Bond Debts Service Fund Division.

Director of Development Services DiMario provided the overview for the Consolidated Sewer Maintenance District Division.

Council Member Lewis asked if the City could go back to the County for Sewer Maintenance.

City Attorney Casso stated that the County would have to accept the City back into that program. He recalls that the reason why the City left the County was because the County was not providing the service the City was paying for.

City Manager Plumlee stated that it was to the City's advantage to have their own maintenance program.

City Engineer Pagett stated that there was no funding available from the County for the City of La Puente when the City opted out of the County's program.

Director of Development Services DiMario provided the overview of the Fleet Division. The significant change is the increase in vehicle maintenance of \$8,000. The City has submitted for AQMD grant funding.

Mayor Holloway asked if the City's excess vehicles that are not being used could be sold as surplus.

Director of Development Services DiMario stated that staff is discussing the placement of these vehicles in surplus.

Police Chief Lt. Cacheiro provided the overview of the Public Safety Services.

Mayor Pro Tem Klinakis requested clarification on the expenditures which include the Sheriff's contract.

Police Chief Lt. Cacheiro stated that the contract is being worked on and is approximately 4.8 million dollars in services.

Finance Manager Leung stated that the 5.2 million includes other services within this Division such as animal control services and parking citation processing along with the 4.8 million which is the Sheriff's contract.

Mayor Holloway asked the Chief if providing Captain Claus authorization to disperse the 5.2 million for any type of service and not to restrict the use could be beneficial to the City while negotiating this contract.

Police Chief Cacheiro stated that he does not remember the specifics but that he, the City Manager and the contract law bureau will be meeting within the next week to discuss this contract.

Mayor Holloway requested that staff provide the difference in revenue that the City was making when the City changed from traffic patrol cars to SAO patrol cars at the time the Sheriff's contract is agendized for approval.

Police Chief Lt. Cacheiro stated that the cost to the City was approximately 40 to 60 thousand dollars in traffic revenue and the removal of the DUI checkpoints cost the City approximately \$53,000 in revenue.

City Manager Plumlee stated that staff would bring back the analysis of these services to the Council.

Code Enforcement Supervisor Blakely provided the overview of the Code Enforcement Services Division. The significant change was the elimination of the purchase of a new vehicle using AQMD funds.

Mayor Holloway recessed the City Council Meeting at 6:26 p.m.

Mayor Holloway reconvened the City Council meeting at 6:32 p.m.

Recreation Manager Lerma provided the overview for the Community Center Services and Youth Learning Activity Center Services Divisions. The significant change was the creation of the Recreation Coordinator and Specialist positions.

Director of Development Services DiMario provided the overview for the Puente Creek Education Center.

Mayor Pro Tem Klinakis requested that staff keep an eye on this facility so that it would not become a hardship on the City.

Council Member Lewis requested clarification on how the park would be used, who would be able to use the park, and if there needed to be educational programs to comply with the grant funds used to build the center.

Development Services Director DiMario stated that it would be an open park for everyone to use and that he was not sure if the grant requires education programs.

Mayor Holloway requested that staff look into the after school programs within the school districts so that the City will no longer have to provide afterschool programs.

Recreation Manager Lerma provided the overview for the Senior Center Services Division.

City Manager Plumlee mentioned that the Senior Center will be participating in the Art Walk on Saturday, May 26, 2012 at 1:00 p.m.

Director of Development Services DiMario and City Engineer Pagett provided the overview for the Capital Improvement projects for this Division.

Mayor Holloway asked about the drainage issue on Santo Oro Avenue.

City Engineer Pagett answered that this issue would be addressed within the next fiscal year.

Mayor Pro Tem Klinakis questioned the Temple Street beautification project and the acquisition of the property for the Main Street Park.

Mayor Holloway asked if the Main Street Park project does not move forward what would happen to that funding and when this item would be discussed in closed session.

City Manager Plumlee stated that it would reduce the deficit by \$375,000. This item would be discussed in closed session on June 12, 2012.

Council Member Lewis requested clarification on the safe routes to school project.

City Engineer Pagett clarified that this fiscal year no funding will be needed for the safe routes for school project because it has been completed.

Mayor Holloway asked about the flashing crosswalk on Glendora that is a good concept but the crosswalk is poorly lit which makes it very difficult to see anyone in the crosswalk. He requested that staff look into this crosswalk. Mayor Holloway stated that the City wants to spend less from the general fund and more from the specialized funds.

Director of Development Services DiMario stated that the City of Industry would be spending one million dollars to resurface Nelson Street from Unruh to Puente.

Mayor Holloway asked who would be notifying the residents that the street would undergo this improvement. He requested that staff inform the residents of this construction.

Director of Administrative Services Komers provided the timeline for the adoption of the Fiscal Year 2012-2013 Budget.

#### ORAL COMMENTS FROM COUNCIL

Mayor Holloway thanked staff for their hard work in preparing and presenting the budget.

Mayor Pro Tem Klinakis suggested that these meetings be scheduled earlier during the day.

Council Member Lewis thanked staff for all their hard work.

Mayor Holloway clarified the Travel Ad Hoc Committee membership. Council Member Lewis and he are the only members of this committee and Ms. Lois Maben is a subject matter expert that the Committee is soliciting information from and is not a voting member. All residents are encouraged to come forward and provide travel information to this Committee.

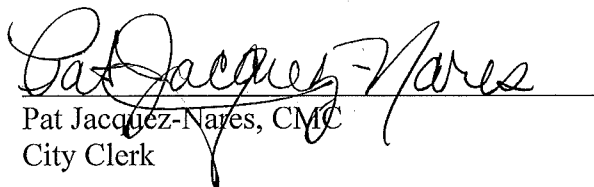
#### ORAL COMMENTS FROM STAFF

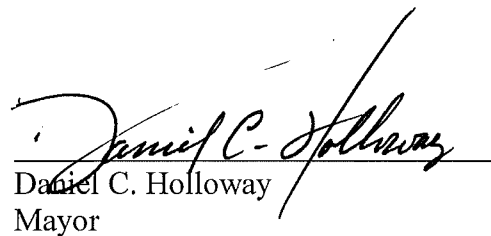
City Manager Plumlee thanked the Council Members for allowing staff to present the budget. He also thanked staff for their hard work.

#### ADJOURNMENT

Mayor Holloway adjourned the meeting at 7:04 p.m. to the June 29, 2012 Budget Town Hall Meeting at 6:30 p.m. at the Senior Center.

Approved this 12<sup>th</sup> day of July 2012

  
Pat Jacquez-Nares, CMC  
City Clerk

  
Daniel C. Holloway  
Mayor