

MINUTES OF THE ADJOURNED JOINT MEETING OF
THE MONTCLAIR CITY COUNCIL AND REDEVELOP-
MENT AGENCY AND MONTCLAIR HOUSING CORP-
ORATION BOARDS HELD ON THURSDAY, JUNE 15,
2006, AT 6:32 P.M. IN THE CITY COUNCIL CHAMBERS,
5111 BENITO STREET, MONTCLAIR, CALIFORNIA

I. CALL TO ORDER

Mayor/Chairman Eaton called the meeting to order at 6:32 p.m.

II. ROLL CALL

Present: Mayor/Chairman Eaton; Mayor Pro Tem/Vice Chairman Dutrey; Council Members/Directors Paulitz and Raft; City Manager/Executive Director McDougal; Director of Administrative Services Starr; Director of Redevelopment/Public Works Staats; Director of Community Development/Agency Planner Clark; City Clerk/ Agency Secretary Jackson

Also Present: Assistant Finance Director Beltran

Absent: Council Member/Director Ruh (excused)

III. PUBLIC COMMENT - None

IV. REVIEW OF CITY OF MONTCLAIR FISCAL YEAR 2006-07 PRELIMINARY BUDGET, CITY OF MONTCLAIR REDEVELOPMENT AGENCY FISCAL YEAR 2006-07 PRELIMINARY BUDGET, AND MONTCLAIR HOUSING CORPORATION FISCAL YEAR 2006-07 PRELIMINARY BUDGET

CITY OF MONTCLAIR FISCAL YEAR 2006-07 PRELIMINARY BUDGET

Council Member/Director Paulitz received clarification that to date, the Fiscal Year 2005-06 sales tax revenues reflect a 2.51 percent increase over the same period in Fiscal Year 2004-05.

Council Member/Director Paulitz inquired as follows:

1. Why has the Police Department management hierarchy changed over the years and what positions would comprise the optimum command structure?

City Manager/Executive Director McDougal answered, "The optimum would be one chief, two captains, three lieutenants, and eight sergeants," explaining that attrition and adjustments to accommodate training have caused the hierarchy to change over the years.

2. Why is there an estimated \$297,350 decrease in building activity licenses and permits anticipated when new development is expected to take place in the North Montclair Downtown Specific Plan and San Antonio Gateway areas as well as the area south of Mission Boulevard?

Director of Community Development/Agency Planner Clark advised that current revenues are based upon the amount of tract development occurring in the southern portion of town. He noted staff is providing a conservative estimate and that the estimate would be exceeded should development occur in the North Montclair Downtown Specific Plan and other areas.

Council Member/Director Paulitz commented on the \$343,035 being requested for automated red light traffic enforcement.

City Manager/Executive Director McDougal advised that the collection rate on these citations is approximately 19 percent.

Noting he had realized from the onset that it would not be a revenue-producing program, Council Member/Director Paulitz expressed his opinion that there should be a change in state law making the vehicle owner responsible for any infractions or accidents caused by any operator of his/her vehicle.

Council Member/Director Paulitz inquired concerning the significantly smaller amount proposed for the Capital Outlay Budget compared to last year.

Assistant Finance Director Beltran explained that last year's Capital Outlay Budget contained funds for equipment for the new Police facility, including two dispatch consoles.

Mayor Pro Tem/Vice Chairman Dutrey received confirmation that the City would maintain a healthy reserve balance despite proposed set asides for special fund/account purposes, including unfunded liabilities and City facility infrastructure repairs. He asked for clarification concerning set asides to the GASB 45 Retiree Medical Liabilities Fund and Leave Liability account.

City Manager/Executive Director McDougal clarified the following:

1. Funds are set aside in the Leave Liability account for postemployment leave liabilities.
2. Government Accounting Standards Board Statement No. 45 (GASB 45) regulations on accounting and financial reporting by employers for postemployment benefits other than pension require the City to fund qualifying retirees' medical insurance.

Mayor Pro Tem/Vice Chairman Dutrey inquired as to the qualifying criteria for this benefit.

City Manager/Executive Director McDougal replied that employees hired before July 1, 2006, who accumulate 15 years of service and employees hired after that date who accumulate 25 years of service would qualify.

Mayor Pro Tem/Vice Chairman Dutrey asked where he might find the amount allocated to the 3% @ 50 safety retirement liability.

Director of Administrative Services Starr responded that the amounts are listed in the personnel expenditure components of the Fiscal Year 2006-07 Preliminary Budget.

Discussion centered on the fact that the City's growth rate lags behind the state average at this point.

Mayor Pro Tem/Vice Chairman Dutrey suggested members of the Community Action Committee (CAC) be compensated \$100 per month for their work on special projects and annual programs.

Director of Administrative Services Starr advised that a stipend in excess of \$50 per month would qualify CAC members to receive fringe benefits.

Mayor/Chairman Eaton noted he was asked to serve on the CAC when it was established in 1970 and that he was happy to do so. He recalled being told at that time that members would receive no compensation for their service.

Council Member/Director Paulitz concurred. He noted members of the Planning Commission receive compensation for the amount of work they do and for their semimonthly meeting attendance, whereas members of the CAC work intermittently on special projects. He spoke in favor of maintaining the status quo.

Mayor/Chairman Eaton concurred.

Council Member/Director Paulitz inquired as follows:

1. Is the projected decrease to the General Fund a result of adding personnel and allocations to specific reserve funds?

City Manager/Executive Director McDougal answered, "Yes."

2. What is the reason for not spending down the balance in the Air Quality Improvement Fund?

Director of Community Development/Agency Planner Clark replied that \$156,000 was spent last year to acquire the new Montclair Golden Express minibus and another alternative-fuel vehicle. He noted an additional alternative-fuel vehicle is being requested for the next fiscal year. He stated the amount carried over is relatively low compared to other cities and that the City has not had any complaints from the **South Coast Air Quality Management District**.

Council Member/Director Paulitz noted he does not want the City to be penalized for not spending the funds.

Director of Community Development/Agency Planner Clark noted that staff has just completed a \$60,000 diesel-particulate matter **Mobile Source Air Pollution Reduction Review Committee** grant application.

Mayor Pro Tem/Vice Chairman Dutrey asked if the Police Department would be acquiring some new vehicles.

City Manager/Executive Director McDougal answered, "Yes, five patrol vehicles."

Council Member/Director Paulitz inquired as follows:

1. Why is the budget for the City Attorney being increased from \$193,194 to \$255,115?

Director of Administrative Services Starr answered, "There's been a lot of activity this year related to the City Attorney's legal research into issues, particularly adult bookstores; and that number has gone up significantly and is anticipated to continue to stay up for the first half of this next fiscal year."

2. Do we still have to do some more work in that area?

Director of Administrative Services Starr answered, "Yes," noting an additional legal firm is assisting the City Attorney on the matter and that a typical monthly bill averages \$20,000 to \$30,000.

CITY OF MONTCLAIR REDEVELOPMENT AGENCY FISCAL YEAR 2005-06 PRELIMINARY BUDGET

Executive Director McDougal pointed out the substantial increase in assessed value in the Mission Boulevard Joint Redevelopment Project Area and expressed his hope that the Agency would soon be able to utilize some of the tax increment funds to make additional public improvements along Mission Boulevard.

Director Paulitz inquired as to the reason for the increase.

Executive Director McDougal replied that the increase is mainly attributable to the resale of industrial units within the Project Area in the 4600 block of Mission Boulevard.

Director Paulitz noted the Public Works Committee discussed needed public improvements along Mission Boulevard. He inquired as to projected assessed valuation increases in the Project Area.

Director of Redevelopment/Public Works Staats answered, "We think it will increase; it will probably take perhaps another year before we might be able to issue bonds based on the purported increases in order to significantly finance more Mission Boulevard improvements."

Director Paulitz thanked Director of Redevelopment/Public Works Staats for the information.

Director Dutrey inquired as follows:

1. When is Phase 4 of the Mission Boulevard Improvement Project scheduled to start?

Executive Director McDougal answered, "I've been told October."

2. What area is included in Phase 4?

Executive Director McDougal advised that the improvements would extend approximately 800 feet west and 300 feet east of Monte Vista Avenue.

Director Paulitz asked if the **Rock of Life Community Church**, 9720 Central Avenue, might be vacating the former **United Artists Theater** building because of the steep rent.

Executive Director McDougal replied that the church's share of the triple-net maintenance, insurance, and taxes on the property has increased sharply from \$1,700 to \$4,000 per month.

*MONTCLAIR HOUSING CORPORATION FISCAL YEAR 2005-06
PRELIMINARY BUDGET*

Moved by Mayor/Chairman Eaton and seconded by Council Member/Director Raft that the City Council and Redevelopment Agency and Montclair Housing Corporation Boards conceptually approve the respective City of Montclair Fiscal Year 2006-07 Preliminary Budget, the City of Montclair Redevelopment Agency Fiscal Year 2006-07 Preliminary Budget, and the Montclair Housing Corporation Fiscal Year 2006-07 Preliminary Budget.*

Mayor/Chairman Eaton thanked City Manager/Executive Director McDougal and staff for their efforts to develop the budgets, for saving our residents' money, and for spending City/Agency/MHC revenues wisely.

*Motion carried as follows:

AYES: Raft, Paulitz, Dutrey, Eaton
NOES: None
ABSTAIN: None
ABSENT: Ruh

Noting his wife is a Board Member of the **Ontario-Montclair YMCA**, Mayor Pro Tem/Vice Chairman Dutrey announced that the **YMCA** will be conducting a fundraiser at **Outback Steakhouse**, 1510 South Auto Center Drive, Ontario, from 4:00 to 6:30 p.m. on Monday, June 26, 2006. He noted for a \$20 donation you will be served either steak or chicken and a baked potato, salad, drink, and dessert. He added that he has tickets to the fundraiser for those interested in attending.

**V. ADJOURNMENT OF CITY COUNCIL AND REDEVELOPMENT AGENCY
AND MONTCLAIR HOUSING CORPORATION BOARDS OF DIRECTORS**

At 7:04 p.m., Mayor/Chairman Eaton adjourned the City Council and
Redevelopment Agency and Montclair Housing Corporation Boards of
Directors.

Submitted for City Council/Redevelop-
ment Agency Board/Montclair Housing
Corporation Board approval,

Yvonne L. Smith
Transcribing Secretary