

MINUTES OF THE REGULAR JOINT MEETING OF THE MONTCLAIR CITY COUNCIL, CITY COUNCIL ACTING AS THE SUCCESSOR TO THE REDEVELOPMENT AGENCY BOARD, AND MONTCLAIR HOUSING CORPORATION BOARD HELD ON TUESDAY, FEBRUARY 21, 2012, AT 6:59 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 6:59 p.m.

II. INVOCATION

Pastor Vicki Brobeck, Grace Fellowship Foursquare Church, gave the Invocation.

III. PLEDGE OF ALLEGIANCE

Council Member/Director Ruh led those assembled in the Pledge.

IV. ROLL CALL

Present: Mayor/Chairman Eaton; Mayor Pro Tem/Vice Chairperson Raft; Council Members/Directors Paulitz, Dutrey, and Ruh; City Manager/Executive Director Starr; Director of Redevelopment/Public Works Staats; Director of Community Development Lustro; City Engineer Hudson; City Attorney Robbins; Deputy City Clerk Smith

V. PRESENTATIONS

A. Introduction of New Employees

Chief Jones introduced **Mr. Brian Rose**, who was rehired as a Police Officer effective February 21, 2012. He noted Officer Rose previously worked as an Officer for the Montclair Police Department from 1997 to 2000, at which time he left for an employment opportunity with the **Department of Justice, Bureau of Narcotics**.

Mayor Eaton welcomed Officer Rose back to the Montclair City family and presented him with a City pin.

Police Chief Jones introduced **Mr. Chad Ebli**, who was appointed to the position of Reserve Police Officer effective January 23, 2012, after working as a Cadet for the Montclair Police Department over the last five years. He noted Reserve Officer Ebli earned his Bachelor's degree in Criminal Justice from **California State University, San Bernardino**, in June 2007, and that he completed a six-month internship with the **U.S. Marshals Service**, Los Angeles, while in school.

Mayor Eaton welcomed Reserve Officer Ebli to the Montclair City family and presented him with a City pin.

Fire Chief Ament introduced **Mr. Stanley Boehm**, who was appointed to the position of Firefighter/Paramedic effective January 16, 2012. He noted Firefighter/Paramedic Boehm previously worked for the **San Bernardino County Fire Department**, recently earned an Associate's degree each in Fire Science and Paramedicine, and graduated from paramedic school in 2008.

Mayor Eaton welcomed Firefighter/Paramedic Boehm to the Montclair City family and presented him with a City pin.

B. Presentation of Proclamation Recognizing Prime Healthcare Services and Montclair Hospital Medical Center Physicians, Nurses, and Staff for Putting Montclair on the National Map for Quality Patient Care

Chief Ament introduced **Montclair Hospital Medical Center (MHMC)** and **San Dimas Community Hospital** Chief Executive Officer **Geoffrey Brentano**. He acknowledged **Mr. Brentano** and **Chino Valley Medical Center** President and Chief Medical Officer **James M. Lally, DO, MMM**, for their \$50,000 cash donations and about the same amount in equipment over the past five years to the Montclair Fire Department Paramedic Program. Noting an item on tonight's agenda related to the Fire Department's proposed acquisition of three **LifePak 15** cardiac monitor/defibrillators made possible by the availability of a **Federal Emergency Management Agency** grant, he asserted that **Mr. Brentano** worked over the years to secure much-needed cash and equipment donations through the auspices of **MHMC** to benefit the City's Paramedic Program and the Montclair Medical Clinic, which has received upwards of \$100,000 in personnel costs. He thanked **Mr. Brentano** for his leadership in the community.

Mayor Eaton presented a proclamation to **Mr. Brentano** recognizing **Prime Healthcare Services** and **MHMC** physicians, nurses, and staff for putting Montclair on the national map by providing quality patient care in our community. He stated, "Thank you so much for all that you folks do."

Mr. Brentano accepted the proclamation and thanked Mayor Eaton.

VI. PUBLIC COMMENT

- A. Mr. Jody Rinker**, 5195 Evert Street, Montclair, noted pet owners are being careless about picking up after their dogs at **Essex Park**. He noted the grassy area outside the gates could be accessed by the public should the City decide to lock the gates to prevent further sanitation issues and metal theft. He suggested that sturdy heavy-duty bolts, such as the type used in playgrounds, be used to repair the bleachers, advising that he himself tightened some of the bolts using a standard crescent wrench. He stated that the ball fields are important for youth athletics.

Mayor Eaton thanked **Mr. Rinker** for his comments and for monitoring the condition of the park.

VII. PUBLIC HEARINGS - None

VIII. CONSENT CALENDAR

Council Member Paulitz requested that Items B-3 and D-1 be removed from the Consent Calendar for comment.

Moved by Council Member/Director Dutrey, seconded by Mayor Pro Tem/Vice Chairperson Raft, and carried unanimously to approve the following Consent Items as presented:

A. Approval of Minutes

1. Minutes of the Special Joint Council/Agency Board Meeting of December 15, 2011

The City Council and City Council acting as successor to the Redevelopment Agency Board of Directors approved the minutes of the December 15, 2011 special joint meeting.

2. Minutes of the Regular Joint Council/Successor Agency Board/MHC Board/MHA Board Meeting of February 6, 2012

The City Council, City Council acting as successor to the Redevelopment Agency Board of Directors, and Montclair Housing Corporation and Montclair Housing Authority Boards of Directors approved the minutes of the February 6, 2012 regular joint meeting.

B. Administrative Reports

1. Receiving and Filing of City Treasurer's Report

The City Council received and filed the City Treasurer's Report for the month ending January 31, 2012.

2. Approval of City Warrant Register and Payroll Documentations

The City Council approved the City Warrant Register dated February 21, 2012, totaling \$788,117.07, and the Payroll Documentation dated January 1, 2012, amounting to \$556,665.64, with \$393,121.86 being the total cash disbursement; and the Payroll Documentation dated January 15, 2012, amounting to \$746,446.90, with \$413,818.74 being the total cash disbursement.

4. Approval of Agency Warrant Register

The City Council acting as successor to the Redevelopment Agency Board approved the Redevelopment Agency Warrant Register dated 1.01.12-1.31.12 in the amounts of \$3,617.59 for Project I; \$325,774.73 for Project II; \$3,346,494.75 for Project III; \$235,258.85 for Project IV; \$1,115,106.29 for Project V; and \$442,203.50 for the Mission Boulevard Joint Redevelopment Project.

5. Receiving and Filing of MHC Treasurer's Report

The MHC Board received and filed the MHC Treasurer's Report for the month ending January 31, 2012.

6. Approval of MHC Warrant Register

The MHC Board approved the MHC Warrant Register dated 1.01.12-1.31.12 in the amount of \$63,990.95.

7. Setting a Public Hearing to Consider Adoption of Resolution No. 12-2940 Adjusting the Equivalent Dwelling Unit Monthly Fee for Sewer Service

The City Council set a public hearing for Monday, March 5, 2012, at 7:00 p.m. in the City Council Chambers to consider adoption of Resolution No. 12-2940 adjusting the equivalent dwelling unit monthly fee for sewer service.

8. Setting a Public Hearing to Consider Adoption of Ordinance No. 12-928 Amending Section 9.20.460 of and Adding Section 9.20.465 to the Montclair Municipal Code Related to the Equivalent Dwelling Unit Value

The City Council set a public hearing for Monday, March 5, 2012, at 7:00 p.m. in the City Council Chambers to consider adoption of Ordinance No. 12-928 amending Section 9.20.460 of and adding Section 9.20.465 to the Montclair Municipal Code related to the equivalent dwelling unit value.

9. Setting a Public Hearing to Prioritize Funding for Fiscal Year 2012-13 Community Development Block Grant Projects

The City Council set a public hearing for Monday, March 5, 2012, at 7:00 p.m. in the City Council Chambers to prioritize funding for Community Development Block Grant projects.

10. Authorization to Receive \$80,956 From a Federal Emergency Management Agency Grant for Purchase of Three Cardiac Monitor/Defibrillators and Accessories

Authorization of an \$8,995 Appropriation From the Contingency Account to Pay the Required 10 Percent Federal Emergency Management Agency Match to Purchase Three Cardiac Monitor/Defibrillators and Accessories From Physio-Control, Inc.

The City Council took the following actions related to purchase of three LifePak 15 cardiac monitor/defibrillators and accessories:

- (a) Authorized the Fire Department to receive \$80,956 from a Federal Emergency Management Agency grant.
- (b) Authorized an \$8,995 appropriation from the Contingency Account to pay the required 10 percent Federal Emergency Management Agency match to purchase the equipment from Physio-Control, Inc.

C. Agreements

1. Approval of Agreement No. 12-10 With San Bernardino County to Receive Approximately \$11,421 in Matching Funds From the FY2011 Emergency Management Performance Grant Program

The City Council approved *Agreement No. 12-10* with San Bernardino County to receive approximately \$11,421 in matching funds from the FY2011 Emergency Management Performance Grant Program.

IX. PULLED CONSENT CALENDAR ITEMS

B. Administrative Reports

3. Receiving and Filing of Agency Treasurer's Report

Referencing Schedule 1 of the *City of Montclair Redevelopment Agency Statement of Cash and Investments by Fund, January 31, 2012*, Council Member Paulitz inquired as follows:

- (a) Is the \$18,627,057.80 total in Redevelopment Agency cash and investments effective January 31, 2012, correct?

City Manager Starr answered, "Yes, that figure is correct."

- (b) What is the total amount of redevelopment tax increment revenue received in one year?

City Manager Starr stated, "Based on the last audit, the tax increment on property tax revenues that flowed to the former Redevelopment Agency is approximately \$11.4 million."

- (c) Is that the amount of tax increment revenue the former Redevelopment Agency could expect each year?

City Manager Starr replied, "Well, that number goes up; for instance this year, it is projected to be about \$12 million."

Moved by Council Member Paulitz, seconded by Mayor Pro Tem Raft, and carried unanimously that the City Council, acting as successor to the Redevelopment Agency Board, receive and file the Redevelopment Agency Treasurer's Report for the month ending January 31, 2012.

D. Resolutions

1. **City Council, Acting as Successor to the City of Montclair Redevelopment Agency Board of Directors, Adoption of Resolution No. 12-02 Adopting a Draft Recognized Obligation Payment Schedule and Authorizing Certain Other Actions Pursuant to Section 34177 of Part 1.85 of the Health and Safety Code**

Council Member Paulitz inquired as follows:

- (a) Is the total debt obligation of the former Redevelopment Agency \$21,626,632.47 as shown at the bottom of page 1 of the draft Recognized Obligation Payment Schedule (ROPS)?

City Manager Starr answered, "Yes."

- (b) Is the total outstanding debt or obligation on statutory payments \$44,926,527.10 as indicated on page 2 of the draft ROPS?

City Manager Starr answered, "Yes."

- (c) Does that amount include the \$7,995,000 owed on the 2008 Short-Term Tax Allocation Notes for improvements to Mission Boulevard?

City Manager Starr answered, "Yes."

- (d) Concerning the \$387,613.50 "Employee Costs" line item at the top of page 3 of the draft ROPS, is there not a \$250,000 administrative allowance limit in the redistribution of property tax increment revenue?

City Manager Starr answered, "No, the administrative allowance is based on a percentage; and the \$250,000 amount is an established minimum presuming there is adequate tax increment to provide that administrative cost to each respective agency." He noted actual distribution will be based on a formula of 5 percent for the balance of this fiscal year and a formula of 3 percent for every year thereafter.

- (e) Do the subject employee costs pertain only to Successor Redevelopment Agency employees or are City employees likewise included in the distribution?

City Manager Starr answered, "A much smaller number of employees are impacted this go-around. Employees throughout the organization will be affected including City Manager (approximately 5 percent), Director of Redevelopment/Public Works (approximately 50 percent), Administrative Specialist (approximately 5 percent),

Senior Accountant (20 percent), Junior Accountant (30 percent), and Accounting Specialist (10 percent)."

- (f) How many employees will work for the Successor Redevelopment Agency?

City Manager Starr answered, "There are no employees of the Successor Redevelopment Agency. All employees work for the City of Montclair. Of the \$387,613.50 in employee costs, approximately \$178,000 is committed toward wages for the six employees previously mentioned who are funded by the Successor Redevelopment Agency."

- (g) Will the Successor Redevelopment Agency be able to pay the \$3,123,972 total of other debt obligations due in June 2012 that are listed on page 4 of the draft ROPS?

Director of Redevelopment/Public Works Staats advised that staff is still working on the \$387,613.50 amount of employee costs to be more in line with what City Manager Starr has reported. She noted City Manager Starr may be making minor adjustments to the draft ROPS to refine the numbers as indicated in the agenda report and proposed Resolution No. 12-02.

Council Member Paulitz asked if the Successor Redevelopment Agency could afford to pay \$3,123,972 in other debt obligations by June 2012 considering it has but \$18,627,057.80 total in cash and investments.

City Manager Starr advised that the draft ROPS is subject to review by and approval of the Oversight Board and the California Department of Finance. He stated that the document lists the enforceable obligations including pass-through payments to special districts, bonded debt, and all liabilities associated with the operation of the Successor Redevelopment Agency. He noted that as indicated in the agenda report and mentioned by Director of Redevelopment/Public Works Staats, staff may need to make adjustments to the draft ROPS before submitting it to the San Bernardino County Auditor-Controller, California Department of Finance, and State Controller's Office on March 1, 2012. He expressed his hope that the revised ROPS would receive Oversight Board approval.

Council Member Paulitz asked for confirmation that it will take eight or nine years to pay the total of \$83,009,733.07 in pass-through payments owed to special districts.

City Manager Starr noted it would take longer, which is precisely why cities having redevelopment agencies told the state as it considered approval of ABX1 26 and ABX1 27 "there is no windfall to schools, there is no windfall to special districts, there is no windfall to anybody because the debt obligations of the various redevelopment agencies throughout California have to be paid as indicated by ABX1 26, and those debt obligations will continue for the next 20 to 30 years depending on the agency and depending on the size of the debt. Therefore, there is no money to any significant degree that is going to transfer to any taxing agency outside of the successor redevelopment agencies to meet their debt obligations."

Council Member Paulitz concurred and noted he had stated from the beginning, "I do not think there is any money to be squeezed out unless they force agencies to sell property held by their agencies in so-called 'fire sales' during the current depressed housing market."

Moved by Council Member Paulitz, seconded by Council Member Ruh, and carried unanimously that the City Council, acting as successor to the City of Montclair Redevelopment Agency Board of Directors, adopt Resolution No. 12-02 adopting a draft Recognized Obligation Payment Schedule and authorize certain other actions pursuant to Section 34177 of Part 1.85 of the Health and Safety Code.

X. **RESPONSE** - None

XI. **COMMUNICATIONS**

A. **City Attorney/Agency Counsel**

1. **Closed Session Pursuant to Section 54957.6 of the Government Code Regarding Conference With Designated Labor Negotiator Edward C. Starr**

Agency: City of Montclair

*Employee Organizations: Management
Montclair Fire Fighters Association
Montclair Police Officers Association
San Bernardino Public Employees Association*

2. **Closed Session Pursuant to Section 54956.9(a) of the Government Code Regarding Pending Litigation Involving a Federal and State Lawsuit**

Camou v. City of Montclair

City Attorney Robbins requested a Closed Session pursuant to respective Government Code Sections 54957.6 and 54956.9(a) on the above two matters.

B. **City Manager/Executive Director** - No comments

C. **Mayor/Chairman**

1. Mayor/Chairman Eaton commented as follows:

- (a) He noted he participated on February 7, 2012, in the ribbon cutting and grand opening of **DQ/Orange Julius**, 4467 Mission Boulevard, Suite A.
- (b) He noted his attendance at recent **San Bernardino Associated Governments (SANBAG)**, **SANBAG** Major Projects Committee, **Omnitrans**, and **Omnitrans** Administrative Committee meetings.

D. **City Council/Agency Board**

1. Council Member/Director Ruh commented as follows:

- (a) He noted his attendance at the **Montclair Chamber of Commerce's** entertaining murder mystery fundraiser Saturday evening, which received lots of support from the community including **MHMC**. He noted the **Chamber** is planning a similar event next year.
- (b) He noted the passing Monday of former **Pomona Police Chief Joseph E. "Joe" Romero Jr.** at the age of 57 and expressed his condolences to the **City of Pomona** and

Mr. Romero's family.

- (c) He shared the following, which he first came across 25 or 30 years ago:

If you sometimes get discourages, consider this fellow: He dropped out of grade school, ran a country store, went broke, spent 15 years paying off his bills, married, became unhappy in his marriage, ran for the House of Representatives and lost...twice, ran for the Senate and lost...twice, delivered a speech that left his audience indifferent but later became a classic, and was attacked daily by the press and despised by half the country. Despite all this, imagine how many people all over the world have been inspired by this awkward, rumped, brooding man who signed his name simply "A. Lincoln."

2. Council Member/Director Dutrey thanked all employees for their hard work and service to the City of Montclair.
3. Council Member/Director Paulitz noted his attendance at a Code Enforcement Committee meeting earlier this evening at which an amendment to the **Montclair Municipal Code** was discussed to address the proliferation of residential yard sales in the community.

E. Committee Meeting Minutes

1. **Minutes of Personnel Committee Meeting of February 6, 2012**

The City Council received and filed the Personnel Committee meeting minutes of February 6, 2012, for informational purposes.

XII. COUNCIL WORKSHOP

A. City Parks Update

Moved by Council Member Paulitz, seconded by Mayor Pro Tem Raft, and carried unanimously that the City Council continue this item to an adjourned meeting on Monday, March 5, 2012, at 5:45 p.m. in the City Council Chambers.

XIII. ADJOURNMENT OF CITY COUNCIL ACTING AS SUCCESSOR TO THE REDEVELOPMENT AGENCY BOARD OF DIRECTORS AND MONTCLAIR HOUSING CORPORATION BOARD OF DIRECTORS

At 7:25 p.m., Chairman Eaton adjourned the City Council acting as successor to the Redevelopment Agency Board of Directors and the Montclair Housing Corporation Boards of Directors.

At 7:25 p.m., the City Council went into Closed Session regarding labor negotiations pursuant to Government Code Section 54957.6 and pending litigation pursuant to Government Code Section 54956.9(a).

XIV. CLOSED SESSION ANNOUNCEMENTS

At 8:25 p.m., the City Council returned from Closed Session. Mayor Eaton announced that the City Council met in Closed Session regarding labor negotiations and pending litigation, information was received and direction given to staff, and no further announcements would be made at this time.

XV. ADJOURNMENT OF CITY COUNCIL

At 8:26 p.m., Mayor Eaton adjourned the City Council.

Submitted for City Council/City Council acting as successor to the Redevelopment Agency Board/Montclair Housing Corporation Board approval,

Yvonne L. Smith
Deputy City Clerk