



July 30, 2015

TO: Honorable Mayor and City Council

FROM: Edward C. Starr, City Manager 

SUBJECT: WEEKLY REPORT: July 24-30, 2015

CITY MANAGER/ADMINISTRATIVE SERVICES DEPARTMENTS

- According to a new report released last Thursday, 15 of California's urban centers have pavement conditions that rank among the nation's most deteriorated. The same report found that the poor condition of California's pothole-filled roads also puts California among the states with the highest in the nation costs for car maintenance.

TRIP, a national transportation group based in Washington D.C., issued a report examining pavement conditions and associated vehicle operation costs nationwide. The report, *Bumpy Roads Ahead: America's Roughest Rides and Strategies to Make our Roads Smoother*, found that poor roads cost the average California motorist \$762 per year.

Governor Jerry Brown has recently called a special session of the Legislature this year to figure out how to provide ongoing, reliable, and accountable funding for major road and transportation improvements.

A report released in 2014 by the League of California Cities, the California State Association of Counties, and California's Regional Transportation Planning Agencies, entitled *California Statewide Local Streets and Roads Needs Assessment Report*, revealed similar findings as the TRIP Report related to the condition and maintenance of roads in California. The 2014 Report revealed that local streets and roads face an estimated shortfall of \$78 billion in deferred maintenance and an annual shortfall of \$7.8 billion.

The 2014 Report also found that the cost to bring the local transportation system up-to-date would cost approximately \$78.3 billion over the next 10 years. The funding shortfall has grown from \$71.4 billion in 2008 to \$78.3 billion in 2014—an increase of nearly \$7 billion in just 6 short years. Cities and counties need an additional \$1.7 billion just to maintain a status quo, and much more revenue to operate the system with Best Management Practices, which would reduce the total amount of funding needed for maintenance in the future.

An additional \$3 billion annual investment in the local streets and roads is expected to improve pavement conditions statewide from an average “at risk” condition to an average “good” condition. The report concluded that if additional funding isn’t secured now, it will cost taxpayers twice as much to fix the transportation system in the future, as failure to act this year will increase unmet funding needs for local transportation facilities by \$11 billion in 5 years and \$21 billion in 10 years.

Below is a list of 15 of California’s urban centers that have pavement conditions that rank among the nation’s most deteriorated by population.

Larger Metro Areas (500,000+ population)

- San Francisco-Oakland
Nationwide Ranking: #1
Percent of Roads in Poor Condition: 74 percent
Annual Vehicle Maintenance Costs: \$1,044
- Los Angeles-Long Beach-Orange County
Nationwide Ranking: #2
Percent of Roads in Poor Condition: 73 percent
Annual Vehicle Maintenance Costs: \$1,031
- Concord
Nationwide Ranking: #3
Percent of Roads in Poor Condition: 62 percent
Annual Vehicle Maintenance Costs: \$924
- San Jose
Nationwide Ranking: #8
Percent of Roads in Poor Condition: 53 percent
Annual Vehicle Maintenance Costs: \$844
- San Diego
Nationwide Ranking: #9
Percent of Roads in Poor Condition: 51 percent
Annual Vehicle Maintenance Costs: \$843

- Riverside/San Bernardino
Nationwide Ranking: #12
Percent of Roads in Poor Condition: 46 percent
Annual Vehicle Maintenance Costs: \$812
- Sacramento
Nationwide Ranking: #20
Percent of Roads in Poor Condition: 42 percent
Annual Vehicle Maintenance Costs: \$767

Medium-Sized Metro Areas (250,000-500,000 population)

- Temecula-Murrieta
Nationwide Ranking: #1
Percent of Roads in Poor Condition: 47 percent
Annual Vehicle Maintenance Costs: \$857
- Antioch
Nationwide Ranking: #3
Percent of Roads in Poor Condition: 52 percent
Annual Vehicle Maintenance Costs: \$831
- Santa Rosa
Nationwide Ranking: #5
Percent of Roads in Poor Condition: 49 percent
Annual Vehicle Maintenance Costs: \$811
- Hemet
Nationwide Ranking: #7
Percent of Roads in Poor Condition: 36 percent
Annual Vehicle Maintenance Costs: \$758
- Oxnard
Nationwide Ranking: #15
Percent of Roads in Poor Condition: 36 percent
Annual Vehicle Maintenance Costs: \$669
- Victorville-Hesperia-Apple Valley
Nationwide Ranking: #16
Percent of Roads in Poor Condition: 32 percent
Annual Vehicle Maintenance Costs: \$664
- Stockton
Nationwide Ranking: #18
Percent of Roads in Poor Condition: 34 percent
Annual Vehicle Maintenance Costs: \$657

- Modesto
Nationwide Ranking: #19
Percent of Roads in Poor Condition: 30 percent
Annual Vehicle Maintenance Costs: \$636
- Rejecting the pleas of California officials worried about water conservation, the state Supreme Court last Wednesday left intact a lower court ruling that makes it tougher for cities and water districts to impose punishing higher rates on water wasters.

In its weekly closed-door conference, the Supreme Court refused to soften the statewide impact of an April appeals court ruling that found the City of San Juan Capistrano's tiered water rates, common in much of California, were unconstitutional because they charged more for water than it cost the city to provide the service.

The appeals court, in finding the city's approach violated voter-approved Proposition 218's restrictions on such fees, "published" the decision, giving it legal weight across the state and prompting Governor Brown to warn it placed a "straitjacket" on his mandates to lower water use.

Acting on behalf of the State Water Resources Control Board, Attorney General Kamala Harris in June urged the Supreme Court to "depublish" the ruling, arguing it was "unnecessary and overbroad" and hampered efforts to deal with California's ongoing drought. The move was designed to limit the force of the ruling to San Juan Capistrano's water rates. The League of California Cities also joined the state's effort to persuade the state Supreme Court to depublish the ruling.

However, in Wednesday's brief order, the state Supreme Court without comment rejected the state government's request, thus forcing local and state officials elsewhere to adapt to the ruling's limitations.

Board officials said they weren't surprised at the Supreme Court's decision. "While the court of appeals decision makes it more difficult for local agencies to justify their water conservation rates, the decision does not foreclose conservation pricing," the board said in a statement. "The State Water Resources Control Board will continue to work on implementation of the Governor's conservation order and will continue to assist local agencies in developing effective and lawful conservation pricing mechanisms."

Local officials have warned the ruling from the Santa Ana-based appeals court may force cities and water districts to rely more on other tools, such as more advertising, water audits, rebate programs for low-water appliances, restrictive rules on lawn watering, and fines for violators. Despite the ruling, legal experts and water officials say water districts will still be able to use tiered rates if they can demonstrate they are closely tied to the cost of providing water services.

The court did not invalidate the use of rate tiers entirely. It said, however, that cities and water agencies can charge more only if they can document that it costs them more to provide the extra water.

The court ruling, because it is "published," sets statewide legal precedent that can be used in other court challenges to water district policies and at a minimum forces local water officials and lawyers to reconsider how they can legally enforce water conservation. As of now, there are two similar legal battles unfolding against the Sweetwater Authority, a San Diego area water district, and the city of Glendale's water district.

Taxpayer groups have warned of other legal challenges if districts violate Proposition 218's restrictions.

HUMAN SERVICES DEPARTMENT

- Yesterday, the Senior Center celebrated July birthdays by throwing a big Independence Day-themed birthday bash in the Community Center. Over 250 seniors enjoyed a delicious lunch, cake, and ice cream.

Senior Center volunteer Dee Copeland organized a photo display of senior participants and/or their children who served in the military, dating from the Civil War to the current war in Afghanistan.

The Montclair Walkers Choral Group performed a variety of patriotic songs, and Nicola Martinez, daughter of Council Member Trisha Martinez, sang the National Anthem.

Senior Center volunteer line dance instructor George Messina and his students showcased their dancing skills.

Mayor Paul Eaton and Police Chief Mike deMoet warmly greeted the guests and spoke highly of Montclair's Senior Center programs. Special volunteers were from Girls Scout Troop 984 at Our Lady of Assumption Church in Claremont.

A photo collage of the event is included on Page 10.

- Mark your calendars to join us for the annual All Employees Summer Bar-B-Que on Tuesday, August 11 from noon to 1:30 p.m. in the Senior Center.

The luncheon is sponsored by the City Council and the City Manager in appreciation of each employee's service. There will be hamburgers, sausages, hot dogs, side dishes, and a special dessert.

A flyer is included on Page 12. See you there!

- On Tuesday, several hundred people packed Alma Hofman Park for the final summer concert—mariachi night. Mayor Pro Tem Carolyn Raft and Council Member Trisha Martinez were also there to enjoy the Montclair-based Mariachi El Aventurero.

Special thanks go to the Recreation staff for selling refreshments and providing children’s activities at each of the five concerts, and to the Reserve Officers for their presence at all of the concerts.

Pictures are provided on Page 11.

- The winners of the 20th Annual Home Beautification contest were announced at the July 20 City Council meeting. They are:

Home of the Year – Traditional
9043 Surrey Avenue, owned by the Hall family

Home of the Year – Drought Tolerant
9050 Ramona Avenue, owned by the Thompson Fitzgerald family

Thirteen homes were judged during the second week of June. The finalists received a framed certificate and a Target gift card. They also received a sign for their front yard that announces their awards.

Photos of the two winning homes are featured on Page 13.

POLICE DEPARTMENT

- National Night Out promises to be a big event on Tuesday, August 4! The Police Department is going all out this year to make the City’s event special for the community.

To encourage more community involvement this year, we have changed the location from Target to Alma Hofman Park and added movie night. *The Lego Movie* will be shown starting at 8 p.m.

The Montclair Fire and Police Departments will have staff on hand to speak to the public and allow kids (and kids at heart) the opportunity to see and handle some of the tools of the trade. There will also be child registration kits available for parents, a child seat installation technician will be available to inspect car seats and provide instruction on proper installation procedures, a free photo booth and face painting, the Splash Pad will be open, and sno-cones will be for sale. There will be giveaway items, and Senior Center staff will sell snack items such as popcorn and cookies.

National Night Out has been held annually since 1984 and is sponsored by the National Association of Town Watch in the United States and Canada. The event is meant to increase awareness about police programs in communities, such as drug prevention, neighborhood watch, and other anti-crime efforts.

The Police Department hopes to have this year's event set a new standard for community participation. Please pass the word along and join us for a fun night out!

SUCCESSOR REDEVELOPMENT AGENCY/ MONTCLAIR HOUSING CORPORATION

- American shoppers took a breather in June, producing an unexpected contraction in retail sales that has raised concerns that the U.S. economy may be hitting a soft spot.

The overall pace of sales in June fell 0.3 percent after a strong 1 percent jump in May. Economists had been expecting retail sales to rise by 0.2 percent last month. June's spending pause was widespread with sales of cars, furniture, building material, and clothing each off by more than 1 percent from May.

Other categories that had showed strength earlier this year—including miscellaneous store retailers, nonstore retailers, food services, and drinking places—also turned in a negative performance in June.

"This is not a good report," said IHS Global Insight consumer economist Chris Christopher. "Consumers are still cautious despite modest price inflation, relatively well-received employment reports, and elevated levels of consumer confidence." The report prompted IHS Global Insight to trim its forecast for second-quarter consumer spending growth by a half percentage point to 2.4 percent.

Since the surprise contraction in the first quarter—U.S. gross domestic product shrank by two-tenths of a percent in the first 3 months of the year—economists have been debating whether the slowdown represented a onetime, seasonal blip or a broader sign that the U.S. recovery is losing steam.

Some economists have also pointed to last month's employment report as a sign that the economy may be softening. While the economy added 223,000 net new jobs in June, and the jobless rate fell 2 percentage points to 5.3 percent, the government revised the data for prior 2 months downward by 60,000 jobs.

Small-business owners are also concerned about the economy hitting a soft patch, according to a separate report. The widely watched survey of U.S. small-business confidence fell last month to its lowest level in more than a year.

The National Federation of Independent Business said 9 of the index's 10 components dropped in June and 1 was unchanged. Small-business owners reported weaker profit expectations and scaled-back hiring plans.

Analysts warn that it may be too soon to begin paring back forecasts based on one month's lackluster sales.

Uncertainty about the strength of the recovery continues to play a critical role in the debate among Federal Reserve policy makers over how soon to begin raising interests from historically low levels. The central bank has signaled it intends to begin gradually increasing the cost of borrowing, but investors remain intent on any clues the Federal Reserve offers on the timing.

- Albertsons, Vons, and Pavilions will hire more than 1,400 part- and full-time employees in Southern California over the next few months, including at least 300 in Orange County, the company said Monday.

The chain will hire employees in its customer service, bakery, and deli sections, among other jobs. In addition to the 300 or more jobs in Orange County, the company also plans to add 479 positions at its stores in Los Angeles, 75 in Long Beach, and 152 in the Inland Empire.

Albertsons, Vons, and Pavilions operate 339 stores and employ around 30,000 people in Southern California. Albertsons merged with Safeway, the parent company of Vons and Pavilions, earlier this year. When the two joined, they sold 168 stores to satisfy federal regulators. Haggen nabbed 146 of the Safeway/Albertsons-owned stores, including 11 in Orange County. Shortly after opening Orange County stores, the company reduced prices on many items in response to consumer complaints that they were too high. In mid-July, the store announced that it would lay off hundreds of employees, saying the move was to ensure the company operated as efficiently as possible.

Greg Conger, president of United Food and Commercial Workers Union Local 324 in Buena Park—which represents local workers at Haggen's—said 6 to 10 courtesy clerks at each of Haggen's Orange County stores would be laid off and numerous full-time employees would be demoted to part-time.

Conger said the union filed a grievance on behalf of the full-time staffers whose hours were cut.

Last week, Haggen had more bad news: Albertsons sued it for more than \$41 million in inventory that had changed hands when Haggen purchased the Safeway/Albertsons-owned stores. In a civil complaint filed in Los Angeles Superior Court, Albertsons contends it is owed roughly \$41 million for inventory at 32 stores Haggen bought in June.

ECS:spa

"I not only use all the brains that I have, but
all that I can borrow."
~ Woodrow Wilson

AUGUST 2015



03	City Council Meeting Council Chambers	7:00 p.m.
04	National Night Out Alma Hofman Park	7:00 p.m. - 10:00 p.m.
10	Planning Commission Meeting Council Chambers	7:00 p.m.
11	City Manager's Staff Meeting City Hall Conference Room	9:00 a.m.
11	Annual Montclair City Employees' Summer Barbecue Montclair Senior Center	Noon - 1:30 p.m.
17	Code Enforcement/Public Safety Committee Meeting City Hall Conference Room	6:00 p.m.
17	City Council Meeting Council Chambers	7:00 p.m.
20	Safety Committee Meeting City Hall Conference Room	9:00 a.m.
20	Public Works Committee Meeting City Hall Conference Room	4:00 p.m.
24	Planning Commission Meeting Council Chambers	7:00 p.m.



Senior Center July Birthday Party



Summer Concert Series

July 28, 2015



Mariachi El Aventurero



IN APPRECIATION OF YOUR SERVICE
THE CITY COUNCIL & CITY MANAGER
INVITE ALL EMPLOYEES TO ATTEND
THE ANNUAL MONTCLAIR
SUMMER BAR-B-QUE

Menu to include hamburgers, hot dogs,
sausages, side dishes and dessert

Tuesday, August 11, 2015
12 noon - 1:30 p.m.

in the Senior Center



2015 Home Beautification Winners!

Home of the Year-Traditional



**The Hall Family
9043 Surrey Avenue**

Home of the Year- Drought Tolerant



**The Thompson Fitzgerald Family
9050 Ramona Avenue**

