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CITY OF COLTON
CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
FOR THE CITY OF COLTON/COLTON UTILITY AUTHORITY/
COLTON PUBLIC FINANCING AUTHORITY AND
COLTON HOUSING AUTHORITY
SPECIAL MEETING MINUTES

June 5, 2012

The Special Meeting of the Colton City Council was held on the above-given date and was called to order at 5:06 p.m., in the Council Chambers of City Hall, with Mayor Sarah S. Zamora presiding. Roll Call was announced by City Clerk Eileen C. Gomez as follows:

CITY COUNCIL ROLL CALL

Council Members Present

Sarah S. Zamora, Mayor
David J. Toro
Frank A. Gonzales, Mayor Pro Tem
Vincent Yzaguirre
Susan M. Oliva
Deirdre H. Bennett
Alex G. Perez

Staff Present

Rod Foster, City Manager
Dean Derleth, City Attorney
Eileen C. Gomez, City Clerk
Aurelio De La Torre, City Treasurer

Council Members/Staff Absent

None.

INVOCATION

Pastor Dane Aaker, Centerpoint Church

FLAG SALUTE

Steve Ferrance and Louie Barrera, American Legion Post 155

MAYOR AND COUNCIL ITEMS

POSSIBLE CONFLICT OF INTEREST DISLOSURES FOR THE COUNCIL MEETING OF JUNE 5, 2012.

Mayor Sarah S. Zamora asked the members present if there were any agenda items that were a conflict of interest pursuant to CMC Section 2.04.030. None.

AB 1234 ORAL REPORTS

None.

APPOINTMENTS

- District 1 Planning Commissioner – Dell Wright

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It was a consensus of the Council to approve the appointment of Dell Wright to the Planning Commission, District 1.

PUBLIC COMMENT

The following community members addressed the Council:

John Anaya, Apolinar Espudo, Jose Olivar, Gary Mitchell, Matthew Barton, Elsa Aguilar, Tony Myrell (with Laura Morales), and Gary Grossich.

MAYOR AND COUNCIL ORAL REPORTS AND COMMENTS

Council Members made comments on various issues and activities throughout the community.

Mayor Zamora adjourned the special meeting for a short recess at 7:30 p.m. The special meeting reconvened at 7:58 p.m., with all members present as heretofore.

CONSENT CALENDAR

City Manager Foster presented Consent Calendar Item Nos. 1 and 2 for action by Council.

The following action was taken on the Consent Calendar:

Motion and second by CM Yzaguirre/CM Bennett, to approve Consent Calendar Item Nos. 1 and 2, as presented. Unanimous vote.

- (1) California Independent System Operator's (CAISO) certification – Authorized the Electric Utility Director, Dr. David Kolk, to sign and attest that the City of Colton Electric Utility Department (CED) is in compliance with the California Independent System Operator's (CAISO) minimum participation requirements set forth in the CAISO Tariff and Business Practice Manual for Credit Management.
- (2) Contract Amendment for Sierra Vista State Preschool - Approved and Adopted a Resolution of the City of Colton, California, approving an amendment to the current contract with the Department of Education for operation of the Sierra Vista State Preschool in the Community Services Department, reducing the Minimum Days of Operation (MDO) from 180 to 178. RESOLUTION NO. R-16-12.

BUSINESS ITEMS

- (3) Discussion of Proposed 2012/2013 Budget and Council Direction

City Manager Foster gave a brief overview of the proposed 2012/2013 that was presented on May 3, 2012. He also provided an update on the Business License Division and Rental Inspection Program. There was discussion and comments from Council regarding the proposed 2012/2013 budget.

Mayor Zamora adjourned for a brief recess at 7:30 p.m. and reconvened at 7:58 p.m., with all members present as heretofore.

CM Toro distributed pictures of Landscape Lighting and Maintenance District (LLMD) areas at the dais and gave a brief summary of comments from residents regarding maintenance issues. Discussion continued regarding various recommendations on the proposed budget.

Mayor Zamora opened Public Comment on this item with the following community members addressing the Council:

Kirk Larson, Jose Olivar and Christina Irish-Ré.

Discussion ensued and Council continued with their questions and comments regarding the proposed 2012/2013 budget.

There were various motions and substitute motions at this point. MPT Gonzales called for the question. The following is a summary of Council direction as summarized by Management Services Director Bonnie Johnson and City Manager Rod Foster:

- Increase the General Fund Transfer (GFT) from 10% to a percentage that incorporates the Level 3 “baseline” option previously presented by staff (i.e. an 11.25% GFT) in addition to funding the following:
- Chamber of Commerce: \$25,000
- Police Records Clerk: \$51,966
- Fire Dept. - building and equipment maintenance: \$34,070
- Public Works – operational expenses in the Street Division: \$15,500
- Improvements to Community Centers: \$79,866
- Library Circulation System: \$47,000
- Complete HCP, and West Valley EIR and specific plan: \$220,000
- Budgetary allocation for maintenance positions in the Streets/Parks Divisions of Public Works: \$186,045
- Temporary worker to backfill in Animal Control: \$20,000

Based on the above, the GFT would be set at 12.39%, and increase of 2.39% over the current 10%. The GFT would be reviewed annually by the City Council with the goal of reducing it whenever possible. In addition, the proposed budget will include a rental inspection program, as well as a full review of the City’s LLMD’s which focuses on determining the service level within these districts.

Budget Package and Implementation

On June 19, 2012, in order to implement the direction as set forth by Council, staff plans to present a budget package that includes the following:

1. A City Council resolution that addresses:
 - a. Adoption of the budget.
 - b. Setting the GFT percentage and the related annual review process.
 - c. Direction to staff regarding business license billings being broken down monthly and consolidated with the monthly utility bill. Any costs associated with software modification will be determined later and discussed with the Council’s Ad Hoc Committee on Customer Service.
 - d. Authorization of new positions: one full-time police services clerk; one temporary part-time community service officer (CSO) position to back-fill in animal control; one permanent part-time engineering assistant (funded by water/wastewater); two permanent part-time general laborer positions (funded by Storm Water); and, any combination of full-time and/or part-time/temporary maintenance workers up to a maximum budgetary allocation of \$186,045. Also, the position of electric utility associate engineer will not be funded and the

position of electric utility system designer will be funded. Both classifications currently exist. This change will reallocate funding from one to the other.

- e. In the 2013-14 CIP budget, crosswalk safety improvements will be addressed, especially near schools. Funds are not currently available in the CIP as the 2012-13 budget includes the third, and final, Colton Crossing allocation of \$1.8 million.
- f. In July 2012, as part of the annual assessment approval process, staff will bring forward a comprehensive report on the LLMD's and seek direction going forward.
- g. Prior to December 31, 2012, the City Manager and Management Services Director will prepare a plan that addresses alternatives for reducing the GFT in future years.
- h. Acceptance of an advance lease payment of \$5,991,938 from the Wastewater (sewer) Utility to fund the following:
 - Senior Housing on the Colton Palms site \$2,500,000
 - Regional park development/property acquisition \$300,000
 - Cash flow deficit in the Water Utility net of perchlorate settlement \$1,000,000
 - Historical fund balance deficit in CDBG \$561,232
 - Historical fund balance deficit in Misc. Grants \$1,309,650
 - Historical fund balance deficit in CIP funds \$321,056

If approved, the remaining fund balance reserve projected in the Wastewater Utility is \$1,829,724, or approximately 20%.

2. A City Council resolution to adopt the annual Gann Limit as required by Article XIII-B to the State Constitution.
3. An ordinance amendment to set the GFT cap at 12.39%.
4. A new ordinance for the proposed rental inspection program.
5. A Colton Utility Authority resolution adopting the budget and authorizing an advance lease payment of \$5,991,938 from the Wastewater Utility to the City.

CITY COUNCIL DISCUSSION ITEMS

None.

CITY MANAGER'S REPORTS

None.

ADJOURNMENT

At 10:18 p.m., Mayor Zamora adjourned the special meeting.

Eileen C. Gomez, CMC
City Clerk