

**MINUTES OF THE REGULAR MEETING
OF THE
MONROVIA CITY COUNCIL
HELD TUESDAY, JULY 15, 2008, 7:30 P.M.**

CONVENE: Mayor Rob Hammond convened the Regular Meeting of the Monrovia City Council of Tuesday, July 15, 2008, at 7:39 P.M. (preceded by a Study Session [Mayor Pro Tem Kirby arrived at 6:50 P.M.] to discuss Future Integrated Waste Options which was subsequently referred to an Ad Hoc Committee of the City Council, 6:39 P.M. to 7:28 P.M.) in honor of Isaac Paul Jauregui, born June 18, 2008, to parents Marya and Nicholas Jauregui. In attendance were City Manager Scott Ochoa, City Attorney Craig A. Steele and City Clerk Linda B. Proctor.

INVOCATION: Pastor Dan Earp gave the Invocation

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Dan Kirby led the Flag Salute.

ROLL CALL: In attendance were Councilmembers Tom Adams, Joe Garcia, Mary Ann Lutz, Mayor Pro Tem Dan Kirby, and Mayor Rob Hammond

NEW BUSINESS: Mayor Hammond thanked Recreation Supervisor Lisa Hansberger and the Community Services Staff for an excellent 4th of July event. A short video depicting the event was then shown

At Mayor Hammond's request, Captain Rick Miglia reported regarding the latest gang violence on Saturday evening, July 12, 2008, stating that a young man was seriously injured due to a shooting. He stated that it had been a tragic incident which had not happened for six months, and that there was a continued effort to deal with the gang problem. He further stated that the City Attorney's Office was making very good progress on the gang injunction which would result in the desired effect.

Neighborhood and Business Services Division Manager Bill Skiles reported that the Incident Team had visited the neighborhoods in the incident area to brief them on the shooting and advise residents that the City was constantly working to combat gang activities.

Mr. Skiles also reviewed the recent Monrovia Area Partnership (MAP) event.

PRESENTATIONS/PROCLAMATIONS:

PR-1 Neighborhood Pride Award; 141 Los Angeles Avenue, Single Family Owner-Occupied Property, Luis Deleon, Owner, and 602 East Almond Avenue, Vicente and Josephine Baetiong, Owners

Vicente and Josephine Baetiong could not attend. Owners Justino and Martha Florza, Single Family Owner-Occupied property at 531 Almond Avenue were recognized in addition to Luis Deleon. Neighborhood Services Coordinator Dan McConnell and Neighborhood Services Specialist Alexis Newell assisted the Mayor and City Council in recognizing Neighborhood Pride Award winners.

PR-2 Recognition of Retiring Monrovia Old Town Advisory Boardmember Paul Kalemkarian

Paul Kalemkarian was a dedicated MOTAB member since 2002. However, he was unable to attend. The Mayor and City Council recognized him with a plaque in recognition of his exemplary service to the businesses in Old Town and his many contributions to the community. The plaque would be forwarded to Mr. Kalemkarian.

PR-3 Presentation of Blue Star Banners to Returning Servicemen Charles Olson, United States Navy; Philip White, United States Army; Juan Miguel Ruiz, United States Marines; Michael Phillips, United States Army; and Pablo Flores Rodriguez, United States Navy

Mayor Hammond and the City Council presented returning servicemen Charles Olson (not in attendance), Philip White (represented by his father), Juan Miguel Ruiz (not in attendance), Michael Phillips

(represented by his family), and Pablo Flores Rodriguez with their Blue Star Banners in honor of their service to their country. He proclaimed a different day as their day in the City of Monrovia

STUDENT GOVERNMENT REPRESENTATIVE REPORT: To resume in September

CONSENT CALENDAR: It was moved by Councilmember Lutz, seconded by Mayor Pro Tem Kirby, approve the Consent Calendar. There were no objections

The Consent Calendar consisted of the following Agenda items:

CC-1 Unadopted Minutes of the July 1, 2008 Regular Meeting and the Special Meeting of July 7, 2008 of the Monrovia City Council

CC-2 Payroll No. 14 in the Amount of \$642,452.93 and Voucher Nos. 152106 through 152431 in the Amount of \$1,886,437.09

CC-3 Final Tract Map No. 68143; RE-subdivision of Property Located at the Northeast Corner of California Avenue, Monrovista Avenue and Duarte Road, by Envision Community Development:

The Final Tract Map for re-subdivision of the property located at Tentative Tract Map No 68143 was for the re-subdivision of property in an area that was a combination of single family, multiple family, institutional and industrial developments.

The area was being re-subdivided into 20 single family lots and one common lot. The common lot included the driveway and off-street parking areas. The tentative subdivision map was approved by the Planning Commission at its meeting of November 15, 2006 and was approved by the City Council on December 5, 2006. The Final Tract Map was in order and on file with the City Clerk, Community Development Department Planning Division, and the Department of Public Works, and conforms to the approved tentative map and was technically correct and conforms to the requirements of the State Subdivision Map Act and the City's Subdivision Ordinance. The CC&R's were on file with the Community Development and Public Works Departments.

CC-4 One Year Extension of Contract; Legislative Advocacy with Edington, Peel & Associates, Inc., for the Period July 1, 2008 Through June 30, 209 in the Amount of \$48,000.00: In 2006, the City Council retained Edington, Peel & Associates as the City's federal lobbyist. Over the past years, they had developed a legislative strategy in conjunction with City of Monrovia officials to participate in the federal authorization and appropriations process.

Edington, Peel & Associates requested that the City extend the existing professional services contract for one year, with no fee increase. The amount of the proposed contract extension was incorporated into the Fiscal Years 2008-09 Budget.

CC-5 Set for Public Hearing on August 5, 2008; Ordinance Prohibiting the Establishment of Marijuana Dispensaries in Any Zoning District in the City, Ordinance No. 2008-07: On August 11, 2006, the City Council established a 45-day moratorium prohibiting the establishment of marijuana dispensaries in any zoning district in the City. The moratorium was put in place to allow Staff time to study whether the use should be permitted and, if so, where and under what conditions. On September 19, 2006 the City Council extended the moratorium an additional 22 months and 15 days to allow Staff time to complete work on new regulations. The moratorium would expire on August 8, 2008. Pursuant to state law, this was the maximum length of time allowed for a moratorium on a specific issue. No additional extensions can be granted.

At its meeting of July 9, 2008, the Planning Commission reviewed the proposed amendment to the Zoning Ordinance and at the close of the Public Hearing adopted Planning Commission Resolution No. 2008-01 recommending approval of Ordinance No. 2008-07 to the City Council, prohibiting the establishment of medical marijuana dispensaries in the City.

CC-6 Receive and File; Application for ABC Beverage License (Type 47 – On-Sale General, Stock Transfer) for ARG Enterprises, Inc., dba Black Angus Steakhouse: Notice was received from ABC that ARG Enterprises, Inc., had submitted an application for a Type 47 – On-Sale General Stock Transfer License. Based on the background investigation on the corporation, Staff found no reason to

recommend any other action on this application. There was no fiscal impact and Staff recommended that the City Council receive and file the application.

CC-7 Destruction of Certain Human Resources Records, Resolution No. 2008-45: Government Code §34090 provided a procedure whereby any city record which had served its purpose and was no longer required may be destroyed, as long as the destruction of said records would not interfere with the services and functions of the City. There was no fiscal impact associated with this action. Staff recommended that the City Council adopt Resolution No. 2008-45 relating to the destruction of certain Human Resources/Risk Management records listed on the attached Exhibit "A."

CC-8 Issuance of 2008 Subordinate Taxable Tax Allocation Notes in an Amount not to Exceed \$18,000,000.00, Resolution No. 2008-44: This Staff Report mirrored the July 15, 2008 Monrovia Redevelopment Agency Report MRA AR-1. For further information, please see this report.

CC-9 Approval of the Final Sign Design for Historic Districts, Specifically for the Wild Rose Tract Historic District: On June 17, 2008, the City Council approved a sign concept for Historic Districts and in particular for the Wild Rose Tract Historic District. The Council directed Staff to bring back the final design for their consideration. During the discussion, questions were raised regarding the seal on the sign and the spelling of the Wild Rose Tract.

Staff researched old street maps and contacted Steve Baker, the City Historian, who confirmed that this was correct. Over time, the street signs were changed to read "Wildrose Avenue" and Wild Rose Avenue became Wildrose Avenue based on the signage.

The other issue brought up was the seal on the signage. The seal shown on the conceptual sign was based upon the seal incorporated into the City's Historic Landmark plaques. The seal was based upon the official city seal that was used on official documents. The seal with the leaves that was currently associated with the City was actually a logo that was designed during the City Centennial in 1986.

PUBLIC INPUT:

1. Beth Costanza, Monrovia
2. Rodney Jefferson, Corey Blunt, former Laker Basketball Star, A-1 Basketball Clinic
3. Cyrus Kemp, Monrovia

PUBLIC HEARINGS/MEETINGS:

PH-1 Opened and Continued from July 1, 2008; Fiscal Year 2008-09 Citywide Lighting and Landscaping Assessment Maintenance District, Resolution No. 2008-37

Daniel Iwata, Public Works Operations Division Manager, reviewed the Staff Report.

In connection with the annual review of the Citywide Lighting and Landscaping Maintenance Assessment District, a Public Hearing was set for the Fiscal Year 2008-09 Citywide Lighting and Landscaping Maintenance Assessment District to confirm the assessment and levying of the assessment. The Citywide Lighting and Landscaping Maintenance District provided funding for maintenance of public street lighting and traffic signals; maintenance of street trees; maintenance of landscaping in street median and parkway areas (Myrtle Avenue, Huntington Drive, Cypress Avenue and Maple Avenue); and maintenance of landscaping of parkway areas for the Gold Hills development.

The recommended assessment for Fiscal Year 2008-2009 for a typical single family dwelling was \$56.23.

PUBLIC HEARING OPENED: Mayor Hammond opened the Public Hearing.

Opposed:

1. Cyrus Kemp, Monrovia

PUBLIC HEARING CLOSED: Mayor Hammond closed the Public Hearing as there was no one else who wished to speak for or against the matter.

It was moved by Councilmember Lutz, seconded by Councilmember Garcia, to approve he amended 2008-09 Citywide Lighting and Landscaping Maintenance District Engineer's Report and Adopt Resolution No. 2008-37. There were no objections.

PH-2 Adoption of the Los Angeles County Congestion Management Program (CMP); Local Implementation Report, Resolution No. 2008-42

Steve Sizemore, Planning Division Manager, reviewed the Staff Report.

The Congestion Management Program for Los Angeles County was established to meet the requirements of Section 65089 of the California Government Code. It was intended to address regional congestion by linking transportation, land use and air quality decisions. State legislation requires the Los Angeles County Metropolitan Transportation Authority to annually monitor and determine that local jurisdictions were in conformance with all applicable requirements of the Congestion Management Program.

In 2005, the Congestion Management Program requirement for reporting transportation improvements was suspended and a freeze was placed on each city's Congestion Management Program credit/debit balance. As a result, cities did not have to report their transportation improvement strategies for the 2008 cycle. However, cities had to continue to report their new net development activity and self-certify conformance with all elements of the Congestion Management Program. The credit balance for Monrovia continued to be frozen with a positive balance. Until the Los Angeles County Metropolitan Transportation Authority Board decided to take action to resume this aspect of the program, no new credits or debits would be accrued.

Mayor Hammond requested that Staff prepare a resolution of non-support for the MTA's proposed traffic mitigation plan using the HOV lanes for toll road on a trial basis.

PUBLIC HEARING OPENED AND CLOSED: Mayor Hammond opened and closed the Public Hearing as there was no one who wished to speak for or against the matter.

It was moved by Councilmember Lutz, seconded by Councilmember Garcia, to adopt Resolution No. 2008-42 and direct Staff to submit the required report to the Metropolitan Transportation Authority.

**CONVENE MONROVIA REDEVELOPMENT AGENCY MEETING
WITHOUT ADJOURNING CITY COUNCIL MEETING**

MRA CONVENE: Chairman Rob Hammond convened the Regular Meeting of July 15, 2008 of the Monrovia Redevelopment Agency Board of Directors at 8:33 P.M. in City Council Chambers, 415 South Ivy Avenue, without adjourning the City Council Meeting.

MRA ROLL CALL: Those in attendance were Boardmembers Tom Adams, Joe Garcia, Mary Ann Lutz, Vice-Chairman Dan Kirby, and Chairman Rob Hammond.

MRA CONSENT CALENDAR: It was moved by Boardmember Adams, seconded by Boardmember Garcia, to approve the Consent Calendar. There were no objections. The Consent Calendar consisted of the following Agenda item.

MRA CC-1 Unadopted Minutes of the July 1, 2008 Regular Meeting of the Monrovia Redevelopment Agency

MRA PUBLIC HEARINGS/MEETINGS

MRA PH-1 Joint Public Hearing; Authorization to enter into a First Amendment to Disposition and Development with PCCP Monrovia, LLC., Regarding Real Property Located Near the Northeast Corner of Primrose Avenue and Colorado Boulevard, City Resolution No. 2008-43 and Agency Resolution No. 8-2008

Due to proximity of their respective businesses, Chairman Hammond and Boardmember Lutz exited City Council Chambers

Redevelopment Division Manager Kevin O'Brien reviewed the Staff Report. On March 1, 2005, the Agency Board approved a Disposition and Development Agreement with PCCP Monrovia, LLC, calling for the development of a 67-73 unit residential development located at the northeast corner of Primrose Avenue and Colorado Boulevard. Due to its strategic location in Old Town, the project was designed to accomplish five specific objectives: Quality Design, Activity Generation, Increased Supply of Old Town Parking, Affordability and Ownership. The award-winning development was completed in May 2008, and a 180 space public parking structure had been operational since that time.

As was commonly known, the past several months had seen a substantial decline in real estate values. While the cost to construct the project was accurately estimated, the current projected sales of the units declined to a point where anticipated revenues were inadequate to satisfy the construction loan. As a result, the developer requested consent to temporarily lease the units until the market recovered to a sufficient degree.

Under the proposed amendment, the developer would be permitted to lease the units provided that they adhere to the following conditions: Seven of the units had to be leased at a rental rate affordable to families of moderate income; the project had to be converted back to ownership when market conditions recover, the developer would sponsor a "rent-to-own" program that would allocate 15% of rent paid towards a down payment when the project was converted back to ownership; and lastly, to ensure the units were rehabilitated prior to sale, the developer would be obligated to expend a minimum of \$15,000.00 per unit towards restoration. Because the temporary conversion to a leasehold project would result in a loss of property tax revenue to the City, the developer agreed to pay \$2,500.00 per month to address the lost anticipated property tax revenue.

Staff recommended approval of the proposed Amendment to the Disposition and Development Agreement between the Monrovia Redevelopment Agency and PCCP Monrovia, LLC.

PUBLIC HEARING OPENED: Vice-Chairman Kirby opened the Public Hearing.

Opposed

1 Cyrus Kemp, Monrovia (copies of a letter from Mr. Kemp was distributed by the City Clerk to the Agency Board)

Each remaining member of the Agency Board reiterated their opinions that this action was not what had been planned for by the Board, but that the action was an alternative plan for the project.

It was moved by Boardmember Adams, seconded by Boardmember Garcia, to adopt Resolution Nos. 2008-43 and 08-2008 and authorize the Executive Director to execute the amendment.

**ROLL CALL: Ayes: Boardmembers Adams, Garcia, Vice-Chairman Kirby,
Abstained: Chairman Hammond, Boardmember Lutz
Motion carried: 3-0**

Chairman Hammond and Boardmember Lutz returned to City Council Chambers

MRA ADMINISTRATIVE REPORTS

MRA AR-1 Issuance of 2008 Subordinate Taxable Tax Allocation Notes in an Amount not to Exceed \$18,000,000.00; Resolution No. 9-2008

Mark Alvarado, Director of Finance, reviewed the Staff Report.

As part of the Redevelopment Agency's plan to assist with the development of an 80 acre area project south of the freeway, funding was needed to help secure key pieces of property in the area. The Agency had been working with developers and property owners over the last three years to begin to assemble properties that possibly could be developed to assist in the creation of this project.

The Agency was considering the purchase of approximately ten acres in an area located between California and Shamrock Avenues, just north of Duarte Road. The total acquisition price was \$17.5

million The Agency was pursuing a two-pronged financing package to secure this property The first piece was a short term real estate bank loan. The Agency was currently in negotiations to secure an approximately \$8 to \$10 million bank loan The other component of this acquisition financing was tax allocation notes.

The Agency anticipated that the final "size" (total dollar amount) of the 2008 notes would be approximately \$9 to \$11 million The final dollar amount was dependent on the amount of the anticipated bank loan. It was the intention of the Redevelopment Agency to sell the property that was acquired by this financing in an expeditious manner This would help stimulate development in this area and move the Agency closer to the goal of fully revitalizing the full 80 acres of Station Square

The Agency generated approximately \$7 million a year in property tax revenues These revenues were used to assist in development projects, as well as for paying annual debt service costs for long term borrowings Based on the projected tax revenue growth of the existing tax base, Staff estimated that beginning in fiscal year 2008-09, an additional \$300,000 00 could be budgeted for debt service payments In addition to the property tax revenues, the financing structure of the notes could include capitalized interest These were funds that would be set aside in reserve, with the trustee, to assist in making the annual interest only debt service payments.

PUBLIC INPUT:

Opposed:

1 Cyrus Kemp, Monrovia

It was moved by Boardmember Adams, seconded by Vice Chairman Kirby, to adopt Resolution No. 9-2008. There were no objections.

MRA ADJOURNMENT: Chairman Hammond adjourned the Meeting at 9.09 P M

**CONVENE MONROVIA FINANCING AUTHORITY MEETING WITHOUT
ADJOURNING CITY COUNCIL MEETING**

MFA CONVENE: President Rob Hammond convened the July 15, 2008 Meeting of the Monrovia Financing Authority Meeting at 8 33 P.M.

MFA ROLL CALL: In attendance were Commissioners Adams, Garcia, Lutz, Vice-President Kirby, and President Hammond.

MFA CONSENT CALENDAR:

MFA CC-1 Issuance of 2008 Subordinate Taxable Tax Allocation Notes in an amount not to exceed \$18,000,000, Resolution No. A2008-02

This Staff Report mirrored the July 15, 2008 Monrovia Redevelopment Agency Report MRA AR-1. For further information, please see this report

It was moved by Commissioner Adams, seconded by Vice President Kirby to adopt Resolution No. A2008-02. There were no objections

MFA PUBLIC HEARINGS/MEETINGS: None

MFA ADMINISTRATIVE REPORTS: None

MFA ADJOURNMENT: President Hammond adjourned the Meeting at 8 33 P.M.

RECONVENE MONROVIA CITY COUNCIL MEETING

REPORTS OF CITY COUNCILMEMBERS AND SUBCOMMITTEES:

RCC1 Mayor Hammond reported that:

(a) **Replacement of Blue Star Banners:** At Mayor Hammond's request, Community Services Director April Soash reported that 220 Banners had been hung, with 134 servicemen and women still serving. The cost of purchasing 200 new Banners would be \$12,000.00 which included UV protection.

It was moved by Mayor Hammond, seconded by Boardmember Adams, to approve the purchase of 200 Blue Star Banners from B&H Signs not to exceed \$12,000.00. There were no objections.

(b) Mayor Hammond requested a report of the street overhanging signs to be discussed at a future Meeting.

RCC2 Mayor Pro Tem Kirby reported that

(a) **Citywide LED Review:** At his request, Daniel Iwata, Public Works Operations Division Manager, reviewed the maintenance and status of the City traffic lights.

(b) He agreed with Councilmember Adams regarding the reports of other Councilmembers in other cities that he met at the ICA Conference who they were having serious financial problems.

RCC3 Councilmember Adams reported that:

(a) He had attended the ICA Conference where there were fascinating break out sessions. All of the City Councilmembers he talked to were having such tremendous financial problems and were forced to add taxes and other revenue bearing programs to survive. He congratulated City Staff for doing such a good job and keeping the City financially stable.

RCC4 Councilmember Garcia had no report.

RCC5 Councilmember Lutz had no report.

REPORTS OF STAFF MEMBERS: There were none.

ADMINISTRATIVE REPORTS:

AR-1 Continued from July 1, 2008; Athens Service Rate Adjustments for the Collection of Residential Solid Waste Pursuant to the Exclusive Residential Solid Waste Franchise Agreement, Resolution No. 2008-40

Heather Maloney, Management Analyst II, reviewed the Staff Report.

Athens Services submitted an annual Service Rate Adjustments to the City on March 27, 2008, requesting a standard service rate adjustment to include a fuel price rate increase of 2.29%. Staff verified that the increases would still keep Monrovia's rates the "lowest in San Gabriel Valley." The requested rate adjustments would be effective July 1, 2008. Standard Collection Service included weekly collection of 60 or 90 gallon containers, automated curbside recycling and trash collection, and "unlimited" manual green waste collection. The proposed monthly rate adjustments for 60-gallon service would be increased from \$10.57/month to \$11.41/month, 90-gallon service would be increased from \$13.45/month to \$14.52/month. Athens had requested, and was eligible to receive, an increase for temporary bins and roll-off and a rate increase for all other non-standard collection services. Athens Services had requested a 2.29% rate increase to compensate for "unforeseeable rising fuel costs." Staff recommended that franchise fees increase to \$1.20 for Standard Collection Services, and to \$1.75 For Non-standard Collection Services.

A correction to the error on the schedule entitled "Residential Rates-Non-Standard Collection Services (Multi Family)" for the "Pick up Frequency, New Base" column was noted for the last three calculations for 3, 4, and 5 bins attached to the Staff Report was corrected. There was no fiscal impact to the City's general fund for this rate increase.

Discussion ensued which included a direction to Staff to monitor the fuel prices and report back to the City Council in six months. Cyrus Kemp complimented Ms. Maloney.

It was moved by Councilmember Adams, seconded by Mayor Pro Tem Kirby, to continue to monitor the fuel, and at six months, if there were a downward change, adjust the 2.29% rate for the unforeseeable rising fuel costs and adopt Resolution No. 2008-40. There were no objections.

AR-2 Award of Contracts for the Monrovia Library Project, Bid Group No. 4

City Engineer Douglas Benash reviewed the Staff Report

On July 9, 2008, bids were received and opened by the City Clerk for each of the following bid packages.

Bid Package ML-11, Acoustical Ceilings The bids ranged from \$194,700 00 to \$245,000 00 The apparent low bidder was Elljay Acoustics Inc , in the amount of \$194,700.00, plus Bid Alternate No 1 in the amount of \$33,300 00 for a total contract amount of \$228,000 00 The Engineer's Estimate including the bid alternate was \$226,593.00. Staff confirmed all references and found all documents to be in order

Bid Package ML-12, General Contracting The bids ranged from \$101,000 00 to \$131,900 00 The apparent low bidder was Toby B Hayward Inc , in the amount of \$101,000.00. The Engineer's Estimate was \$53,820 00 Staff confirmed all references and found all documents to be in order.

Bid Package ML-13, Painting The bids ranged from \$72,000 00 to \$169,800.00. The apparent low bidder was Prime Painting Contractors, Inc , in the amount of \$72,000 00 The Engineer's Estimate was \$115,865.00 Staff confirmed all references and found all documents to be in order

Bid Package ML-14, Millwork and Cabinetry The bids ranged from \$345,000.00 to \$1,050,000.00. The apparent low bidder was MAJ International, Inc , in the amount of \$345,000 00 along with a bid of \$54,000 00 for Bid Alternate No 2, for a total contract amount of \$399,000 00. The Engineer's Estimate, including the bid alternate was \$408,004.00 Staff confirmed all references and found all documents to be in order

Bid Package ML-15, Ceramic Tile. The bids ranged from \$46,025.00 to \$59,442. The apparent low bidder was Stoneware Tile, Inc , in the amount of \$46,025.00 The Engineer's Estimate was \$52,580.00 Staff confirmed all references and found all documents to be in order

Bid Package ML-16, General Construction Activities The bids ranged from \$158,731 00 to \$199,178 00 The apparent low bidder was Continental Flooring, Inc , in the amount of \$158,731.00. The Engineer's Estimate was \$259,583.00. Staff confirmed all references and found all documents to be in order

Bid Package ML-17, Book Shelving A single bid from Yamada Enterprises was received in the amount of \$275,000 00 The Engineer's Estimate was \$460,000 00 Staff confirmed all references and found all documents to be in order.

Councilmember Adams noted that the project was one week ahead of schedule and \$2-1/2 million under budget Bernards was commended.

It was moved by Councilmember Adams, seconded by Councilmember Lutz, to approve contracts to Elljay Acoustics, Inc., in the amount of \$194,700.00 plus Bid alternate No. 1 in the amount of \$33,300.00 for a total contract amount of \$228,000.00; Toby B. Hayward, Inc., in the amount of \$101,000.00; Prime Painting Contractors, Inc., in the amount of 72,000.00; MAJ international, Inc. in the amount of \$345,000.00, plus Bid alternate No. 2 in the amount of \$54,000.00 for a total contract amount of \$399,000.00; Stoneware Tile, Inc. in the amount of \$46,025.00; Continental Flooring, Inc., in the amount of \$158,731.00; and Yamada Enterprises in the amount of \$275,000.00, totaling \$1,192,456.00, for the Monrovia Library Construction Bid Group No. 4. There were no objections

AR-3 Approval to Proceed; Issuance of Pension Obligation Bonds; Refinancing of Current Debt

Mark Alvarado, Director of Finance, reviewed the Staff Report

The City's employees were currently enrolled in a defined benefit (DB) retirement program administered by CalPERS. Under DB plans, pension actuaries projected an estimated amount of money that a retirement plan must have on hand in order to meet future retirement obligations. When insufficient funds were available, the pension plan experienced an unfunded liability

Staff identified a unique opportunity to potentially realize significant cost savings by utilizing pension obligation bonds (POB's) to raise money to pay off the unfunded liability in the City's safety retirement plan, which CalPERS projected to be \$13,134,302 as of June 30, 2008 Staff would review different financing options in an effort to achieve maximum savings. Currently, insured taxable POB's were being issued at rates between 6% – 6.5%. Based on an estimate provided by the City's bond financing team, the City could potentially save approximately \$2 million over the next 20 years

It was moved by Councilmember Adams, seconded by Councilmember Garcia, to direct Staff to proceed further with the analysis of issuing pension obligation bonds, and to bring back a recommendation at the next City Council meeting. There were no objections

AR-4 Purchase of Self-contained Breathing Apparatus from L.N. Curtis & Sons in the Amount of \$136,440.02

Fire Chief Chris Donovan reviewed the Staff Report

The Federal Government released new standards for breathing apparatus in December 2007 which created an enhanced level of protection for firefighters in the event of Chemical/Biological/Radiological/Nuclear/Explosive (CBRNE) incidents. The current SCBA used by firefighters did not meet this standard and would be a significant safety consideration in the event of a CBRNE incident.

Given the scope and magnitude of the project, Los Angeles County Internal Service Division (ISD) headed the selection/purchase process. A vendor was selected and LA County ISD had created a purchase agreement and contract in which Monrovia (and all other 30 fire departments in the county) would use to piggyback on for guaranteed pricing and delivery. The cost of the purchase of the new SCBA equipment was \$136,440.02, and \$90,064.00 of the funds would be secured through the Department's portion of the Homeland Security grant. The remaining \$46,376.02 would be taken from an existing firefighter safety equipment fund. It should be noted that the SCBA fund was not used last year in anticipation of the bulk purchase and the cost savings had been applied to this request.

It was moved by Councilmember Adams, seconded by Councilmember Garcia, to approve the purchase of a self contained breathing apparatus from L.N. Curtis & Sons in the amount of \$136,440.02.

**ROLL CALL: Ayes: Councilmembers Adams, Garcia, Lutz, Mayor Pro Tem Kirby, Mayor Hammond
Motion carried: 5-0**

AR-5 City Manager Four-Year Employment Agreement

City Manager Ochoa exited Council Chambers at 10:19 P.M

City Attorney Craig Steele reviewed the Staff Report

Scott Ochoa had served as Monrovia City Manager by the City Council since March 2004 and was currently in the last year of his contract. Both he and the City Council had expressed a mutual interest in extending his employment with the City of Monrovia. A City Council ad hoc sub-committee consisting of Councilman Tom Adams and Councilwoman Mary Ann Lutz met with Mr. Ochoa to explore the possible terms of an extended or new contract. Over a series of meetings and discussions, the City Council sub-committee and City Manager concurred that the most appropriate course of action would be to negotiate a new employment contract that would supersede the existing one.

The proposed employment agreement reflected the following negotiated terms: Term – Four (4) years commencing July 16, 2008 and ending not later than June 30, 2012, Salary – Year 1 salary remained static of at \$181,956.00. In Year 2 (FY 2009-10) and subsequent years, salary shall be increased by the lesser of regional CPI or the net increase in the City's General Fund revenues. This was a marked difference from the current employment agreement, which relied on the traditional total compensation survey, and represented a move toward a performance-based compensation model. Benefits – Similarly, cash benefits shall remain static in Year 1, but shall be increased by fixed amounts in subsequent years of the employment agreement. Bonus – Another significant change reflected in this proposed employment agreement was that in lieu of prescribed salary increases pursuant to the total compensation survey, the City Manager shall be eligible for a performance bonus equal to 15% of his annual salary. It should be noted that there were also provisions to adjust this bonus eligibility up or down, depending on economic conditions faced by the City.

It was the belief of both the Council sub-committee and the City Manager that by holding salary relatively flat (by linking to broader economic indicators CPI/General Fund growth versus the total compensation

survey) and offering greater performance bonus potential, that the City could further integrate the principles of "performance-based" compensation, versus the traditional governmental merit-based system

The Council sub-committee and Staff recommended that the City Council approve the Four-Year Employment Agreement.

PUBLIC INPUT:

Opposed

1 Cyrus Kemp, Monrovia

It was moved by Councilmember Adams, seconded by Councilmember Garcia, to approve the four-year Employment Agreement with City Manager Scott Ochoa.

ROLL CALL:

**Ayes: Councilmembers Adams, Garcia, Lutz, Mayor Pro Tem Kirby,
Mayor Hammond**

Motion carried: 5-0

AR-6 Annual Performance Bonus, City Manager

City Attorney Craig Steele reviewed the Staff Report.

In closed session on April 14 and June 16, 2008, the City Council met and completed the City Manager's annual performance evaluation. Pursuant to the terms of his contract, the City Council had the discretion to reward Mr. Ochoa with a performance bonus of up to 5% of his annual salary. The Brown Act required that compensation decisions such as this one be made in open session, and the City Council requested that this item be placed on the Council's agenda for discussion and possible action.

PUBLIC INPUT:

Opposed

1 Cyrus Kemp, Monrovia

Discussion ensued, including accolades for the City Manager for his successful four-year tenure and last year's performance.

It was moved by Councilmember Adams, seconded by Mayor Pro Tem Kirby, to approve a 5% Performance Bonus for the City Manager.

ROLL CALL:

**Ayes: Councilmembers Adams, Garcia, Lutz, Mayor Pro Tem Kirby,
Mayor Hammond**

Motion carried: 5-0

SCHEDULED MEETINGS

The next Regular Meeting of the Monrovia City Council was scheduled for Tuesday, August 5, 2008, 7:30 P.M., City Council Chambers, 415 South Ivy Avenue, Monrovia, California. The August 19, 2008 was cancelled.

PUBLIC INPUT, CONTINUED, IF NEEDED None

ITEMS PULLED FROM CONSENT CALENDAR, IF NEEDED None

ADJOURNMENT TO CLOSED SESSION: At 10:57 P.M., Mayor Hammond announced that the following items would be discussed in Closed Session, and that the City Council would return to Council Chambers to announce the results.

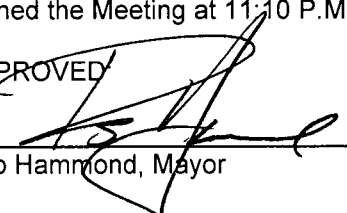
ACS-1 Conference with Labor Negotiator pursuant to Government Code §54957.6; Agency Negotiator: Theresa St. Peter, Group Employees: Fire and Police

RECONVENE AND REPORT OF CLOSED SESSION: At 11:10 P.M., City Attorney Steele reported that there was no reportable action taken on the following item.

RCS-1 Conference with Labor Negotiator pursuant to Government Code §54957.6; Agency Negotiator: Theresa St. Peter, Group Employees: Fire and Police

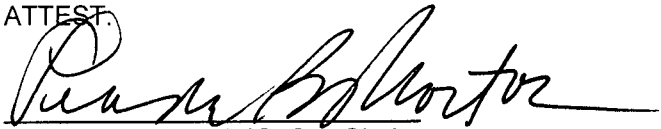
ADJOURNMENT: Mayor Hammond adjourned the Meeting at 11:10 P.M.

APPROVED



Rob Hammond, Mayor

ATTEST



Linda B. Proctor, MMC, City Clerk