

## MINUTES

CITY OF ARTESIA

ARTESIA CITY HALL, ARTESIA COUNCIL CHAMBER  
18747 CLARKDALE AVENUE, ARTESIA, CA 90701

SPECIAL JOINT MEETING OF  
THE ARTESIA CITY COUNCIL AND ARTESIA REDEVELOPMENT AGENCY

ARTESIA CITY COUNCIL CHAMBERS  
18747 CLARKDALE AVENUE  
ARTESIA, CALIFORNIA – (562) 865-6262

MONDAY, JULY 7<sup>TH</sup>, 2008

6:00 P.M.

---

The Special Joint meeting of the Artesia City Council and Redevelopment Agency Board was called to order at 6:11 p.m., Monday, July 7<sup>th</sup>, 2008 in the Artesia City Council Chamber by Mayor/Chairman Flowers. The Invocation was led by Mayor/Chairman Flowers while the Pledge of Allegiance was offered by Mayor Pro Tem/Vice Chairman Lima.

**ROLL CALL- PRESENT:** John C. Martins, Council Member/Board Member  
(Arrived at 6:20 after roll call)  
Larry Nelson, Council Member/Board Member  
Tony Lima, Mayor Pro Tem/Vice Chairman  
Sally Flowers, Mayor/Chairman

**ABSENT:** Council Member/Board Member Manalo

**ALSO PRESENT:** Maria Dadian, City Manager/Executive Director  
Daryl Betancur, City Clerk/Treasurer/Secretary  
D. Craig Fox, Assistant City Attorney  
Justine Menzel, Deputy City Manager/Finance Officer  
Okina Dor, Associate Planner

**PLEDGE OF ALLEGIANCE** – Led by Mayor Pro Tem/Vice Chairman Lima.

**APPROVAL OF AGENDA- APPROVED 4-0**

### **ANNOUNCEMENT REGARDING SPEAKER CARDS**

Anyone wishing to speak to the City Council/Redevelopment Agency should fill out a speaker card and give that card to the City Clerk/Treasurer/Secretary at the staff table prior to the commencement of the meeting. Please observe a time limit of three (3) minutes when giving your presentation.

## **ANNOUNCEMENT REGARDING ASSISTED LISTENING DEVICES**

Anyone who requires audio assistance to listen to these proceedings may request the use of an assisted listening device (ALD) from the City Clerk/Treasurer/Secretary. If you require said device, please come forward to the City Clerk/Treasurer at the staff table for assistance.

## **CITIZEN COMMENTS ON ITEMS NOT ON THE AGENDA**

This time has been set aside for members of the public to address the Councilmembers/Board Members on items that are not already listed on the agenda. Any public comments that cannot be heard within the next 20 minutes will be heard at the end of the meeting.

Mr. Bedford- Mr. Bedford inquired of the City Council to allow him to maintain the height of the existing fence at 8 feet. There was a brief discussion with respect to the height of the wall with Council Member Martins stating that no one in the City has a fence height in excess of 6 feet; that 6 feet is the standard and that in no other city people are allowed to have a fence higher than 6 feet; that structurally it cannot work without having proper engineering and it would have to become a retaining wall; that he can still build up to 6'1/2" as per the variance granted.

### **1. UPDATED DRAFT FISCAL YEAR 2008-2009 BUDGET FOR SECOND STUDY SESSION**

Justine Menzel, Deputy City Manager/Finance Officer presented the staff report indicating that this the second budget study session and with Council's approval, the proposal is to come back three (3) more times this year with updates; that staff has maintained the direction given to them by bringing back a balanced budget while still keeping the current service levels. Ms. Menzel spoke relative to the city's balance fund history; that the city has about \$257,000 thousand in-unfilled positions including the youth mentoring and employment program and that there is also \$800,000 in one time revenues.

Ms. Menzel stated that staff is asking council to evaluate future revenues in the following areas: **1)** user fees; **2)** Transit Occupancy Tax (TOT); **3)** animal control and **4)** business license; that staff has identified an expense that may be eligible for reimbursement by the Redevelopment Agency and that is a property that is now located in the Historical District.

Ms. Menzel asked of the Mayor as to the best way to continue with the presentation with Mayor Flowers stating that there are a few different components: **1)** is whether or not we are going to make changes to create revenue; **2)** there is also the component of one time revenue streams; and **3)** there is also the component of other requests that are not included in here but that we know we are going to spend such as the 50<sup>th</sup> anniversary for example.

There was an extensive discussion regarding the 50<sup>th</sup> anniversary proposal submitted by Avant Garde.

Mayor Flowers recommended to take one component one at a time.

Ms. Menzel, Deputy City Manager/Finance Officer explained the charts which depicted the 2009 forecast revenues and expenditures.

Following Ms. Menzel's presentation, there was an extensive discussion relative to the budget numbers and allocations as well as the transfers that occurred in order to balance the budget. Several questions were asked with respect to the 800,000 deficit, which are monies that we are shifting this year and next year we do not have that to shift and that is a one-time shift.

Mayor Flowers commented that this number is very high and that for next year, the City Council needs to do something because the economic picture overall may be even worse given the economic times and the economic climate.

#### Discussion Summary Points:

- Issues related to revenues
- Ideas about how to generate additional revenue
- Come back and review budget three (3) more times this year to determine where we are
- Filling gap in the budget for next year's budget
- Incorporate savings
- Discussed study by Muni Financial in terms of cost recovery and include utility companies
- Discussed issues related to prop 218 as it relates to developers fees and school fees
- Proposed to review budget in the September/October time frame (end of October)
- Mayor Flowers asked that next year the budget not be done in July and that every year we do not do it on time
- Discussed the use of reserve funds for the past two years, Mayor was not aware neither was Council Member Nelson of such use
- Questions were asked about the old chamber and the funds left over
- Discussed request for additional funding from Ms. the Miss Artesia organization, City Clerk/Treasurer, Parks and Recreation with all requests being denied except with the approval of \$1,800 to replace the refrigerator door in addition to approving \$3,900 for the Miss Artesia organization
- In terms of the 50<sup>th</sup> year anniversary, the City Council recommended to bring this back, look to do it with in-house and with community resources and not hire an outside vendor with City Manager proposing to bring this back as an agenda item while at the same time incorporating the issues discussed tonight by the City Council into the staff report

Motion by Council Member/Board Member Nelson, seconded by Council Member/Board Member Martins to approve the budget with the discussed amendments. Motions carries 4-0 without objection.

Motion carries by the following roll call vote:

AYES: COUNCIL MEMBERS/BOARD MEMBERS: Nelson, Martins, Lima and  
Flowers  
NOES: COUNCIL MEMBERS/BOARD MEMBERS: None  
ABSENT: COUNCIL MEMBERS/BOARD MEMBERS: Manalo  
ABSTAIN: COUNCIL MEMBERS/BOARD MEMBERS: None

**2. CONSIDERATION OF RATE INCREASE REQUEST FOR LEGAL SERVICES RICHARDS, WATSON AND GERSHON (ADDED AFTER AGENDA WAS DISTRIBUTED)**

Craig Fox, Assistant City Attorney of the Law Firm of Richards, Watson and Gershon presented the staff report indicating that in the absence of Mr. Ennis, City Attorney, he is here in case the City Council has questions about the documents presented by Mr. Ennis. Mr. Fox stated that in the last two years since the last adjustment in the rates, there has been about a 6% increase in the CPI (Consumer Price Index) and that is what we are basing our request for an increase on. Further, Mr. Fox explained in detail the issues related to cost and explained each line item as it related to activity of services provided by RWG such as activity in the downtown area related to the issuance of bonds and that there will be substantial projects underway, which is going to require an extraordinary amount of legal services compared to the base line.

There was an extensive discussion relative to the proposal for an increase with members of the City Council, particularly addressing the proposed increases to the legal services line item of the Redevelopment budget.

Mayor Flowers asked staff on their thoughts with respect to the City Attorney's Office request for an increase with Deputy City Manager/Finance Officer Menzel stating that the total annual fiscal impact is about \$23,000 dollars more annually if the City Council takes in consideration the increases proposed.

The discussion continued and it addressed the two consecutive year increases and why these increases are now being requested, in other words, the City is hit with two increases at once; and also it addressed the increases in the retainer fee, which amounts to 6.02%.

Deputy City Attorney, Craig Fox requested that this item be continued to allow City Attorney Ennis the opportunity to address some of the questions that the City Council has, as he is not familiar with the rationale as to why the increase was not asked for last year. Without objection that will be the order to continue until the next regular city council meeting.

**3. UPDATED DRAFT REDEVELOPMENT AGENCY FISCAL YEAR 2008-2009 BUDGET FOR SECOND STUDY SESSION**

Justine Menzel, Deputy City Manager/Finance Officer presented the staff report indicating that this is the second study session to discuss the Redevelopment Agency budget and that the City Manager had spoken to the City Council about putting together a lease program and now we have a proposed agency lease and overhead calculations of \$165,000 that is being carried forward to the City's General Fund for items identified in exhibit B of the staff report. Further, Ms. Menzel discussed, exhibit C, the proposed appropriations for the activities of the Agency; that in summary we have proposed expenditures comprised mostly of administrative and professional type expenses.

The discussion as it relates to this item centered on several key issues including the 30% allocation with Mayor Flowers inquiring as to whether or not this was approved by the California Redevelopment Authority. City Manager/Executive Director Dadian indicated that is not 30% but instead that number is based on a formula that establishes the actual cost that the city is shouldering for the agency and because it includes percentages of staff's time and because the Agency also operates out of this facility is how we were able to use these number and also because 30% of the properties are within the Redevelopment Project Area.

Mayor Flowers inquired as to whether or not we have to do anything for the attorneys as it relates to the Redevelopment Agency budget with Ms. Menzel, Deputy City Manager/Finance Officer indicating that what staff has done is incorporated the increase in activity based, which are or will be triggered by the bond issue and the estimation of activity in terms of costs is estimated at \$30,000. Ms. Dadian interjected and stated that we need to get clarification from the City Attorney as to what component of that (amount) he is referring to the Agency because staff believes that we need to discuss the potential of putting those costs meaning the total costs into the Agency, items which pertain to the Downtown and related activities.

Motion by Council Member/Board Member Nelson to approve as presented. Motion seconded by Council Member/Board Member Martins. Motion carries 4-0 without objection.

Said motion carries by the following roll call vote:

AYES: COUNCIL MEMBERS/BOARD MEMBERS: Nelson, Martins, Lima and  
Flowers  
NOES: COUNCIL MEMBERS/BOARD MEMBERS: None  
ABSENT: COUNCIL MEMBERS/BOARD MEMBERS: Manalo  
ABSTAIN: COUNCIL MEMBERS/BOARD MEMBERS: None

**4. CLOSED SESSION-** Council convened to Closed Session at 8:15 p.m.

**A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**  
(Pursuant to Government Code Section 54957)  
Title of Position: City Clerk/Treasurer

**5. RECESS BACK TO OPEN SESSION-** Council reconvened at 9:20 p.m.

**6. ANNOUNCEMENT OF RESULTS OF CLOSED SESSION- 9:20 p.m.**

Mayor Flowers announced that the City Council had completed the evaluation of the City Clerk/Treasurer and had spoken with the City Clerk/Treasurer and that the evaluation will be given to the Human Resources Manager to be put in the City Clerk/Treasurer's employee file.

**ADDITIONAL CITIZEN COMMENTS ON ITEMS LISTED ON THE AGENDA**

This time is set aside for the public to address the Councilmembers/Boardmembers on any item of interest that are already listed on the agenda that are within the subject matter of jurisdiction of the Councilmembers/Boardmembers and which could not be heard under the citizen comment section at the beginning of the meeting.

There were no additional citizen comments.

**COUNCILMEMBER/BOARDMEMBER COMMENTS**

This is the time for additional general comments, announcements, requests of staff and/or other issues of concern to Councilmembers/Boardmembers that may briefly be presented at this time.

Council Member/Board Member Martins

- Spoke regarding the 4<sup>th</sup> of July celebration and that he was surprised as to how clean the City was after the event
- Stated he will not be here for the August City Council meeting

Council Member/Board Member Nelson

- Announced that there will be a pet adoption clinic on Saturday, July 19<sup>th</sup>, starting at 8:30 a.m. at Artesia Park

Mayor/Chairman Flowers

- Spoke about hazardous waste/round-up(Community Clean-up)
- Made some brief comments about the talent show/recital that took place and that it was very impressive and that perhaps we could have an outdoor talent show to retain people
- Spoke regarding the band that was at the Park BBMax for the 4<sup>th</sup> of July celebration and that it was wonderful to have live music while the fireworks were going on.

**ADJOURNED- 9:32 p.m.**

---

DARYL BETANCUR, CMC  
CITY CLERK/TREASURER